

SUPPLIER CONTACT LIST

Supplier:

Frontiera Produce LTD

Mailing Address:

P.O. Box 2019

Edinburg TX 78541

Main Phone #

956-381-5701

Main Fax #

956-381-1318

Key Contact:

Salesperson
(Title)

Lannie Shafer
(Name)

956-381-5701
(Office Phone)

956-782-2458
(Home Phone)

956-330-9376
(Cell/Pgr)

Alternative Contacts:

Owner
(Title)

Will Steele
(Name)

956-381-5701
(Office Phone)

956-630-0544
(Home Phone)

956-802-9429
(Cell/Pgr)

Owner
(Title)

Jim Steele
(Name)

956-381-5701
(Office Phone)

956-787-7200
(Home Phone)

956-279-3977
(Cell/Pgr)

COO
(Title)

Amy Gates
(Name)

956-381-5701
(Office Phone)

956-994-1599
(Home Phone)

956-239-0453
(Cell/Pgr)

Please return the completed form to:

Ms. Bonni Hoover
The Kroger Co.
1014 Vine Street
Cincinnati, OH 45202

FACILITY SECURITY

The Kroger Co. requires you have a food security program in place for your operation(s). While each facility is unique we expect security procedures to be in place to ensure the finished products delivered to Kroger have been protected from deliberate contamination. Kroger expects the facility food security plan to cover the physical security of the facility, personnel authorized within the facility and operational security measures in place to protect the product from receipt of raw materials to the finished product as delivered to Kroger. Kroger requests a statement of who and how frequently the food security program is reviewed for adequacy at each facility providing Kroger product.

ARTURO HUARACHA
Name

WEEKLY
Frequency

12-12-06
Date

Return this completed form to Kroger by April 30, 2006.

FRONTERA PRODUCE Ltd.
FOOD SECURITY

Food Security

1. Facility is surrounded with fencing and cameras are installed inside and outside property.
2. Access to the facility is controlled by locks and security personnel.
3. Our inbound food product storage area is secured by locks on the cooler doors.
4. All sanitation products are stored in a secure location and only the proper authority has access to them.
5. All packing material is stored in a secure location and only proper authorities have access.

FRONTERA PRODUCE LTD.

Food Security

Food Security

1. All personnel have the option of bringing lunch to work or going outside premises to eat lunch.
2. Frontera Produce does provide employees with a secure storage area for their personal belongings.
3. All personnel working for Frontera Produce is required to attend training and logs are kept of the session along with attendees and topics covered.

2005 Kroger Vendor Performance Survey CONTACT INFORMATION

Basic Corporate Information

Corporate Name:
Corporate Address:

Frontera Produce LTD
1321 Frontera Road
Edinburg TX 78540

Corporate Technical Contact:

Phone No.:

FAX No.:

E-Mail Address:

956-381-5701
956-381-1318
will@fronteraproduce.com

Complaint Letter Contact:
Address:

P.O. Box 2019
Edinburg TX 78541

Emergency Contact with 24 HR Phone Coverage:
Phone Numbers:

956-381-5701 or 956-239-1065

Plants Producing Kroger Products

Provide a listing of all of your manufacturing plants (including any co-packers you are utilizing) providing Kroger labeled products:

	Name of Plant	Location	QC Manager (Name & Phone #)	Kroger Products Produced	Allergens in these products
1.	Same as above				
2.					
3.					
4.					
5.					

Comment [BSH1]: Page: 1
REQUESTED THAT WE ADD \$ FOR
SURVEY CONTACT, ADDRESS,
PHONE, E-MAIL

TRACE RECALL PROGRAM

INTRODUCTION

AUTHORITY

The Food and Drug Administration receives its authority to recall adulterated or misbranded product from sections 301(Prohibited Acts), 402 (Adulterated Food) and 403(Misbranded Food) of the Federal Food Drug and Cosmetic Act.

GUIDELINES

The Food and Drug Administration established voluntary guidelines for conducting product recalls related to all foods in 1979. These guidelines may be found in the Federal register Vol. re. No. 117 - Friday, June 16, 1978, Recall Enforcement Policy. Subsequent amendments to these guidelines may be found in 21CFR7.41 (refer to Appendix A). This is recommended reading for all persons on the product recall team.

DESCRIPTION OF PRODUCT RECALL

1. A product recall is the removal or correction from the channels of distribution and consumption of any product deemed to be potentially hazardous or defective.
2. Market withdrawal of a product is the removal or correction from channels of distribution and consumption of any product where no legal violations have occurred, or only minor violations that under normal circumstances would not be subject to legal action, e.g., normal stock rotation practices, routine equipment adjustments and repairs, etc.
3. Stock recovery is a firm's removal or correction of a product that has not been marketed or that has not left the direct control of the firm. For example, the product is located on the premises owned by, or under the control of, the firm and no portion of that lot have been released for sale or use.

RECALL CLASSIFICATIONS

CLASS I RECALL

An emergency situation in which there is a reasonable probability that the use of, or exposure to, a volatile product will cause serious adverse health consequences or death. Pathogenic organisms such as *Clostridium botulinum* and *Listeria monocytogenes* in the product would be given this classification. Abiotic materials such as leachable lead at 400 parts per billion in the product would also be given this classification. Other pathogenic organisms may also be considered in this classification depending upon the specific situation, amount of product distributed, extent of product consumed, age and health of the individuals exposed, etc.

CLASS II RECALL

A priority situation is the use of, or exposure to, a violative product may cause temporary or medically reversible adverse health consequences. Or when the probability of serious adverse health consequences is remote. For example, pathogenic organisms exclusive of *Clostridium botulinum* or *Listeria monocytogenes* in the product. Other pathogenic organisms, such as *Salmonella*, *Shigella*, *Staphylococcus aureus*, or indicator organisms such as *E. Coli* in the product are candidates for this classification. Again, depending on the specific situation, amount of product distributed, extent of the product consumed, age, and health of the individuals exposed, other pathogenic organisms may also be considered in this classification. Abiotic materials such as leachable lead in this product at 10 parts per billion would be considered in this classification.

CLASS III RECALL

A situation in which the use of, or exposure to a volatile product is not likely to cause adverse health consequences, for example, adulterated or misbranded products that do not involve a health hazard. Identification of a container as having 14 ounces of a product when in reality it contains only 10 ounces of product would fall into this category.

AN UNCLASSIFIED OR VOLUNTARY WITHDRAWAL

Any Unclassified and Voluntary situation of product withdrawal in which no violations are involved, or are of such a minor nature, will not place them under FDA guidelines. Examples may include product quality, packaging, etc.

Real situation interpretation of the Recall Classifications is not always simple or straightforward. The Food and Drug Administration should be contacted when any doubt exists as to the classification of a specific situation.

DEPTH OF RECALL

1. The depth of recall is situation specific. There are many variables to consider, but generally it depends on the degree of the hazard and the extent of the product distribution. Research of this subject suggest the following guidelines:
 - ☐ Class I Recall shall be made to the consumer or user level (if possible), including any intermediate wholesale or retail level.
 - ☐ Class II Recall shall be made to the retail level, including any intermediate wholesale level.
 - ☐ Class III Recalls shall be made to the wholesale level.

2. It becomes clear that the success of a product recall may also hinge upon the ability of distributors, wholesalers and retailers to initiate a sub product recall. It behooves FRONTERA PRODUCE LTD. to audit its own ability, as well as the ability of the other entities in the product chain, to perform this task satisfactorily.

RECALL STATUS REPORTS

1. The information received from the Recall Effectiveness Checks should be reported periodically to the President and other appropriate entities and individuals involved in the recall effort, so that its progress may be assessed.
2. The frequency of such reports will be determined by the relative urgency of the recall and the entities involved in the recall effort.
3. Unless otherwise specified or inappropriate in a given recall case, the status report should contain the following information:
 - ☐ Number of consignees notified of the recall, and the date and method of notification.
 - ☐ Number of consignees responding to the recall communication and the quantity of the product(s) on hand at the time it was received.
 - ☐ Number of consignees who did not respond (the identity of the unresponsive consignees may be requested by the FDA).
 - ☐ Number of products(s) returned or disposed of by each consignees contacted and the quantity of products accounted for.
 - ☐ Number and results of effectiveness checks that were made.
 - ☐ Estimated time frames for completion of the recall. (21CFR7.53, Refer to Appendix A)

2005 Kroger Vendor Performance Survey

CONTACT INFORMATION

Consumer Complaints

Review and analyze your complaints during the calendar year 2005. Describe in detail the problem areas that cause the highest complaint rate and what corrective action will be taken to correct the problem and reduce complaints.

see attached

Food Safety /Sanitation/Program Inspections

Kroger requires a minimum of one third party food safety audit and/or inspection. Provide a listing of all third party audits and/or inspections. This should include Food Safety/Sanitation Inspections as well as Quality Program audits. (An example of this would be an AIB sanitation or Silliker GMP inspection.)

List the inspections, dates, results, and confirm that action was taken to address the deficiencies mentioned by the inspector.

<u>Inspection Conducted By:</u>	<u>Date</u>	<u>Results (Score)</u>	<u>Deficiency Corrected & Date</u>
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Jerry A. Walzel	10-17-2006	98	see attached
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CLOSE WINDOW

Corrective Actions completed

Corrective Actions Response

PrimusLabs.com Sub-Contracted Audit (56595)

Audit ID# 56595
Audit Type: Packinghouse v05.06
Audit Score: 98%
Audit Started: 10/17/2006 09:00
Audit Finished: 10/17/2006 13:00
Auditor Name: Jerry Walzel
Entity List: Customer: Frontera Produce
 Facility: Frontera Produce
Produce List: Cabbage, Cilantro, Avocado, Carrots, Cantaloupe, Chile, Green, Onions, Green, Jicamas, Waterm Pears, Dry Onions, Key Limes

Instructions: Please sign, date and write the respective comments for each severity answer before clicking on You should return this letter to PrimusLabs.com within 10 days of receiving.

In order to make changes to this Corrective Actions report, please [contact us](#)

Severity Level: C - Good Manufacturing Practices

Question 1.3.4 Are rejected or on hold materials clearly identified and separated from other materials?

Answer: Major Deficiency

Auditor Notes: The storage area for on hold or rejected product is well marked. The product in the on hold storage area has no sign attached showing when it was placed there, who placed it there, the name of the product, or the reason the product is being held.

Recommendation: Rejected or on hold materials should be kept separate and identified from other materials to avoid accidental use or shipping. Make sure that the pallet or rejected product is properly marked e.g. date item was placed on hold, reason and name of the person placing the item on hold. A separate area also helps ensure that there are no accidental uses or shipping of on hold materials.

Date & Initials of Corrective Actions: 10-23-06 ah

Corrective Action:

QC WILL BE RESPONSIBLE FOR THIS PROCEDURES.

Severity Level: C - Good Manufacturing Practices

Question 1.4.8 Are hand washing stations adequate in number and location?

Answer: Minor Deficiency

Auditor Notes: There are adequate hand washing stations that are located inside the restrooms only. There are no visual hand washing stations in the facility, as they are all behind the restroom doors.

Recommendation: Enough stations should be provided to ensure efficient staff flow (1 per 10 people on site). Hands free is an optimum system for food establishments.

Date & Initials of Corrective Actions: 10-23-06 ah

Corrective Action:

HAND WASHING STATION WILL BE MOVED TO THE OUTSIDE OF THE RESTROOM UPON NEW CONSTRUCTION.

Severity Level: C - Good Manufacturing Practices

Question 1.5.5 Are all employees wearing outer garments suitable for the operation (e.g. smocks, aprons, sleeves and gloves)?

Answer: Non-Compliance

Auditor Notes: No. There were no outer garments being worn in the packing area.

Recommendation: Smocks and aprons should be worn to cover street clothes that may have contaminants from the outside environment. Gloves and sleeves when properly used (if appropriate) can help reduce transmission of micro-organisms from the arms and hands (gloves do not replace hand washing).

Date & Initials of Corrective Actions: 10-23-06 ah

Corrective Action:

EMPLOYEES WILL WEAR APRONS

Severity Level: C - Food Safety File Requirements

Question 2.4.2 Are there records of regulatory inspections and/or contracted inspections, company responses and corrective actions, if any?

Answer: Minor Deficiency

Auditor Notes: There are no corrections or responses to last year's food safety audit conducted by Primuslabs.com.

Recommendation: It is important to keep these records on file to show that the company fixed deficiencies and it also verifies good practices. Corrective actions should be recorded.

Date & Initials of Corrective Actions: 10-23-06 ah

Corrective Action:

ATTACHED A COPY OF LAST YEARS CONTRACT INSPECTION

Severity Level: C - Food Safety File Requirements

Question 2.4.4 Is there a hand / foot dip station log?

Answer: Non-Compliance

Auditor Notes: No. There is no hand dip station or log as required for product with edible peel.

Recommendation: The log shows that dip sanitizer strengths are being maintained.

Date & Initials of Corrective Actions: 10-23-06 ah

Corrective Action:

THERE WILL BE A HAND DIP STATION FOR EMPLOYEES TO USE SOON

Authorized Representative Signature & Date:

Signature: ARTURO HUARACHA **Date:** 10-23-06

Do you want to edit your Corrective Actions?

Print this Page

CLOSE WINDOW

RECORD KEEPING REGULATIONS

Please confirm you are in compliance with the FDA Final Rule on Record Keeping Regulations as published on December 9, 2004 and procedures are in place that will allow for trace back of all shipments of products provided to The Kroger Co. within the 24 hour time period. Please provide your statement of compliance and identify how frequently the system is test to ensure the correct information will be provided within the timeframe identified in the regulations.

PETE SAUCEDA
Name

Frequently
Frequency

12-12-06
Date

Return this completed form to Kroger by April 30, 2006.

2005 Kroger Vendor Performance Survey

CONTACT INFORMATION

Plant/Process/Program Improvements

Discuss any plant, equipment, process or program improvements made to each of your plants and/or processing lines that produced Kroger products during the calendar year 2005. Explain in detail how these improvements will benefit the quality of product supplied to Kroger in the calendar year 2005.

Product Evaluations

Provide a listing of your products that have been evaluated during the calendar year 2005 against the national brand by a third party. These evaluations can be either audits or sensory panels.

A panel is defined as 1 code of Kroger compared to 1 code of the national brand target by 50 to 75 people. An audit is defined as 3 codes of Kroger and 3 codes of the national brand target audited by 6 to 10 people. Participants should be consumers of the product that are not associated with production or QA of that product. All evaluations shall be done on a blind basis and all products purchased from the store.

Kroger requires a minimum of 50% of formulas sold to Kroger to be evaluated. Therefore, the entire line should be evaluated every 2 years.

<u>Product Evaluated</u>	<u>Date</u>	<u>Target</u>	<u># of Codes</u>	<u>Evaluating Firm/Group</u>	<u>Results</u>
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Provide follow up actions taken on all results that were **NOT** Acceptable.

THE KROGER CO.
STANDARD VENDOR AGREEMENT FOR MERCHANDISE (PRODUCTS)
VERSION JANUARY 2006
SIGNATURE PAGE

The signature set forth below acknowledges Vendor's agreement with and acceptance of the Standard Vendor Agreement for Merchandise (Products)-Version January 2006, comprising pages 2 through 27, inclusive.

Vendor (legal entity name): FRONTERA PRODUCE LTD
Business Entity Type (e.g., Corp., LLC, etc.): L.P.
Vendor Name as Shown on Invoice (DBA): FRONTERA PRODUCE
Vendor Taxpayer Identification Number (EIN/SSN): 74-2674413
Kroger Vendor Number: 047713
Vendor Contact Name: LONNIE SHAFER
Vendor Contact Title: SALES Rep - Customer Rep
Vendor Contact Address: Street / Suite: 1321 FRONTERA Rd
City / St / Zip: EDENBURG, TX 78541
Vendor Contact #s: Phone: 956-381-5701 Fax: 956-381-5706
Cell: 956-330-9376 E-Mail: lonnie@fronteraproduce.com
Vendor Emergency Contact Name: Ken NABAL
Vendor Emergency Contact Title: VP SALES
Vendor Emergency Contact Address: Street / Suite: 1200 S Rogers Cr. Unit 4
City / St / Zip: Boca RATON, FL 33487
Vendor Emergency Contact #s: Phone: 561-241-8087 Fax: 561-241-8365
Cell: 954-543-2902 E-Mail: ken@fronteraproduce.com
Name of Signatory (printed): Amy L. GATES
Signatory Signature: Amy L. Gates
Signatory Title: V.P. Finance & Administration
Date Signed by Signatory: 12-4-07

Please check the appropriate statement below:

- ☐ Vendor has read and agrees to comply with this Agreement.
- ☐ Vendor has read and does not agree to comply with the terms of this Agreement. Vendor's proposed changes are attached to this Signature Page in the form of an addendum. I understand that no addendum or amendment to this Agreement will go into effect until signed by Vendor and an authorized representative of Kroger. Vendor's shipment of Products subsequent to the date of its receipt of this Agreement will be deemed to be acceptance by Vendor of this Agreement, without modification, unless Kroger has executed an addendum attached to this Signature Page.

PLEASE RETURN THIS COMPLETED SIGNATURE PAGE TO KROGER AND RETAIN A COPY FOR YOUR RECORDS.
FAILURE TO CHECK EITHER BOX ABOVE WILL BE DEEMED TO BE ACCEPTANCE BY VENDOR OF THIS
AGREEMENT WITHOUT MODIFICATION.

EXHIBIT D

CERTIFICATION FOR PRICE INCREASE

The undersigned hereby represents to The Kroger Co. and its subsidiaries and affiliates (collectively, "Kroger"), that the pricing reflected in the documentation attached hereto is no greater than the pricing offered to any competitor of Kroger, including Wal-Mart. In the event that lower pricing is offered to any other person or entity, that price and the basis for the lower price is set forth on the attachment hereto.

FRONTERA PRODUCE
Company Name


Signature

12-4-07
Date

Amy L Gates

From: Will Steele [will@fronteraproduce.com]
Sent: 12-04-07 8:30 AM
To: 'Amy L Gates'
Subject: FW: Kroger Standard Vendor Agreement
Attachments: StdVendorAgmt January 2006.pdf

Can you take care of this for me?

From: henry.dill@kroger.com [mailto:henry.dill@kroger.com]

Sent: Dec 03, 2007 4:58 PM

To: bharrison@alharrison.com; amstad@worldnet.att.net; greg@belkfarm.com; molly@basingold.com; glen@greenhouseproduct.net; peter@calpinedistributors.com; rick@calavo.com; basil@christopherranch.com; circlekirk70@aol.com; mfinnie@freshdelmonte.com; newman@eagleeyproduct.com; kpartida@eurofresh.com; bc@fivecrowns.com; franksales@garciafarmsproduce.com; bob@gardikas.com; gregpaulproduce@aol.com; keispuds@aol.com; wally@legacyproduce.com; jim@martproduce.com; jgee@martorifarms.com; tfranco@starband.net; ljmc@pacbell.net; ccarrera@missionpro.com; thie@lovepotatoes.com; mdayers@doublepotatoes.com; davsm@oppy.com; brian@pim4u.com; dougw@dolefresh.com; victor@progressivemarketinggroup.com; byron@rigbyproduce.com; waltesp@aol.com; david@stamoules.com; kevin@sunblestfarms.com; betty@sunglo-idaho.com; pcolin@timcoworldwide.com; CT4Diamond@aol.com; van@unitedmelon.com; markr@vegfresh.com; kevins@wadafarm.com; dean@washingtonlettuce.com; duane@yagibros.com; keber@msn.com; craig@asgproduce.com; agallino@calgiant.com; norm@cwproduce.com; vincent_lopes@na.dole.com; michael.holister@driscolls.com; hamsg@aol.com; bprice@naturipefarms.com; kawa@ix.netcom.com; ebeno@sunrisegrowers.com; chad@tritonfresh.com; dan@wellpict.com; coronamktg@aol.com; jan@gourmettrading.net; isola@growerdirect.net; ltwan@pacbell.net; scott@amsexotics.com; jking@andrew-williamson.com; scieary@apio.com; ande@babefarms.com; jjackson@beachsideproduce.com; rroiz@masterstouch.com; bnakagawa@borgproduce.com; dhobson@boskovichfarms.com; cdean@grimmway.com; chuckm@capurrofarms.com; willem.drost@clubfresh.com; dpdonovan@coastproduce.com; bill@coastlineproduce.com; rcoyle@colorfulharvest.com; coronamktg@aol.com; camaral@darrigo.com; rick.alcocer@duda.com; henry@pim4u.com; Allen_L_Davis@na.dole.com; greg.ek@att.net; rpelkey@frshexpress.com; brian@freshpac.com; jackie.wiggins@friedas.com; gkdist04@aol.com; cathybacciarini@gourmetgarden%com@kroger.com; jan@gourmettrading.net; bvargas@thegiant.com; karin@hollandiaproduce.com; jimmy@veg-land.com; kwille@kraft.com; vance@lasalad.com; mrpack@inreach.com; jay.iveron@mannpacking.com; Sales@mcldproduce.com; shawnab@melissas.com; len@muranakafarm.com; arnyv@ebfarm.com; phayes@newstarfresh.com; tnunes@foxyproduce.com; garys@oceanmist.com; tkaplan@profproduce.com; yoliram@msn.com; fratto@rattobros.com; mcelani@readypack.net; dgiacone@rfff.com; larry@salyeramerican.com; arliss.namba@sanmiguelgreens.com; sanbon2003@sbcglobal.net; tom@stamoules.com; steve@coastlineproduce.com; gespen@earthlink.com; colin@taproduce.com; steve@victoriainland.com; tim.seaton@vitasoy-usa.com; wwprg@wvegpro.com; dlief@westlakeproduce.com; jharley@anthonyvineyards.com; sryan@ballantineproduce.com; tbaloian@baloianfarms.com; jim@beesweetcitrus.com; jeff@chuckolsenco.com; atomic@crownjewelsmarketing.com; mcrumb@freshdelmonte.com; jack@delanofarmsco.com; rossvanyleck@dfgoldrush.com; jwagner@farmersbest.com.mx; gvasquez@fordelinc.com; justin@fowlerpacking.com; mike@fruitpatch.net; johnn@grapeking.com; manspach@grimmway.com; cdevan@grimmway.com; artr@itopack.com; charliehein@kingsburgorchards.com; steve@legacyproduce.com; barry@legendproduce.com; mthurlow@mountainviewfruit.com; tshasarian@nationalraisin.com; tomega1@aol.com; trouse@pomwonderful.com; jburton@peterrabbitfarms.com; mike@pointextermut.com; primav2@attglobal.com; mwat@primetimeproduce.com; frontosa@ips.net; mbozick@mrgrape.com; steve@sandrini.com; barneyevans@sunpacific.com; normanevans@sunriversales.net; jwest@sunkistgrowers.com; charlesalter@sunview.com; dougs@sunwestfruit.com; dmarguleas@sun-world.com; david@trinityfruit.com;

stans@visaliaproduce.com; markb@wawonapacking.com; jim@westsideproduce.com; cawilliams@bolthouse.com; gsmirnov@zsfresh.com; larry@riofresh.com; wilk@frontierproduce.com; lloyd.miller@healdsvalley.com; mike@rioqueencitrus.com; rcrooks@foodsourcebr.com; pbearner@bakerproduce.com; ronny@botsfordgoodfellow.com; scotth@holtzingerfruit.com; jim@calfarmslc.com; waynes@chelanfresh.com; chuck@cmiapples.com; hannahf@crunchpak.com; matt@curryandco.com; johnshaddle@dilettante.com; pmont%superfr@kroger.com; dale.eichacker@stores.kroger.com; bempire@spiritone.com; jess@duckwallpooley.com; craigb@evansfruitco.com; fewelfarms@nwinform.net; rogerortega@charter.net; jweidner@hursts-berry.com; dan@keystonefruit.com; charles.hoctor@lmcompanies.com; marv@mountainlandapples.com; greg@northernfruit.com; roy@nuchief.com; kyle@starranch.com; pat@pacificmarketing.com; dolly@pricepacking.com; petee@rainierfruit.com; johno@sagefruit.com; sales@skagitgrowers.com; bill.young@sternit.com; jsterinofm@aol.com; bill@sweetcloverproduce.com; billy@tft.att.net; scotth@algxmail.com; dale@valleypridesales.com; aeric@washfruit.com; dean@washingtonlettuce.com; tom.fleming@yakimafresh.com

Cc: keith.johnson@kroger.com; harlan.ewert@kroger.com; roger.grams@kroger.com

Subject: Fw: Kroger Standard Vendor Agreement

Henry Dill
Kroger/Wesco
Office: (559) 252-7395
Pager: (559) 872-3802
henry.dill@kroger.com

----- Forwarded by Henry Dill/GROC/WESCOF/KrogerCo on 12/03/2007 02:34 Pdt -----

Keith Johnson/GROC/WESCOF/KrogerCo

To: Henry Dill/GROC/WESCOF/KrogerCo@KrogerCo

cc

12/03/2007 02:16 PM

Subject: Kroger Standard Vendor Agreement

Dear Valued Kroger/Wesco Supplier:

We sent you a e-mail regarding our Vendor Agreement last April.

Reggie Griffin discussed this at our last years Business Review meeting in February.

We have not received a sign Vendor Agreement as of today from your Company

We also asked for a certification or copy of your Liability Insurance and have not received as well.....

In order to continue doing business we need this sent this week.....

The original e-mail is attached below as well as a copy of the Vendor Agreement.

If you have any further question please feel free to call me.

Thanks Keith Johnson

Western Area Manager

----- Forwarded by Keith Johnson/GROC/WESCOF/KrogerCo on 12/03/2007 02:02 PM -----

Cheryl

Weldy

04/17/2007

06:34 AM

To: bharrison@alharrison.com, amstad@worldnet.att.net, greg@balkfarms.com, molly@basingold.com, glen@greenhouseproduct.net, peter@calpinedistributors.com, rick@calavo.com, basil@christopherranch.com, circlekirk70@aol.com, mfinnie@freshdelmonte.com, newman@eagleeyproduct.com, kpartida@eurofresh.com, bc@fivecrowns.com, franksales@garciafarmsproduce.com, bob@gardinas.com, gragpaulproduce@aol.com, ke'spuds@aol.com, wally@legacyproduce.com, jim@martproduce.com, jgee@martorifarms.com, lisenconi@starband.net, jimcdan@pacbell.net, ccarrera@missionpro.com, thia@lovepotatoes.com, mdayers@doublepotatoes.com, davis@bpy.com, brian@pirn4u.com, dougw@dolefresh.com, victor@progressivemarketinggroup.com, byron@righyproduce.com, waltesp@aol.com, david@stamoules.com, kevin@sunblestfarms.com, betty@sunglo-idaho.com, poolin@lincolnworldwide.com, CT4Diamond@aol.com, van@unitedmelon.com, mark@vegfresh.com, kevins@wadafarms.com, dean@washingtonlettuce.com, duane@yagibros.com, keber@msn.com, craig@sagproduce.com, agallinc@calgiant.com, norm@cwproduce.com, vincent_lopes@na.dole.com, michael.holister@driscolls.com,

12/4/2007

hams@acfl.com, bprice@naturipefarms.com, kawa@ix.netcom.com, ebeno@sunrisegrowers.com, chad@tritonfresh.com, dan@wellpict.com, coronamkt@aol.com, jan@gourmettrading.net, isola@growerdirect.net, ltalan@pacbell.net, scott@amsexotics.com, jking@andrew-williamson.com, sdeary@epio.com, ande@babefarms.com, jjackson@beachsideproduce.com, mroiz@masterstouch.com, bnakagawa@borgproduce.com, dhobson@boskovichfarms.com, cdean@grimmway.com, chuckm@capurrofarm.com, willem.drost@clubfresh.com, apdonovan@coastproduce.com, bill@coastlineproduce.com, rcoyle@colorfulharvest.com, coronamkt@aol.com, cameral@carrito.com, rick.alcocer@duda.com, henry@pim4u.com, Allen_L_Davis@na.dole.com, greg.ek@att.net, rpelkey@frshexpress.com, brian@freshpec.com, jackie.wiggins@friesdas.com, gkdist04@aol.com, cathybacciarini@gourmetgarden.com, jan@gourmettrading.net, bvargas@thegiant.com, karin@hollandiaproduce.com, jimmy@veg-land.com, kwills@jraft.com, vance@lasaled.com, mrpack@inreach.com, jay.iversen@mannpacking.com, Sales@mdlproduce.com, shawnab@nelissas.com, len@murakafarm.com, amyv@ebfarm.com, phayes@newstarfresh.com, tnunes@foxyproduce.com, garys@oceanmist.com, tkaplan@profproduce.com, yollram@msn.com, fraito@ratobros.com, mceleni@readypack.net, dglacone@rrif.com, larry@salyeramerican.com, arliss.namba@sanmiguelgreens.com, sanbon2003@sbcglobal.net, tom@stamoules.com, steve@coastlineproduce.com, gespan@earthlink.com, colin@taproduce.com, steve@victoriaisland.com, tim.seaton@vitasoy-usa.com, wvprg@wvegpro.com, dliefier@westlakeproduce.com, jharley@anthonyvineyards.com, sryan@ballantineproduce.com, thalorian@taloianfarms.com, jim@beesweetcitrus.com, jeff@chuckolsen.com, atomic@crowjewelsmarketing.com, mcgrumb@freshdelmonte.com, jack@delanofarmsco.com, rossvanleek@dfgoldrush.com, jwagner@farmersbest.com, gvasquez@fordelinc.com, justin@fowlerpacking.com, mike@fruitpatch.net, johnn@grapeking.com, mar.spach@grimmway.com, cdevan@grimmway.com, artr@ilopack.com, charliehein@kingsburgorchards.com, steve@legentproduce.com, banny@legendproduce.com, mthurlow@mountainviewfruit.com, tshasarian@nationalraisin.com, tfomegs1@aol.com, trouso@pomwonderful.com, jburton@peterrabbitfarms.com, mike@poindeexternut.com, primav2@stglobal.com, nwa@primelineproduce.com, frontosa@ips.net, mbozick@mrgrape.com, steve@sardini.com, barneyevans@sunpacific.com, normanevans@sunnarsales.net, jwest@sunkistgrowers.com, charissalter@sunview.com, dougs@sunwestfruit.com, dmarguleas@sun-world.com, david@trinityfruit.com, stans@visallaproduce.com, markb@wawonapacking.com, jim@westsideproduce.com, cawillams@boilhouse.com, gsmirnov@zsfresh.com, larry@riofresh.com, wili@frontieraproduce.com, lloyd.miller@healdsvalley.com, nika@doquiercitrus.com, rorokis@foodsource1x.com, pbeaner@bakerproduce.com, ronny@botsfordgoodfellow.com, scott@holtzingerfruit.com, jim@calfarmllc.com, waynes@chalanfresh.com, chuck@cmiapples.com, harinah@crunchpak.com, matt@clerryandco.com, johnshaddle@dilettante.com, pmort@superfreshgrowers.com, bempire@spilitone.com, jess@dudkwaip.cooley.com, craigb@evansfruitco.com, fewelfarms@nwinfo.net, rogerortega@charter.net, jweicner@hursts-berry.com, dan@keystonefruit.com, charles.roctor@lmcompanies.com, marv@mountainlandapples.com, greg@northernfruit.com, roy@nuchief.com, kyle@starranch.com, pat@pacificmarketing.com, dolly@pricepacking.com, petee@rainierfruit.com, johnn@sagefruit.com, sales@skagitgrowers.com, bill.young@sternilt.com, jsterinofm@aol.com, bill@sventogrowerproduce.com, billy@ifi.ait.net, scott@algxmail.com,

dale@valleypridesales.com, aeric@washfruit.com, dean@washingtonfruit.com, tom.fleming@yakimafresh.com
cc: Keith.Johnson@GROC/WESCO/KrogerCo@KrogerCo, Barbara.Lauti@GROC/WESCO/KrogerCo@KrogerCo, Dan

Johnson@BAPC/CORP/KrogerCo@KrogerCo

Subject: Kroger Standard Vendor Agreement



April 17, 2007

Dear Valued Kroger/Wesco Supplier:

Re: Standard Vendor Agreement

Recently in our 2007 Vendor Supplier Meeting, we announced that we would be asking all Kroger/Wesco Suppliers to complete a Standard Vendor Agreement in light of the recent food safety issues within our industry. Please read and complete the attached Kroger Standard Vendor Agreement and return back to us by no later than **May 5, 2007**.

Please direct all questions to Keith Johnson in our Fresno, Wesco Office at (559) 252-7503 or via email to keith.johnson@kroger.com.

Please mail a signed copy of the Standard Vendor Agreement to:

Keith Johnson

12/4/2007

Wesco Foods Co.
5118 E. Clinton Way, Suite 101
Fresno, CA 93727-2014

Thanks in advance for your prompt return of the Standard Vendor Agreement.

Sincerely,

Dan Johnson
Director of Produce Procurement
The Kroger Co.
11310 Corneli Park Dr.
Blue Ash, OH 45242

12/4/2007



THE KROGER CO.

5118 East Clinton Way, Suite 101

Fresno, CA 93727-2014

May 09, 2002

Frontera Produce LLC.
Mr. Will Steele
P.O. Box 3567
Edinburg, TX 78540-3567

Dear Will:

Thanks to your efforts, we have collected a total of \$ 7,415.15 toward March of Dimes. Our team of eighteen walkers walked from three to six miles on Saturday, April 20. When you participate in March of Dimes WalkAmerica, you really are a **hero**, because you are helping to find treatment that will save vulnerable and defenseless babies. They need our help! By joining thousands of volunteers across the country, you are donating funds to support lifesaving research and programs. **Thank you** for helping to make sure every baby gets a healthy start in life.

We would like to thank you for your generous donation of \$200.00. We gratefully acknowledge your contribution to help in the successful fight to save babies.

Our Company appreciates your continued support and again, thank you very much for supporting March of Dimes.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "George Grimsley".

George Grimsley

Will,
we took your generous donation to
March of Dimes this week. Our total
now is "7,415.15"! Thank you!
George

**Food 4 Less**

07/09/09

FRONTERA PRODUCE LTD
VENDOR: 031793
REF: 1629 R

ATTN: ROXANNE

We are in the process of conducting a review of our vendor accounts. Accordingly, we are requesting your assistance and cooperation in providing us a current statement of our account showing all open transactions.

Should you not be able to provide an open item statement, please send us a copy of your aged trial balance of our account or any other source that will allow us to review all open items including: invoices, charge backs, allowances, credits, and overpayments. If there is a zero balance on the account(s), please indicate such below.

Since this is an Accounts Payable special project, we have established a separate fax number for all responses. This fax number is:

Fax #: (888) 605-0316
Attn: Cherie Hollingsworth

If a mailed response to this request is necessary, please return the requested information, along with this letter to the address below. Kindly include the name and phone number of the individual we may contact if follow up is needed.

Ralphs/Food 4 Less
Accounts Payable Special Project
2233 South Presidents Drive, Suite F
West Valley City, UT 84120

Should you have any questions, please contact Cherie Hollingsworth 866-331-2706.

Please continue to mail all invoices and regular monthly statements, as usual, to the current address on file.

Sincerely,
Oscar Castillo
Oscar Castillo
Auditor

Vendor Contact:

Name: Roxanne Martinez
Telephone: 956-381-5701
Fax: 956-381-1318
Email: roxanne.martinez@fronteraproduce.com

X Place a (x) to indicate account has a zero (\$0.00) balance --no outstanding invoices, debits, or credits.

THE KROGER CO.
STANDARD VENDOR AGREEMENT FOR MERCHANDISE (PRODUCTS)
VERSION JANUARY 2006
SIGNATURE PAGE

The signature set forth below acknowledges Vendor's agreement with and acceptance of the Standard Vendor Agreement for Merchandise (Products)-Version January 2006, comprising pages 2 through 27, inclusive.

Vendor (legal entity name):	<hr/>		
Business Entity Type (e.g., Corp., LLC, etc.):	<hr/>		
Vendor Name as Shown on Invoice (DBA):	<hr/>		
Vendor Taxpayer Identification Number (EIN/SSN):	<hr/>		
Kroger Vendor Number:	<hr/>		
Vendor Contact Name:	<hr/>		
Vendor Contact Title:	<hr/>		
Vendor Contact Address:	<hr/>		
	<hr/>		
	<hr/>		
Vendor Contact #s:	<i>Phone:</i>	<i>Fax:</i>	
	<hr/>	<hr/>	
	<i>Cell:</i>	<i>E-Mail:</i>	
	<hr/>	<hr/>	
Vendor Emergency Contact Name:	<hr/>		
Vendor Emergency Contact Title:	<hr/>		
Vendor Emergency Contact Address:	<hr/>		
	<hr/>		
	<hr/>		
Vendor Emergency Contact #'s:	<i>Phone:</i>	<i>Fax:</i>	
	<hr/>	<hr/>	
	<i>Cell:</i>	<i>E-Mail:</i>	
	<hr/>	<hr/>	
Name of Signatory (printed):	<hr/>		
Signatory Signature:	<hr/>		
Signatory Title:	<hr/>		
Date Signed by Signatory:	<hr/>		

Please check the appropriate statement below:

- ☐ Vendor has read and agrees to comply with this Agreement.
- ☐ Vendor has read and does not agree to comply with the terms of this Agreement. Vendor's proposed changes are attached to this Signature Page in the form of an addendum. I understand that no addendum or amendment to this Agreement will go into effect until signed by Vendor and an authorized representative of Kroger. Vendor's shipment of Products subsequent to the date of its receipt of this Agreement will be deemed to be acceptance by Vendor of this Agreement, without modification, unless Kroger has executed an addendum attached to this Signature Page.

PLEASE RETURN THIS COMPLETED SIGNATURE PAGE TO KROGER AND RETAIN A COPY FOR YOUR RECORDS.
FAILURE TO CHECK EITHER BOX ABOVE WILL BE DEEMED TO BE ACCEPTANCE BY VENDOR OF THIS
AGREEMENT WITHOUT MODIFICATION.

THE KROGER CO.
STANDARD VENDOR AGREEMENT FOR MERCHANDISE (PRODUCTS)
VERSION JANUARY 2006

This Standard Vendor Agreement for Merchandise (Products)-Version January 2006 (this "**Agreement**") is by and between The Kroger Co., an Ohio corporation, on behalf of itself and its direct and indirect subsidiaries and other affiliates issuing purchase orders hereunder ("**Kroger**") and the vendor designated on the Signature Page ("**Vendor**").

Introduction

Scope

The terms and conditions of this Agreement set forth Kroger's offer and apply to Vendor with respect to Vendor's provision of goods, merchandise and incidental services ("**Products**") to Kroger. Products include food (including perishables and canned goods) ingredients for food, general merchandise, supplies, health and beauty aides, and similar items for Kroger offices, retail stores and manufacturing plants. This Agreement is effective as of the date this Agreement is accepted by Vendor (the "**Effective Date**") and applies to any shipment of Products made by Vendor to Kroger from and after the Effective Date. Kroger's retail, distribution, procurement and manufacturing operations currently are conducted under the names listed on **Schedule 1** attached hereto. This Agreement includes the terms and conditions of all Exhibits.

Execution of Agreement

By its execution of this Agreement, Vendor acknowledges its acceptance of the terms and conditions contained herein and represents and warrants that Vendor's execution and delivery of this Agreement to Kroger has been duly authorized by all necessary corporate or other action on the part of Vendor.

Vendor will promptly deliver an executed original of the signature page of this Agreement signed by a person of authority representing Vendor to its Kroger buyer or other representative ("**Kroger Representative**"), but in no event later than fifteen (15) days after Vendor's receipt of this Agreement. **If Kroger does not receive an executed signature page from Vendor within this timeframe, Vendor's shipment of Products in response to a Kroger purchase order, whether electronically, orally or hard copy generated, constitutes Vendor's unconditional acceptance of this Agreement.**

General Terms and Conditions

Purchase Orders

The legal basis for Kroger's purchase of Products is set forth in its purchase orders ("**Kroger Purchase Order**") and in this Agreement. A Kroger Purchase Order may be transmitted by Electronic Data Interchange ("**EDI**"), GlobalNetXchange ("**GNX**"), other electronic format including facsimile and electronic mail, or in paper format. Additional requirements governing EDI transactions are set forth below in the section captioned "**EDI Transactions**." The legal basis for Kroger's purchase of private label goods is set forth in this Agreement and in the Corporate Brand Addendum to this Agreement.

The terms and conditions applicable to a Kroger Purchase Order (the "**P.O. Terms and Conditions**") are attached as **Exhibit A**. Unless Vendor and Kroger have executed a written amendment to the P.O. Terms and Conditions, the P.O. Terms and Conditions apply to every purchase of Products by Kroger from Vendor. If there is an inconsistency between the terms and conditions contained in this Agreement (including the P.O. Terms and Conditions) and the terms and conditions contained in other documents relating to the business to be conducted between Kroger and Vendor, the terms and conditions of this Agreement (including the P.O. Terms and Conditions) will prevail unless the conflicting document provides otherwise and is signed by both Kroger and Vendor.

Special Circumstances

Vendors that sell private label goods to Kroger or that sell Products based upon the transmittal of Kroger Purchase Orders by EDI may be subject to supplemental contractual requirements. It is the responsibility of each Vendor in these categories to inquire of Kroger what, if any, supplemental requirements may apply to its specific transaction.

Insurance Requirements

Vendor will maintain at all times while providing Products to Kroger, at Vendor's own cost and expense, insurance coverage of the types and in such amounts as described in **Exhibit B** with a company that has an A.M. Best Co. rating of "A-" or better. Products liability and completed operations insurance must provide coverage in respect of claims involving bodily injury or property damage arising out of or in connection with the Products. Vendor may comply with the required "*per occurrence*" limit through a combination of Primary and Excess Liability insurance policies. The insurance must be primary and not excess or contributing with any insurance or self-insurance maintained by Kroger. The insurance coverage required under this Agreement *must* be maintained by each Vendor for a minimum period of two years following any purchase by Kroger or as long as the Products are still held by Kroger for resale or use, whichever is longer.

Vendor will deliver to Kroger, prior to shipping Products, a Certificate of Insurance including "The Kroger Co. and Kroger's affiliates and subsidiaries" as Additional Insured Vendors. Such Additional Insured status may be given by either an Additional Insured Vendors Endorsement or blanket Additional Insured Vendors coverage built into the Vendor's General Liability policy form.

The Certificate of Insurance must identify all self-insured retentions and/or deductibles to the current ISO general liability policy. The Certificate of Insurance must evidence that the stated insurance will not be cancelled (voluntarily or otherwise) without at least thirty (30) days advance written notice to Vendor's Kroger

Representative. In the event of cancellation or expiration of said insurance during the period of time insurance coverage is required under this Agreement, Vendor must provide proof of replacement insurance a minimum of thirty (30) days in advance of the effective date of such cancellation or expiration. Failure to provide such proof of insurance will result in payments being withheld by Kroger until such time as such proof of replacement insurance is received. If payment to Vendor is delayed by Vendor's failure to furnish Kroger with acceptable proof of insurance, Vendor acknowledges that no discount terms previously negotiated with Kroger will be lost, revoked, denied or reduced, and Kroger will continue to enjoy such negotiated discounts to such extent as if payment were made within the time period necessary to obtain them.

Product Recall Policy

In the event of any and all product recalls that are either (i) agreed upon between Vendor and Kroger, or (ii) that are required (either by law or in the commercially reasonable judgment of Kroger) because Kroger has reason to believe the Products are defective, dangerous, incomplete, infringe upon intellectual property rights, or are not in compliance with applicable laws or regulations, the Products will be returned to Vendor at Vendor's expense, or otherwise disposed of as provided for in the Kroger National Reclamation Policy. This expense, unless otherwise agreed in writing between Vendor and Kroger, will be as set forth in attached **Exhibit C** - Division Recall/Withdrawal Charges. The Purchase Order Terms and Conditions continue to apply to Products that have been recalled. Agreed upon returns of slow sellers, overstock, and product recalls that result from defective, dangerous or incomplete merchandise will be returned to Vendor at Vendor's expense. This expense, unless otherwise agreed, will include: 1) a 12% handling fee for product consolidation and 2) incoming and return freight charges. Any exceptions to this policy must be in writing and signed by the Kroger Representative prior to the return.

Price Increase Notification Policy

Vendor must deliver to its Kroger Representative written notice of any proposed price increases, excluding commodity products (e.g., perishable products and live goods), 1) a minimum of ninety (90) days prior to the effective date of such price increase with respect to general merchandise items, and 2) thirty (30) days prior to the effective date of such price increase with respect to all other items. Kroger may establish additional price change notices and other procedures from time to time upon written notice to Vendor. Kroger will not be obligated to pay such price increase for any Products for which Vendor did not timely deliver such written notice. All such notices must be accompanied by a Certification for Price Increase in the form of attached **Exhibit D**.

Price Decrease Notification Policy

Vendor must deliver to its Kroger Representative written notice of any proposed price decreases, excluding those for commodity products (e.g., perishable products, live goods, and some food products), a minimum of thirty (30) days prior to the effective date of such price decrease. Price decreases received without proper notification will be subject to a price support charge.

Accounting Office Policies

Vendor must provide a separate invoice for each Kroger Purchase Order shipped. Each invoice must include the following:

- ☐ Unique invoice number.
- ☐ Valid Kroger Purchase Order number.
- ☐ Vendor name and "remit to address".
- ☐ Complete address to which the product was shipped.

- ☐ Net payment before cash discount.
- ☐ Payment terms.
- ☐ Total shipped quantity and total invoiced quantity.
(Food product: Case count, Non-food product: Eaches).
- ☐ Invoice date on or after the ship date.

Vendor must notify Kroger's Accounts Payable in writing of any change to Vendor's "remit to address." Failure to do so will delay future payments. Notification information for the various Kroger entities is available from the Kroger Representative.

Unless otherwise agreed in writing, terms of payment for the Products ordered will begin on the later of the date the Products ordered were scheduled for delivery and are received at Kroger's designated location and discounts will be calculated on the gross amount.

If Vendor ships Products prior to the date shown on the Kroger Purchase Order, payment will be made based upon the scheduled receiving date, increasing the original terms by the number of days early. All early shipment requests must be in writing and signed by the Kroger Representative.

Vendor must reference a Kroger Purchase Order number and Vendor's invoice number when making inquiries or initiating correspondence.

Kroger will notify Vendor of invoice payment discrepancies by advice messages on check stubs. Separate debit memos will not be issued. The deadline for inquiries regarding advice messages is ninety (90) days following issuance.

Vendor must keep full and detailed accounts for a period of not less than two (2) years or as required by law and exercise such controls as may be necessary for proper financial management with respect to transactions with Kroger. Kroger reserves the right to audit up to two (2) years of Vendor's books and records at any time with respect to Vendor's charges, policies, procedures and transactions with Kroger. Any resulting claims will be immediately deducted with or without prior Vendor approval or notice.

Kroger reserves the right to deduct, set-off or withhold payments determined by Kroger to be due and owing by Vendor, whether determined by Kroger in the course of any audit conducted on behalf of Kroger or otherwise, if Vendor has not made payment within thirty (30) days after the invoice date. Kroger will not be responsible for any late charges, penalties or assessments in connection with the assertion of its rights to deduct, set-off or withhold such amounts.

Vendor promotional offers and allowances will be administered and implemented by Kroger pursuant to Kroger's current guidelines, a copy of which is available from the Kroger Representative.

Vendor will pay to Kroger the amounts set forth in the Noncompliance Fee Schedule attached as **Exhibit E** for any noncompliance with this Agreement. The amounts set forth in Exhibit E are in addition to and not in lieu of Vendor's Indemnification and other obligations under this Agreement.

Confidential Information

Vendor acknowledges that it may from time to time possess Confidential Information that has been created, discovered, developed by or provided to it by or on behalf of

Kroger, which information has commercial value in Kroger's business and which is not in the public domain. As used herein, "**Confidential Information**" means all information (whether oral, observed, or written) that is marked or treated as confidential, restricted, or proprietary by Kroger, including but not limited to customer information, pricing information, product information, employee information, information regarding business planning and operations, and administrative, financial and marketing activities.

Vendor will protect Confidential Information with the same degree of care that it uses in protecting its own confidential information, but not less than reasonable care. Vendor will not, without Kroger's prior written consent, use or disclose any Confidential Information to any person except its authorized employees who require the same in connection with fulfilling Vendor's obligations to Kroger. Vendor will not commercially utilize any Confidential Information without Kroger's express prior written consent.

Notwithstanding the foregoing, Vendor will have no obligation under this Section with respect to any Confidential Information that it can prove is: (i) received from a third party having a bona fide right to such information and not under an obligation of confidentiality; (ii) approved for release in writing by Kroger; (iii) developed independently without reliance on any Confidential Information; (iv) published or becomes generally available through no act or failure to act on the part of Vendor, (v) publicly known through no wrongful act of Vendor, or (vi) required to be disclosed by a court of law, provided Vendor notifies Kroger prior to such disclosure.

Vendor will return all Confidential Information contained in a tangible form upon termination of its relationship with Kroger, or at an earlier time at Kroger's request. Unless otherwise agreed in writing, Vendor shall not make copies of any Confidential Information.

Store Visits, Merchandise Deliveries and Pickup Requirements

Except with respect to Products governed by a Scan Based Trading Agreement, Vendor will comply with the following requirements regarding store visits, deliveries, and pick-ups:

Vendor/Supplier Representative Entering And Exiting Store

Sign in on the Vendor store log located at the Customer Information Desk or Receiving Area.

Check attaché-type case at the Customer Information Desk. If there is a need to use items in the case while in the store, the Vendor/Supplier representative may be requested to open the case for examination prior to entering and leaving the department.

Sign out on the Vendor store log when leaving the store. Open attaché case for inspection by the person in charge when leaving the store.

Vendor Delivering Merchandise

Make all deliveries through designated receiving doors only. The only exceptions are pharmacy merchandise, fine jewelry, bulky garden and building materials, garden live goods and processed film. Request approval of the Receiving Clerk to remove Products from the location. The only exceptions are photo finishing and scan based trading partners.

Unload Products and place in designated receiving area. If load is too large to fit in designated area, the Receiving Clerk will select an alternate staging site.

Enter Products delivered into Kroger's Direct Store Delivery ("DSD") system. Unauthorized items will be refused.

Receiving Clerk will count Products delivered as eaches, verify that Products delivered corresponds with items and quantities listed on the invoice, and compare dollar totals to the invoice.

The invoice for Products received using Kroger's DSD system must agree with or be no higher than the Kroger Purchase Order.

Any Products not counted at time of receipt will be verified by item by store personnel prior to stocking. Vendor will be notified of any adjustments to invoice. (Exception is food.)

Sign Receiving Log. Vendor will receive a copy of Kroger receiving document (where applicable) after Log has been signed.

EDI Transactions

Use of EDI

Maximizing use of Electronic Data Interchange (EDI) is a key priority of Kroger. Cooperative efforts through the use of EDI have resulted in increased accuracy, improved timeliness, and reduced operating expenses. Kroger supports a variety of different EDI Transactions, some of which are mandated through an "EDI Non-Compliance" program. Information relative to available transactions sets, Kroger's requirements, and supply chain programs leveraged through EDI can be found on the Kroger EDI web site: <http://edi.kroger.com> Vendor will comply with Advance Shipment Notification Requirements, as set forth in **Exhibit F**.

Because updates to the site are made on a regular basis, including posting of "Alerts", all Vendors are expected to make site visits regularly. For new Vendors, the site provides valuable information on how to "Get Started" with Kroger. If Vendor does not have an EDI solution, suggestions are offered on the site and we encourage Vendor to contact one of our EDI Business Analysts. A current contact list is provided.

EDI Non-Compliance Program (DC Purchase Orders)

Vendors who accept product orders that require shipment to any Kroger distribution center ("DC") are required to have the ability to receive the issued purchase order via EDI as well as to return the associated invoice via EDI. Vendors not meeting this requirement will be given ninety (90) days to comply. Should Vendor not conduct the transactions via EDI within the ninety (90) days required, a \$150.00 fee will be deducted by Kroger from payment to help offset the cost of manual processing. Acceptance of a Kroger Purchase Order will signify consent to this term of purchase.

Standards

Kroger utilizes the standards of ANSI ASC 12 while following the industry guidelines of UCS, VIC, and Motor. These standards may be changed by Kroger from time to time.

Transmissions

Documents are transmitted electronically to each Vendor through the use of valued added networks and on a limited basis directly to Vendor. Either party may contract with the value-added network of its choice, but thirty (30) days notice must be given to the other party upon any change in the choice of the preferred value-added network. Each party is responsible for value-added network expenses for data sent or picked up from its own mailbox.

Acknowledgments

Vendor will acknowledge the receipt of transactions as facilitated through the 997 Functional Acknowledgment or alternative acknowledgment approved in writing by Kroger. Kroger will monitor these acknowledgments and take appropriate action if the expected acknowledgments have not been received within the time specified by the standard and version being used, or within twenty four (24) hours, whichever is the shorter period.

Transactions sent to Kroger by Vendor will be acknowledged according to the guidelines for standard versions being traded. As the sender, it is Vendor's responsibility to verify that Kroger acknowledges the transmissions sent. It is Vendor's responsibility to take appropriate action if the expected acknowledgments have not been forthcoming within the time specified by the standard and version being used or twenty four (24) hours, whichever is the shorter period.

Garbled Transmissions

If any transmitted document is received in an unintelligible or garbled form, the receiving party must promptly notify the originating party in a reasonable manner.

Termination

Kroger reserves the right to revoke an EDI partnership at any time and to revert to the comparable paper process exchange.

Logistics Requirements

Vendor will comply with the following logistics requirements:

UPC/GTIN Policy

- ☐ All Products sold to Kroger in consumer units for the purpose of resale must have a readable UPC or GTIN ("UPC") barcode affixed to the Product or the Product's "sellable" packing. The exceptions are items that have been declared exempt, such as newspapers, bulk items, produce, etc. All produce sold to Kroger must have a PLU code affixed to the Product. See your Kroger Representative for further clarification.
- ☐ Vendor must adhere to the UCC specifications for the UPC bar code for format, size, color, location and clarity.
- ☐ Bar codes must be clear, legible, scannable and represent the human readable numeric code located beneath the barcode.
- ☐ Vendor must e-mail its Kroger Representative for authorization prior to making substitutions for the Products appearing on the Kroger Purchase Order.
- ☐ Vendor must communicate to its Kroger Representative, in writing, all changes to current UPC numbers, as well as the addition of new numbers, no less than ninety (90) days prior to shipment of Products to Kroger.

- ❑ Vendor covenants that: 1) the UPC on the labels or packaging for all Products will be imprinted in an accurately scannable manner; and, 2) the UPC information will be correctly assigned to the Products. For the breach of either or both of these covenants, Kroger will charge Vendor in accordance with the Non-Compliance Fee Schedule attached as Exhibit E.
 - ❑ As technology changes, Vendor agrees to adhere to any additional labeling or identification requirements that Kroger requires.
-

Product Preparation

Vendor must prepare Products for shipment as specified by the Kroger Purchase Order instructions, I.D.T.A., DOT CRF-49, I.M.D.G. requirements, and in accordance with the Terms and Conditions of the National Motor Freight Classification as it pertains to specifications for packages and the rules portion of the tariff.

- ❑ Apply tickets to product in accordance with the Kroger Purchase Order, including any specific ticketing provisions and cost thereof:
 - Print the correct information on the ticket (e.g., price, SKU, Class, UPC).
 - Place ticket on the correct Products.
 - Place ticket in the correct location on the Products.
 - ❑ Apply hangers as specified by the Kroger Purchase Order:
 - Proper color.
 - Proper size and type.
 - Size indicator properly applied.
 - ❑ Custom pre-pack and package Products as specified by the purchase order:
 - Case quantity and inner pack quantity as specified.
 - Correct number of units.
 - Pre-assorted as specified.
 - Do not ship partial cases.
-

Packing Lists

Vendors are required to prepare packing lists as specified below:

- ❑ Prepare a packing list for each Kroger Purchase Order to include the Kroger Purchase Order number, Vendor style/stock number, UPC, quantity ordered, quantity shipped, and customer address.

Note: Softgoods Products packing lists must also include the UPC/SKU number, color, size and the total quantity shipped by style.
- ❑ Clearly indicate which carton contains the packing list.

Note: If agreed upon, prepare individual store packing lists and a consolidated packing list when shipment is specified for multiple stores. Attach paperwork to the lead carton.

- ☐ Indicate the quantity and cost of pallets if Products are delivered on pallets for which Kroger will be charged.

Case Labeling

Case labeling is required only when UCC-128 carton labels meeting Kroger specifications are not used. Label cases legibly, as required, to include the following information:

- ☐ Kroger name, address and Kroger Purchase Order number.
- ☐ Vendor name and invoice number.
- ☐ Vendor style/stock number (list all styles in mixed cases).
- ☐ Case-pack information by style, size breakdown, color, quantity, and lot code.
- ☐ For Softgoods Products, mark the carton number and the total number of cartons on each carton in multiple carton shipments. (For example: 1 of 26, 2 of 26, etc.).
Note: If Products are one full pallet of the same item (all the same SKU), only one case label per pallet is required.
- ☐ Label hazardous substances in compliance with the Federal Hazardous Substance Labeling Act and transportation method; I.D.T.A., DOT CRF-49, I.M.D.G. as may apply.

Product Packaging

Vendor will comply with all reasonable ergonomic requirements established by Kroger and provided to Vendor, including but not limited to those pertaining to packaging weights, carton dimensions and handhold requirements. Vendor will utilize secure clamshell packaging to better protect high theft Products if requested by Kroger.

Case Packaging

Using advanced automated technology systems, Kroger is changing the way Products are handled within its distribution processes. With these automated systems, pallets are received and inducted into the system in a uniform manner. Subsequently, each case flows through the same standardized processes throughout the system. The system's output is a mixed SKU pallet, ready for delivery to retail stores. Both pallets of Products and case units supplied by Vendor must be able to flow through this system without causing any errors or interruptions to the system process. If errors occur routinely with specific SKUs, packaging or pallet configuration changes may need to be made by Vendor.

Vendor must comply with the pallet, case and slip-sheet/tie-sheet specifications established by Kroger for Products handled by its Case Handling Automation System. A copy of these specifications is available from the Kroger Representative.

Routing and Shipping Instructions

- ☐ Vendor will list all Kroger Purchase Order numbers on the Bill of Lading. (This service may be performed by the carrier on the freight bill.)

- ❑ Mark all cartons and Bills of Lading with *complete* shipping address. Pack, mark and describe shipment on Bill of Lading in accordance with the National Motor Freight classifications, including I.D.T.A., DOT CRF-49, I.M.D.G.
- ❑ Call Kroger's Logistics Department for correct routing instructions on FOB origin shipments when the shipping point will be other than that shown on the Kroger Purchase Order. Any excess charges due to Vendor's failure to do so will be charged to Vendor.
- ❑ Provide Kroger with a contact name, address, and phone number, for each of Vendor's ship points, to receive updates to standard routing instructions.
- ❑ Follow the Kroger Logistics Department standard routing instructions for all collect shipments.
- ❑ Ship Products according to the date specified on the Kroger Purchase Order. Products shipped to arrive before the "due on" date or shipped after the cancel date (without written prior-approval by the Kroger Representative) are considered non-compliant and are subject to a non-compliance base fee charge.
- ❑ Ship Kroger Purchase Orders complete in one departure -- backorders are not allowed unless the Kroger Representative gives prior written approval. Failure to do so will result in a chargeback for shipping costs associated with a backorder.
- ❑ Ship pre-approved backorders prepaid, FOB our dock at FOB Vendor expense plus applicable off invoice amounts.

Kroger covers marine insurance under its open marine policy on FOB origin shipments only. Any added costs caused by Vendor not following Kroger's instructions will be charged to Vendor.

Scheduling, Delivery, Unloading and Pallet Requirements

For prepaid Vendor shipments, a delivery appointment is required prior to pickup by the carrier. Vendor name, Kroger Purchase Order number, delivery address, and pertinent load information is required for appointment and delivery. This includes number of cases, weight, number of pallets/and cube, if available. Load type should be identified (floor stacked, slip sheets, pallets) and delivery appointments should be scheduled a minimum of 48 hours prior to the requested arrival-due date.

To facilitate scheduling of inbound delivery appointments, Vendor and its shippers and carriers must use One Network Enterprise's online web-based scheduling (www.onenetwork.com). Delivery appointments can be scheduled off line at a Kroger scheduling center. Kroger reserves the right to impose a fee for any manual scheduling.

Unloading for any type of shipment (floor stacked, slip sheets, pallets) will be based on Kroger's specifications. Palletized loads must be on 48x40 4-way entry pallets. **CHEP 48x40 block pallets are preferred.** If Products are not shipped on CHEP, or like type pool pallet, ONLY- #1/A GMA quality pallets will be accepted. Kroger reserves the right to refuse Products shipped on pallets that do not meet minimum standards of quality, safety or sanitation. Kroger may require Products to be converted to acceptable pallets at the Vendor's or carrier's expense. **Pallets are considered part of the cost of goods.** Kroger will not participate in pallet exchange programs, or pallet bank programs, unless it has agreed to participate in a written agreement signed by both Kroger and Vendor.

Customer Pickup Fuel Allowance Policy

Vendor must provide Kroger a diesel fuel allowance on all Kroger backhaul shipments in accordance with the Customer Pickup Fuel Allowance Policy, attached as **Exhibit G**.

Returns

Shipping terms for returned Products are FOB Kroger's designated location, freight collect.

General

Salvage Terms

Vendor must sign and return to its Kroger Representative a National Reclamation Agreement. Vendor must update this agreement when major line changes occur, but no less than annually. Current agreements will remain in effect until changed in writing. Vendor will comply with the terms of the Kroger National Reclamation Policy, incorporated herein by reference.

Scanning/Faxing

The parties agree that in the event Vendor returns the signature page of this Agreement via fax or other electronic means, Kroger will be entitled to rely on and enforce that version of the Agreement as if it were an original. Either party may rely on and/or enforce a scanned version of this Agreement as if it were an original.

Notices

Any notices required or permitted by this Agreement must be in writing and sent, in the case of Kroger to the Kroger Representative and in the case of Vendor to the Vendor Contact designated on the signature page of this Agreement. Notices will be deemed given on the date deposited in the mail, if mailed, or received, if delivered in any other manner.

TABLE OF EXHIBITS

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SCHEDULE 1

LIST OF CURRENT KROGER NAMES

Grocery and Mass Merchandise Stores

Kroger
Kroger Marketplace
Baker's Supermarkets
Bell Markets
Cala Foods
City Market
Dillon Stores
Food 4 Less
Foods Co.
Fred Meyer
Fresh Fare
Fry's
Fry's Marketplace
Gerbes
Hilander
Jay C Food Stores
Kessel Food Markets
King Soopers
Owen's
Pay Less
QFC
Ralphs
Smith's
Smith's Marketplace

Convenience Stores

Kwik Shop
Loaf'n Jug
Mini Mart
Quik Stop Markets
Tom Thumb Food Stores
Turkey Hill Minit Markets

Distribution, Procurement And Other Entities

Kroger Group Cooperative, Inc.
Kroger Group, Inc.
Peytons
WESCO
Inter-American Products

Manufacturing Facilities

Grocery: America's Beverage
Bluefield Beverage
Delight Products
Kenlake Foods
Pace Dairy of Indiana
Pace Dairy
Pontiac Foods
Springdale Ice Cream & Beverage
State Avenue
Tara Foods

Bakery: Anderson Bakery
Clackamas Bakery
Columbus Bakery
Country Oven Bakery
Dillons Bakery
Indianapolis Bakery
K B Specialty Foods
King Soopers Bakery
La Habra Bakery
Layton Dough
Ralphs Deli Kitchen

Dairy: Centennial Farms Dairy
Compton Creamery
Crossroad Farms Dairy
Heritage Farms Dairy
Jackson Dairy
Jackson Ice Cream
Layton Dairy
Michigan Dairy
Riverside Creamery
Southern Ice Cream Specialties
Swan Island Dairy
Tamarack Farms Dairy
Tolleson Dairy
Turkey Hill Dairy
Vandervoort Dairy
Westover Dairy
Winchester Farm Dairy

Meat: King Soopers Meat
Sunland Meat
Vernon Meat

EXHIBIT A

KROGER PURCHASE ORDER TERMS AND CONDITIONS

1	<p><u>Purchase Order; Cancellation.</u> These Kroger Purchase Order Terms and Conditions apply to all orders ("Kroger Purchase Orders") of goods, merchandise and incidental services ("Products") by The Kroger Co. and its affiliates (collectively, "Kroger") from Vendor. Kroger reserves the right to cancel a Kroger Purchase Order without penalty by notice to Vendor on or before the given cancellation date and at any time if the completion or delivery date is not met or if prior to such date, Kroger had reason to demand adequate assurance of due performance and such assurance is not forthcoming within ten (10) days after the date of Kroger's demand. If a delivery date or completion date is not specified on the Kroger Purchase Order a reasonable time will be allowed. Kroger may cancel the unreceived portion of a Kroger Purchase Order at any time if delivery of the Products is not timely. If Vendor can fulfill its delivery obligation only by shipping by premium routing, the premium charges will be prepaid by Vendor. If no cancellation date appears on the front of the Kroger Purchase Order, the cancellation date will be a reasonable period of time prior to the shipment of the Products. If Vendor ships the Products before the "ship on" date, after the cancellation date, or after actual cancellation, Kroger may, in the exercise of its sole discretion, refuse the shipment, or Kroger may accept the Products and charge Vendor in accordance with Kroger's Non-Compliance Fee Schedule. Any and all loads created at Vendor's dock must be segregated by individual Kroger Purchase Order.</p>
2	<p><u>Non-Conforming or Unordered Products.</u> Kroger will have no obligation to accept or pay for any unordered Products or Products shipped that do not conform to, or comply with, the terms and conditions of the Kroger Purchase Order or the terms and conditions of any agreement to which these Kroger Purchase Order Terms and Conditions are attached, including shipping and routing instructions and dates of shipment and delivery. If Kroger takes delivery of such nonconforming order, or any part of such an order, Kroger reserves the right to deduct from its payment all actual or reasonable expenses, including but not limited to transportation, inspection, receipt, ticketing, re-ticketing, recall, care and custody of the Products, and notice to Vendor incurred as a result of such non-conformity or non-compliance. If Kroger takes delivery of any unordered or non-complying Products, Kroger may, without notice to Vendor of such fact, ship the unordered or non-complying Products to Vendor at Vendor's cost and expense. Kroger will have no obligation to accept or to pay for any substituted goods or excess shipment of any Products made without Kroger's prior written approval. Vendor will not backorder any Products subject to the Kroger Purchase Order without Kroger's prior written consent. Vendor must pay all shipping costs associated with a backorder. All backorders should receive the best of pricing and terms at either the time of original order or at the time of actual shipment. All terms and conditions of the Kroger Purchase Order apply to any Products on backorder.</p>
3	<p><u>Right of Inspection.</u> Kroger will have the right to inspect the Products and reject any nonconforming Products within sixty (60) days of delivery. This right of inspection, whether exercised or not, will not affect Kroger's right to revoke acceptance or pursue other remedies if defects or nonconformities are discovered at a later date, notwithstanding that any defect or nonconformity could have been discovered upon inspection. Payment by Kroger will not be construed as an acceptance of Products, or as a waiver or limitation of any of Kroger's rights as set forth herein. In no event will Vendor sell or distribute to third parties any Products that contain logos, trade names, trademarks or labels of Kroger, even if rejected by Kroger as nonconforming.</p>
4	<p><u>Shipment Constitutes Acceptance of Agreement.</u> Shipment of Products by Vendor constitutes acceptance of these Kroger Purchase Order Terms and Conditions and the terms and conditions set forth in any agreement to which the Kroger Purchase Order Terms and Conditions are attached, unless Kroger has agreed to a change in writing prior to shipment.</p>
5	<p><u>Retail Pricing.</u> Kroger makes no representation regarding the maintenance of any specific retail price for Products purchased for resale.</p>

- 6 Representations, Warranties and Guarantees. By acceptance of the Kroger Purchase Order, Vendor makes the following representations, warranties and guarantees:
- a. The Products shipped, as of the date of shipment, comply with, and are not adulterated or misbranded within the meaning of, the Federal Food, Drug and Cosmetic Act, as amended, ("FDCA"), including, without limitation, the Food Additives Amendment and any other amendment thereto, and comply with, and are not adulterated or misbranded within the meaning of, any state food and drug law, including but not limited to California Proposition 65; are not articles that may not, pursuant to Sections 404 or 505 of the FDCA, the Federal Hazardous Substances Act ("FHSA"), or otherwise, be introduced into interstate commerce; if meat and poultry products comply with the Federal Meat Inspection Act and the Poultry Products Inspection Act; and comply with all other applicable federal, state and local laws, rules and regulations.
 - b. Each shipment or other delivery of Products is not misbranded or mislabeled under the FHSA or any other law or regulation, has been tested and approved by the Underwriters Laboratory, Inc. and the National Sanitation Foundation (if applicable); will not be an item of wearing apparel or interior furnishing that fails to conform to all applicable Consumer Product Safety Standards and rules issued under the Federal Consumer Product Safety Act; will, if constituting or containing an economic poison as defined in the Federal Insecticide, Fungicide, and Rodenticide Act, be registered pursuant to said Act and comply with all other provisions of such Act (7 U.S.C.A. 135-135K); will conform to the applicable flammability standards under the Federal Flammable Fabrics Act; and meets all applicable Occupational Safety and Health Administration Standards. Vendor warrants that all electric appliances, component parts and wiring purchased shall be listed by the Underwriters Laboratories, Inc. in compliance with applicable electrical codes; that all merchandise purchased containing fabric which is subject to the provisions of the Federal Flammable Fabrics Act shall conform to the provisions of such act; that all merchandise purchased which is subject to the provisions of the applicable state bedding and furniture laws shall conform to the provisions of such laws; and that all textile fiber products furnished shall be properly branded and invoiced in accordance with the Textile Fiber Products Identification Act and all other Federal Statutes applicable to such products.
 - c. The Products, including the packaging, advertising, labels and other materials contained on, with, or relating to the Products, do not infringe any patent, copyright, trademark, trade name or other proprietary interest of Kroger or any third party and comply with the Federal Trade Commission Act and all other applicable laws, rules and regulations.
 - d. The price charged, allowances and services furnished, if any, in connection with the sale of Products to Kroger are not discriminatory and were made available on substantially proportionate terms to other customers of Vendor, and that the prices charged for the Products shipped are the lowest lawful prices available from Vendor.
 - e. The Products and the manufacture, sale, storage, shipping, transportation and billing for the Products, comply with all provisions of applicable law and with all applicable promulgations of governmental authority, both domestic and foreign.
 - f. Vendor is the lawful owner of the Products, has good right to sell same and convey good and merchantable title, and the Products are and will be conveyed free of any and all claims, liens, security interests or other encumbrances.
 - g. The Products are of merchantable quality and of good material and workmanship, are free from contamination or impurity and defects in design and title, and are fit and sufficient for purposes for which goods of that type are ordinarily used, as well as for any purposes Vendor has specified or advertised.
 - h. The Products conform in every respect to applicable specifications, instructions, drawings, data, samples and descriptions.
 - i. The representations, warranties and guarantees contained in this Section 6 run to Kroger, its customers, and its and their successors and assigns. Vendor incorporates by reference and passes on to Kroger and its customers and its and their successors and assigns the benefits of all warranties and guarantees given to Vendor by persons from whom Vendor purchased any of the Products. Kroger's approval of specifications, drawings, samples and/or other descriptions furnished by Vendor does not relieve Vendor of its obligations. The representations, warranties and guarantees set forth in this Section 6 are in addition to all other express, implied or statutory warranties, are continuing in nature, survive Kroger's payment, acceptance, inspection or failure to inspect the Products.

	j. It will in every manner of its business related to the Kroger Purchase Order obey and conform to all applicable laws, rules and regulations, both domestic and foreign.
7	<p><u>Code of Conduct.</u> Vendor warrants that the Products are produced in compliance with all applicable requirements of Sections 6, 7 and 12 of the Fair Labor Standards Act, as amended, and of regulations and orders of the United States Department of Labor issued under Section 14 thereof. Vendor represents and warrants that Vendor and its contractors are not engaged in and will not engage in any labor practice in violation of the laws or regulations of the country of manufacture or assembly of the Products involving unsanitary and/or unsafe labor conditions. If Kroger determines that Vendor or its contractors have failed to comply with the foregoing, Kroger will be entitled to return all Products on hand for full refund, at Vendor's cost, and cancel any unfilled orders at no cost.</p> <p>The following Code of Conduct is an integral part of all Kroger Purchase Orders, the terms of which must be followed by Vendor and its contractors:</p> <ul style="list-style-type: none"> a. Child, indentured, involuntary, or prison labor must not be used or supported. b. Workers may not be exposed to unreasonably hazardous, unsafe, or unhealthy conditions. c. Workers may not be unlawfully discriminated against on the basis of race, color, religion, gender, national origin, age, disability or sexual orientation. d. The workplace must be free from harassment, which includes sexually coercive, threatening, abusive, or exploitive conduct or behavior or harassment because of one's race, color, religion, gender, national origin, age, disability or sexual orientation. e. Workers at all time must be treated fairly, with dignity and respect. f. Wages paid to workers must meet or exceed legal and industry standards. g. All Vendor workers performing work within the United States must be legally eligible for employment in the U.S.A. under the United States Immigration Laws. Vendor must require and review, prior to each non-U.S. citizen employee's assignment, documentation establishing such eligibility for all Vendor workers who perform services for Kroger within the United States. h. Vendor may not engage in any conduct likely, intending, or appearing to improperly influence any Kroger Representatives in the performance of their job responsibilities. Bribes, cash payments, and business gifts and entertainment of more than token value expressly are prohibited. Vendor must refrain from engaging in any conduct that may appear improper or may result in a conflict of interest when viewed from Kroger's point of view. i. Vendor and its contractors must maintain written records evidencing compliance with the provisions of this Code of Conduct and must make those records available to Kroger upon request.
8	<p><u>Customer Returns.</u> If Kroger has purchased Products hereunder for the purpose of resale and Kroger's customers return any of the Products to Kroger due to any actual or alleged defect, or the Products in any way fails to comply with these Kroger Purchase Order Terms and Conditions, Kroger may tender back such Products to Vendor on an F.O.B. origin basis. Vendor will promptly accept such Products, pay all shipping and handling expenses and give full, unconditional credit or cash refund, at Kroger's option, for the cost of the Products to Kroger. Perishable food Products need not be returned in order to obtain full credit.</p>
9	<p><u>Acceptance of Terms.</u> Kroger's offer to purchase is expressly subject to Vendor's acceptance of these Kroger Purchase Order Terms and Conditions and any agreement to which these Kroger Purchase Order Terms and Conditions is attached. Vendor's execution of Kroger's Standard Vendor or other Purchase Agreement (or Vendor's shipment of Products in response to a Kroger Purchase Order) constitutes Vendor's acceptance of these Kroger Purchase Order Terms and Conditions and any</p>

	<p>Agreement to which the Kroger Purchase Order Terms and Conditions is attached, and precludes Vendor's objection to any such terms and conditions and/or Vendor's inclusion of any different or additional items, terms or conditions in any resulting order except as set forth in written amendment referencing these Kroger Purchase Order Terms and signed by both Kroger and Vendor. By accepting a Kroger Purchase Order or by shipping Products in response to a Kroger Purchase Order, Vendor agrees that Kroger is not bound by any other term or condition of Vendor in any written acknowledgment, invoice or otherwise, that is inconsistent with or in addition to the terms and conditions hereof. All sections of the Uniform Commercial Code that expressly or implicitly protect Kroger and are not inconsistent with any term hereunder are hereby incorporated by reference, whether it be construed as an offer or acceptance.</p>
10	<p><u>Payments Subject to Claims/Defenses.</u> All amounts payable to Vendor will be subject to all claims and defenses of Kroger, whether arising from the Kroger Purchase Order or any other transaction. Kroger has the right to set off and deduct against any such amounts all present and future indebtedness of Vendor to Kroger (which includes all of its affiliates). Vendor will be deemed to have accepted each debit amount or vendor chargeback within ninety (90) days following receipt of notice of same, unless Vendor notifies Kroger's Accounts Payable Department (marked "Correspondence") in writing during such period as to why the deduction should not be made and provides sufficient documentation of the reason(s) given.</p>
11	<p><u>Taxes and Other Charges.</u> Unless otherwise agreed in writing, the contract price includes all federal, state and local taxes, tariffs, import duties, commissions and other charges, except taxes Vendor is required by law to collect from Kroger. Such taxes, if any, will be separately stated in Vendor's invoice and will be paid by Kroger unless an exemption is available. Vendor will obtain and pay for any licenses, permits, or inspections by public bodies required in connection with the manufacture, completion, or delivery of the Products.</p>
12	<p><u>Force Majeure.</u> TIME IS OF THE ESSENCE. However, Kroger excuses Vendor from nonperformance or delays in delivery caused by acts of God, unforeseeable occurrences or other force majeure events, but Vendor agrees it is not excused by unexpected difficulty or commercial impracticability of any degree. Kroger may cancel the unreceived portion of a Kroger Purchase Order at any time if delivery of the goods is not timely. If Vendor can fulfill its delivery obligation only by shipping by premium routing, the premium charges shall be prepaid by the Vendor or, if not prepaid, then Kroger reserves the right to issue chargebacks relating to the additional freight costs and administrative costs. Kroger reserves the right to reject any shipment of any order of goods from Vendor and shall have no obligation to pay for the rejected shipment in the event that Kroger's business or operations are discontinued in whole or part by reason of fire, flood, earthquake, war, civil disorder or any other act or event beyond Kroger's reasonable control.</p>
13	<p><u>Indemnification.</u> Vendor will protect, defend, indemnify and hold harmless Kroger, its subsidiaries and affiliates, and its and their directors, officers, employees, agents, contractors, successors and assigns from and against any and all claims and actions (including those in strict liability), demands, liabilities, losses, costs and expenses (including attorney's fees,) including, without limitation, liabilities arising from any actual or alleged injury to or death of any person, damage to any property, and any other damage or loss, by whomsoever suffered, including Vendor's or Kroger's agents or employees, resulting or claimed to result, directly or indirectly, from 1) the Products, including Kroger's purchase, use, shipment, storage, delivery, sale, offering for sale, or other handling of the Products, or 2) Vendor's actual or alleged breach of any of the representations, warranties, guarantees or other terms and conditions contained herein, except if such liability is caused by the sole negligence or willful misconduct of Kroger or its employees. In addition to the foregoing, if any of the Products purchased or any part thereof is alleged or held to constitute infringement, Vendor, at its own expense, will either (i) procure for Kroger, its successors, assigns, and customers the right to continue using such Products, (ii) replace the Products with non-infringing items or (iii) only if options (i) and (ii) are impracticable, refund the purchase price for the Products and pay all related expenses.</p> <p>As to any claim made against Kroger, Vendor expressly waives any insulation from liability or immunity from suit with respect to injuries to Vendor's employees that may be extended to Vendor as a result of any payments made by Vendor to such employees or under any applicable worker's compensation statute or similar law or judicial decision. It is further agreed and affirmed that Vendor will hold harmless Kroger from and against any claims made by any of Vendor's employees, contractors or representatives working in the course and scope of their employment by Vendor or provision of services to Vendor while at any Kroger</p>

	location (the term "location" not being limited to any store, manufacturing plant or distribution center, but encompassing Kroger and all of its affiliates and subsidiaries and their facilities), unless such claim was the sole and proximate result of the gross negligence and/or willful misconduct of Kroger. Further, Kroger will be held harmless from any worker's compensation liens incurred from Vendor's insurance carrier, third party administrator or self-administered, self-insured claims program(s). Vendor acknowledges that this provision is a reasonable request from Kroger and being agreed to by Vendor in order to give Vendor employees, contractors and representatives access to Kroger locations.
14	<p><u>Country of Origin Requirements.</u> Vendor warrants to Kroger that it complies (or prior to the Effective Date will be in full compliance) with all federal, state and local Country of Origin labeling and related requirements, including those required by the U.S. Customs Service, those contained in the Agricultural Marketing Act, as amended by the 2002 Farm Bill, and the implementing regulations (collectively, "Country of Origin Requirements"), and will provide to Kroger all reasonable assistance requested by Kroger and information necessary to enable Kroger to comply with the Country of Origin Requirements as they apply to Vendor's Products. In particular, Vendor will:</p> <ul style="list-style-type: none"> a. label or include with all Products subject to the Country of Origin Requirements ("covered commodities") that are shipped to Kroger all Country of Origin information that Kroger is required to display or maintain with respect to the covered commodities; b. comply with all record keeping and product segregation standards required by the Country of Origin Requirements and by Kroger; and c. provide to Kroger at least once each year the results of an audit of the program used by Vendor to comply with the Country of Origin Requirements performed by the USDA or other third party reasonably acceptable to Kroger. <p>Breach of this warranty with respect to the Country of Origin Requirements will trigger the indemnification obligations of the Kroger Purchase Order Terms and Conditions and in any agreement to which they are attached.</p>
15	<p><u>Title and Risk: Shipment.</u> Unless otherwise indicated on the Kroger Purchase Order, title and risk of loss with respect to the Products will remain with Vendor until the Products have been delivered to and accepted by Kroger, or an agent or consignee duly designated by Kroger, at the location specified on the front hereof. A packing slip must accompany each shipment. If a shipment is to a consignee or agent of Kroger, a copy of the packing slip must be forwarded concurrently to Kroger. If no packing slip is sent, the count or weight reported by Kroger or its agent or consignee will be final and binding upon Vendor with respect to such shipment.</p>
16	<p><u>Mechanic's Liens.</u> Vendor hereby waives its rights to any mechanic's liens or other such liens under any applicable statutes or otherwise for work done on materials furnished in connection with the Products. As a condition to payment, Vendor will, upon Kroger's request, furnish Kroger evidence that all subcontractors or materialmen used by Vendor in connection with completion of the Products have been paid in full and have released all mechanic's liens or other such liens held by such subcontractors or materialmen against the Products. Upon Kroger's request, Vendor will, at its expense, promptly discharge any mechanic's liens or other such liens held by Vendor or its subcontractors or materialmen against the Products or obtain a bond to satisfy such liens. In any event, Vendor will indemnify Kroger against and hold Kroger harmless from any and all costs, expenses, liabilities, and damages, including attorney's fees, that Kroger may incur in connection with or as the result of the existence or discharge of any such liens.</p>
17	<p><u>Supplier Diversity.</u> Kroger is committed to providing meaningful opportunities for minority-owned businesses ("MBE" – minority-owned business enterprises) and women-owned companies ("WBE" – women-owned business enterprises) to be our business partners. Kroger carries out this commitment in many ways, including on-going efforts to identify and track expenditures with MBEs and WBEs. Vendor will supply to Kroger upon Kroger's request MBE and WBE information about Vendor's organization and entities with whom Vendor does business.</p>

18	<p><u>Public Announcements.</u> Vendor will inform and obtain the prior written consent of Kroger prior to making any public announcement, through press releases or otherwise, concerning its relationship with Kroger.</p>
19	<p><u>General Provisions.</u> Any rights or remedies granted to Kroger in any part of the Kroger Purchase Order will not be exclusive of, but will be in addition to, any other rights or remedies that Kroger may have at law or in equity. Vendor may not assign its rights and obligations hereunder without the prior written consent of Kroger, which will be in Kroger's sole discretion. The rights and obligations of the Kroger Purchase Order will inure to the benefit of, and be binding upon the parties hereto and their respective heirs, administrators, executors, personal representatives, successors and permitted assigns. No action, failure of action or delay by either party will constitute a waiver of any of its rights or remedies under the Kroger Purchase Order. Vendor and Kroger are not, and will not be, joint venturers, partners, agents, servants, or employees or fiduciaries of the other, and do not have the power to bind or obligate the other. The waiver of a breach of any provision does not constitute a waiver of a subsequent breach of the same or different provision. The rights and liabilities of the parties under a Kroger Purchase Order are governed in all respects by Ohio law, without reference to or application of its conflicts of law provisions. THE PARTIES HEREBY WAIVE THEIR RIGHT TO A JURY TRIAL OF ANY DISPUTES OR CLAIMS ARISING UNDER THIS AGREEMENT. If Vendor has previously made Kroger an offer with respect to the Products, the Kroger Purchase Order will not operate as an acceptance of Vendor's offer, but rather will be deemed to be a counter-offer. If any of the terms of the Kroger Purchase Order or agreement in which they are incorporated are subsequently or are now illegal, they will be severed without affecting the remaining terms. The section headings are for reference only and will not be considered controlling as to the content and/or interpretation of any section.</p>
20	<p><u>Mandatory Arbitration.</u> Any controversy, claim or dispute of whatever nature arising between the parties arising out of or relating to the Kroger Purchase Order or any agreement in which they are incorporated, or the breach, termination, enforceability, scope, or validity thereof, whether such claim existed prior to or arises on or after the execution date (a "Dispute"), will be resolved by binding arbitration in Hamilton County, Ohio, USA or other location agreed upon by Kroger. The prevailing party in any such action will be entitled to recover all costs, including reasonable attorneys' fees, at trial and on any appeal or petition for review, incurred in enforcing the terms of the Kroger Purchase Order or other agreement including these terms.</p> <p>Neither party will commence an arbitration proceeding pursuant to the provisions set forth below unless that party first gives a written notice (a "Dispute Notice") to the other party setting forth the nature of the Dispute. The parties must attempt in good faith to resolve the Dispute through discussions between the parties' senior management.</p> <ol style="list-style-type: none"> a. If the Dispute has not been resolved through senior management discussions as provided above within sixty (60) days after receipt of the Dispute Notice, or if a party fails to participate in those discussions, then the Dispute will be determined by binding arbitration. The arbitration will be conducted in accordance with such rules as may be agreed upon by the parties, or failing agreement within thirty (30) days after arbitration is demanded, in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA"). The Dispute will be determined by one arbitrator, except that if the Dispute involves an amount in excess of \$1,000,000 (exclusive of interest and costs), three arbitrators will be appointed. b. Persons eligible to serve as arbitrators need not be members of the AAA, but they must have professional credentials demonstrating the ability to handle a matter of the scope and complexity of the Dispute. The arbitrator(s) will base the award on the applicable law and judicial precedent that would apply if the Dispute were decided by a United States District Court Judge, and the arbitrator(s) will have no authority to render an award, which is inconsistent therewith. The award must be in writing and include the findings of fact and conclusions of law upon which it is based. c. Unless the parties agree otherwise, discovery will be limited to an exchange of directly relevant documents. Depositions will not be taken except as needed in lieu of a live appearance or upon mutual agreement of the parties. The arbitrator(s) will resolve any discovery disputes. The arbitrator(s) and counsel of record will have the power of subpoena process as provided by law. The

parties knowingly and voluntarily waive their rights to have any Dispute tried and adjudicated by a judge or a jury.

- d. The arbitration will be governed by the substantive laws of the State of Ohio, without regard to conflicts-of-law rules, and by the arbitration law of the Federal Arbitration Act (Title 9, U.S. Code). Judgment upon the award rendered may be entered in any court having jurisdiction. Notwithstanding the foregoing, upon the application by either party to a court for an order confirming, modifying or vacating the award, the court will have the power to review whether, as a matter of law based on the findings of fact determined by the arbitrator(s), the award should be confirmed, modified, or vacated in order to correct any errors of law made by the arbitrator(s). In order to effectuate such judicial review limited to issues of law, the parties agree (and will stipulate to the court) that the findings of fact made by the arbitrator(s) will be final and binding on the parties and will serve as the facts to be submitted to and relied upon by the court in determining the extent to which the award should be confirmed, modified, or vacated.
- e. Except as otherwise required by law, the parties and the arbitrator(s) agree to keep confidential and not disclose to third parties any information or documents obtained in connection with the arbitration process, including the resolution of the Dispute. If either party fails to proceed with arbitration as provided in the Kroger Purchase Order, or unsuccessfully seeks to stay the arbitration, or fails to comply with the arbitration award, or is unsuccessful in vacating or modifying the award pursuant to a petition or application for judicial review, the other party will be entitled to be awarded costs, including reasonable attorney's fees, paid or incurred in successfully compelling such arbitration or defending against the attempt to stay, vacate or modify such arbitration award and/or successfully defending or enforcing the award.

Each party hereby waives any and all rights it may have to receive exemplary or punitive damages with respect to any claim it may have against the other party, it being agreed that no party will be entitled to receive money damages in excess of its actual compensatory damages, notwithstanding any contrary provision contained in the Kroger Purchase Order or otherwise. Notwithstanding any contrary provisions in this Section, the parties recognize that certain business relationships could give rise to the need for one or more of the parties to seek emergency, provisional or summary relief to repossess and sell or otherwise dispose of goods, equipment and/or fixtures, to prevent the sale or transfer of goods, equipment and/or fixtures, to protect real or personal property from injury, or to obtain possession of real estate and terminate leasehold interests, and for temporary injunctive relief. Immediately following the issuance of any such relief, the parties agree to the stay of any judicial proceedings pending mediation or arbitration of all underlying claims between the parties.

EXHIBIT B

VENDOR INSURANCE REQUIREMENTS

The Kroger Co. and/or Kroger's affiliates and subsidiaries ("Kroger") may require higher insurance coverage limits and/or different coverages for certain product and service providers.

Underwritten by insurance companies rated A- or higher by A.M. Best

Cancellation Days Notice: **Thirty (30) Days**

Additional Insured & Certificate Holder:
"The Kroger Co. and Kroger's affiliates and subsidiaries"

Certificate Holder Address:
The Kroger Co. and Kroger's affiliates and subsidiaries
C/o Aon Certificate Tracking
PO Box 1128
Glenview, IL 60025

Must be shown as additional wording on Certificate: All insurance policies must be "primary & non-contributory"

General Liability

Commercial General Liability	Yes
Occurrence Basis	Yes
Product Liability / Completed Operations	Yes
Additional Insured – Vendors	Yes
Each Occurrence	3,000,000

The following coverages are required if services are provided by Vendor on Kroger premises, or as otherwise required by Kroger:

Auto Liability

Any Auto	Yes
Combined Single Limit	2,000,000

Workers Compensation

Statutory Limits	Yes
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Employers Liability

Each Accident	1,000,000
Disease Policy Limit	1,000,000
Disease Each Employee	1,000,000

Note: a) Required coverage limits can be achieved through a combination of Primary & Excess or Umbrella Liability Insurance; b) As it concerns Auto Liability, a combination of "All Owned Autos, Hired Autos & Non-Owned Autos" OR "Scheduled Autos, Hired Autos & Non-Owned Autos" is acceptable; c) In certain instances, "Claims Made" policies may be acceptable, consult with the Aon Kroger Certificate Administrator to validate exceptions.

FAX your Compliant Certificate to Kroger's Certificate Administrator – Aon CertTracking @ 1-877-772-0374.

For Questions, please contact:

Contact Name:	Contact Title / Company:	Contact Phone:	Contact e-Mail:
Jim Aalberg	VP Corporate Insurance – Kroger	1-503-797-5300	jim.aalberg@kroger.com
Ed Bird	Insurance Analyst – Kroger	1-503-797-3318	edward.bird@kroger.com
Jan Stage	Kroger Certificate Administrator – Aon	1-877-542-6724 (toll free)	janet_stage@ars.aon.com
		1-847-953-5352 (direct)	

Last Revision August 14, 2006

EXHIBIT C

DIVISION RECALL/WITHDRAWAL CHARGES

Vendors of Products removed from sale due to a recall or withdrawal will be charged the total of the following:

1) Delivered Cost of Products	Charge the greater of invoice or replacement cost.
2) Store Handling Cost	Use average clerk rate, including fringes, (x) the total number of hours involved. (Must be documented with accurate records.)
3) Warehouse Handling Cost	Use average warehouse rate, including fringes, (x) the total number of hours involved. (Must be documented with accurate records.)
4) Shipping Cost to Stores	Use cents per cwt. cost for shipping that product category (x) cwt. shipped to stores and also from stores, if Kroger Division is requested to return the products.
5) Actual Freight for Products Returned	Charge the actual freight cost for the products returned
6) Disposal Cost	Charge any identifiable disposal costs.
7) Special Handling Cost	Charge any identifiable special handling costs.
8) Administrative Cost	Class I Recall - \$500 per recall. Class II Recall - \$300 per recall. Class III Recall & Withdrawals - \$200 per recall or withdrawal.

A record of each transaction is necessary for charging the handling and product costs back to Vendor. Any replacement merchandise must be billed to the Operating Division by Vendor as new merchandise. *(Trading merchandise without a charge or credit in the store or in the warehouse is not permissible.)*

A copy of the recall billing costs must be sent to the designated Recall Contact at Kroger's General Office.

EXHIBIT D

CERTIFICATION FOR PRICE INCREASE

The undersigned hereby represents to The Kroger Co. and its subsidiaries and affiliates (collectively, "Kroger"), that the pricing reflected in the documentation attached hereto is no greater than the pricing offered to any competitor of Kroger, including Wal-Mart. In the event that lower pricing is offered to any other person or entity, that price and the basis for the lower price is set forth on the attachment hereto.

Company Name

Signature

Date

EXHIBIT E

STANDARD VENDOR AGREEMENT NON-COMPLIANCE FEE SCHEDULE

Base Fee		
\$ 100.00	Per Incident (Note: The Base Fee is waived when Flat Fees are charged.)	
Hourly Fee		
\$ 45.00	Per hour	
Flat Fee*		
\$ 500.00		ASN Incorrect or Not Provided
\$ 200.00	Per shipment	Case Labeling Errors
\$ 500.00	Per shipment	Case Pack Errors
\$ 500.00		Flat fee for non-conforming and illegible UCC-128 labels
\$ 500.00		Hazardous material improperly labeled
\$ 500.00		Improper Application of Hangers
\$ 1,000.00		Improper or no Hazardous Material shipping papers when required
\$1,000.00	Per item per division	Items discontinued without 60 days written notice
\$ 1,000.00	Plus all extra outbound transportation costs, plus any applicable \$ 250.00 Traffic Department service charge(s)	Late or Incorrect Ad Merchandise
\$ 500.00	Plus all extra inbound and outbound transportation costs, plus any applicable \$ 250.00 Traffic Department Service charge(s)	Merchandise shipped early / late (shipped before ship on extra inbound and date or shipped after cancel date as specified on purchase order, or received early / late before first requested arrival date, or received after requested arrival date)
\$1,000.00	Per item per division	New products not in inventory at distribution center after item availability date
\$ 150.00	Per PO / Invoice	Non-Compliance for EDI Usage
\$ 250.00	Plus extra freight costs	Not following Traffic Department routing instructions (collect shipments), or shipping an order Collect that was Supposed to be prepaid
\$ 250.00	Plus the cost of unloading	Not providing the unloading services on a prepaid shipment
\$ 200.00	Per shipment	Packing List Errors / No Packing List
\$ 100.00	Per pallet, plus extra handling cost	Poor Pallet Quality or Incorrect Pallets
\$1,000.00	Per item per division	Product attributes (e.g. GTIN, case GTIN, case pack, size, item dimensions, description) charged with out 60 days written notice
\$ 1,000.00	Per PO	UPC Violations – General Merchandise procured by Fred Meyer
\$ 5,000.00	Per item / per division	UPC Violations – All Other
\$ 500.00		Unapproved Backorder (approved backorders are only approved if in writing from buyer)

* This may be in addition to an hourly fee and may be administered on a per Kroger Purchase Order basis applicable to multiple Kroger Purchase Order shipments.

Fee Collection

Kroger will deduct the amount due from any outstanding invoice. If there are monies due Kroger that have not been deducted within sixty (60) days, Vendor must pay by check. These amounts are in addition to, and not in lieu of, Vendor's indemnification and other obligations to Kroger. Vendor agrees that all amounts set forth in this fee schedule are reasonable liquidated damages and do not constitute a penalty.

EXHIBIT F

ADVANCE SHIPMENT NOTIFICATION VENDOR REQUIREMENTS

Technical Requirements

1. An 856 EDI transaction must be generated and sent to Kroger. The 856 EDI transaction must comply with Kroger's requirements as listed on edi.kroger.com.
2. The Advance Shipment Notification ("ASN") must be generated when the truck leaves the plant.
3. The EDI process times should occur at least as frequently as the travel time it takes for the truck to get to the warehouse. This will insure that the data transmission will arrive before Products arrive.

Operational Requirements

1. Sample labels must be sent to the Kroger DC for review.
 2. The items' tiers and highs on the ASN should be sent to the Kroger Distribution Center.
- Note: The Tix HI is helpful for ASN set up and review. Negotiable as a requirement on data transfer.*

Physical Requirements

1. One piece of wood or slip-sheet for every load of product is required for ASN receiving.
2. The label must be placed in the upper right hand corner of the pallet.
3. The label must be placed on the outside of the shrink-wrap.
4. The labels should comply with the UCC SSCC-18 Standard (<http://www.uc-council.org>).
5. The label should be temperature sensitive (to prevent smearing in freezing conditions).

Additional Preferred Requirements

1. The SSCC-18 label should have the last six characters at least one inch in height.
2. A single SSCC-18 label should not be placed on mixed pallets (a pallet with two or more items).
3. Usage of wrap around labels is recommended (One label with two SSCC-18 ID's extending from the upper right hand corner of one side to the upper left hand corner of the other).

Please refer to edi.kroger.com for additional details and requirements.

EXHIBIT G

CUSTOMER PICKUP FUEL ALLOWANCE POLICY

Kroger requires all Vendors to provide a 'fair and equitable' market-based Customer Pickup ("CPU") diesel fuel allowance on all Kroger backhaul shipments of Products. This allowance should be applied to each individual Kroger Purchase Order invoice. The total allowance amount will be based on the U.S. Government's weekly Department of Energy's (DOE) National Diesel Fuel Index. Calculation logic is as follows:

- Miles are calculated between origin and delivery location zip codes using PC Miler.
- The Kroger Purchase Order pickup date will be cross-referenced to the U.S. Government's D.O.E. Weekly National Diesel Fuel Index to pinpoint the price of diesel fuel for each individual backhaul shipment.
http://tonto.eia.doe.gov/oog/info/wohdp/diesel_detail_report.asp
- The D.O.E. Weekly Diesel Fuel Index price per gallon is then cross referenced to Kroger's CPU Fuel Index Scale to determine the weekly fuel subsidy per mile.
- Kroger's DOE fuel index scale's 'neutral zone' is \$1.15--\$1.1999. Every +/- \$.05 change in the National DOE Index will equate to +/- \$.01/mile vendor fuel allowance per backhaul shipment. Kroger's scale is uncapped.
- The Kroger Fuel Index Scale will be multiplied by each Kroger Purchase Order's total mileage to determine total \$\$ subsidy applied to each Kroger Purchase Order invoice.

SUPPLIER CONTACT LIST

Supplier:

Frontiera Produce LTD

Mailing Address:

P.O. Box 2019

Edinburg TX 78541

Main Phone #

956-381-5701

Main Fax #

956-381-1318

Key Contact:

Salesperson

Lonnie Shafer

956-381-5701

956-782-2458

956-330-9376

(Cell/Pgr)

(Home Phone)

(Office Phone)

(Name)

(Title)

Alternative Contacts:

Owner

Will Steele

956-381-5701

956-630-0544

956-802-9429

(Cell/Pgr)

(Home Phone)

(Office Phone)

(Name)

(Title)

Owner

Jim Steele

956-381-5701

956-787-7200

956-279-3977

(Cell/Pgr)

(Home Phone)

(Office Phone)

(Name)

(Title)

COO

Amy Gates

956-381-5701

956-994-1599

956-239-0453

(Cell/Pgr)

(Home Phone)

(Office Phone)

(Name)

Please return the completed form to:

Ms. Bonni Hoover
The Kroger Co.
1014 Vine Street
Cincinnati, OH 45202

FACILITY SECURITY

The Kroger Co. requires you have a food security program in place for your operation(s). While each facility is unique we expect security procedures to be in place to ensure the finished products delivered to Kroger have been protected from deliberate contamination. Kroger expects the facility food security plan to cover the physical security of the facility, personnel authorized within the facility and operational security measures in place to protect the product from receipt of raw materials to the finished product as delivered to Kroger. Kroger requests a statement of who and how frequently the food security program is reviewed for adequacy at each facility providing Kroger product.

ARTURO HUARACHA
Name

WEEKLY
Frequency

12-12-06
Date

Return this completed form to Kroger by April 30, 2006.

FRONTERA PRODUCE Ltd.
FOOD SECURITY

Food Security

1. Facility is surrounded with fencing and cameras are installed inside and outside property.
2. Access to the facility is controlled by locks and security personnel.
3. Our inbound food product storage area is secured by locks on the cooler doors.
4. All sanitation products are stored in a secure location and only the proper authority has access to them.
5. All packing material is stored in a secure location and only proper authorities have access.

FRONTERA PRODUCE LTD.

Food Security

Food Security

1. All personnel have the option of bringing lunch to work or going outside premises to eat lunch.
2. Frontera Produce does provide employees with a secure storage area for their personal belongings.
3. All personnel working for Frontera Produce is required to attend training and logs are kept of the session along with attendees and topics covered.

2005 Kroger Vendor Performance Survey CONTACT INFORMATION

Basic Corporate Information

Corporate Name:
Corporate Address:

Frontera Produce LTD
1321 Frontera Road
Edinburg TX 78540

Corporate Technical Contact:

Phone No.:

FAX No.:

E-Mail Address:

956-381-5701
956-381-1318
will@fronteraproduce.com

Complaint Letter Contact:
Address:

P.O. BOX 2019
Edinburg TX 78541

Emergency Contact with 24 HR Phone Coverage:
Phone Numbers:

956-381-5701 or 956-239-1065

Plants Producing Kroger Products

Provide a listing of all of your manufacturing plants (including any co-packers you are utilizing) providing Kroger labeled products:

	Name of Plant	Location	QC Manager (Name & Phone #)	Kroger Products Produced	Allergens in these products
1.	Garne as above				
2.					
3.					
4.					
5.					

Comment [BSH1]: Page: 1
REQUESTED THAT WE ADD \$ FOR
SURVEY CONTACT, ADDRESS,
PHONE, E-MAIL

TRACE RECALL PROGRAM

INTRODUCTION

AUTHORITY

The Food and Drug Administration receives its authority to recall adulterated or misbranded product from sections 301(Prohibited Acts), 402 (Adulterated Food) and 403(Misbranded Food) of the Federal Food Drug and Cosmetic Act.

GUIDELINES

The Food and Drug Administration established voluntary guidelines for conducting product recalls related to all foods in 1979. These guidelines may be found in the Federal register Vol. re. No. 117 - Friday, June 16, 1978, Recall Enforcement Policy. Subsequent amendments to these guidelines may be found in 21CFR7.41 (refer to Appendix A). This is recommended reading for all persons on the product recall team.

DESCRIPTION OF PRODUCT RECALL

1. A product recall is the removal or correction from the channels of distribution and consumption of any product deemed to be potentially hazardous or defective.
2. Market withdrawal of a product is the removal or correction from channels of distribution and consumption of any product where no legal violations have occurred, or only minor violations that under normal circumstances would not be subject to legal action, e.g., normal stock rotation practices, routine equipment adjustments and repairs, etc.
3. Stock recovery is a firm's removal or correction of a product that has not been marketed or that has not left the direct control of the firm. For example, the product is located on the premises owned by, or under the control of, the firm and no portion of that lot have been released for sale or use.

RECALL CLASSIFICATIONS

CLASS I RECALL

An emergency situation in which there is a reasonable probability that the use of, or exposure to, a volatile product will cause serious adverse health consequences or death. Pathogenic organisms such as *Clostridium botulinum* and *Listeria monocytogenes* in the product would be given this classification. Abiotic materials such as leachable lead at 400 parts per billion in the product would also be given this classification. Other pathogenic organisms may also be considered in this classification depending upon the specific situation, amount of product distributed, extent of product consumed, age and health of the individuals exposed, etc.

CLASS II RECALL

A priority situation is the use of, or exposure to, a violative product may cause temporary or medically reversible adverse health consequences. Or when the probability of serious adverse health consequences is remote. For example, pathogenic organisms exclusive of *Clostridium botulinum* or *Listeria monocytogenes* in the product. Other pathogenic organisms, such as *Salmonella*, *Shigella*, *Staphylococcus aureus*, or indicator organisms such as *E. Coli* in the product are candidates for this classification. Again, depending on the specific situation, amount of product distributed, extent of the product consumed, age, and health of the individuals exposed, other pathogenic organisms may also be considered in this classification. Abiotic materials such as leachable lead in this product at 10 parts per billion would be considered in this classification.

CLASS III RECALL

A situation in which the use of, or exposure to a volatile product is not likely to cause adverse health consequences, for example, adulterated or misbranded products that do not involve a health hazard. Identification of a container as having 14 ounces of a product when in reality it contains only 10 ounces of product would fall into this category.

AN UNCLASSIFIED OR VOLUNTARY WITHDRAWAL

Any Unclassified and Voluntary situation of product withdrawal in which no violations are involved, or are of such a minor nature, will not place them under FDA guidelines. Examples may include product quality, packaging, etc.

Real situation interpretation of the Recall Classifications is not always simple or straightforward. The Food and Drug Administration should be contacted when any doubt exists as to the classification of a specific situation.

DEPTH OF RECALL

1. The depth of recall is situation specific. There are many variables to consider, but generally it depends on the degree of the hazard and the extent of the product distribution. Research of this subject suggest the following guidelines:
 - ☐ Class I Recall shall be made to the consumer or user level (if possible), including any intermediate wholesale or retail level.
 - ☐ Class II Recall shall be made to the retail level, including any intermediate wholesale level.
 - ☐ Class III Recalls shall be made to the wholesale level.

2. It becomes clear that the success of a product recall may also hinge upon the ability of distributors, wholesalers and retailers to initiate a sub product recall. It behooves FRONTERA PRODUCE LTD. to audit its own ability, as well as the ability of the other entities in the product chain, to perform this task satisfactorily.

RECALL STATUS REPORTS

1. The information received from the Recall Effectiveness Checks should be reported periodically to the President and other appropriate entities and individuals involved in the recall effort, so that its progress may be assessed.
2. The frequency of such reports will be determined by the relative urgency of the recall and the entities involved in the recall effort.
3. Unless otherwise specified or inappropriate in a given recall case, the status report should contain the following information:
 - ☐ Number of consignees notified of the recall, and the date and method of notification.
 - ☐ Number of consignees responding to the recall communication and the quantity of the product(s) on hand at the time it was received.
 - ☐ Number of consignees who did not respond (the identity of the unresponsive consignees may be requested by the FDA).
 - ☐ Number of products(s) returned or disposed of by each consignees contacted and the quantity of products accounted for.
 - ☐ Number and results of effectiveness checks that were made.
 - ☐ Estimated time frames for completion of the recall. (21CFR7.53, Refer to Appendix A)

2005 Kroger Vendor Performance Survey

CONTACT INFORMATION

Consumer Complaints

Review and analyze your complaints during the calendar year 2005. Describe in detail the problem areas that cause the highest complaint rate and what corrective action will be taken to correct the problem and reduce complaints.

see attached

Food Safety /Sanitation/Program Inspections

Kroger requires a minimum of one third party food safety audit and/or inspection. Provide a listing of all third party audits and/or inspections. This should include Food Safety/Sanitation Inspections as well as Quality Program audits. (An example of this would be an AIB sanitation or Silliker GMP inspection.)

List the inspections, dates, results, and confirm that action was taken to address the deficiencies mentioned by the inspector.

Inspection Conducted By:	Date	Results (Score)	Deficiency Corrected & Date
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Jerry A. Walzel	10-17-2006	98	see attached
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CLOSE WINDOW

Corrective Actions completed

Corrective Actions Response

PrimusLabs.com Sub-Contracted Audit (56595)

Audit ID# 56595
Audit Type: Packinghouse v05.06
Audit Score: 98%
Audit Started: 10/17/2006 09:00
Audit Finished: 10/17/2006 13:00
Auditor Name: Jerry Walzel
Entity List: Customer: Frontera Produce
Facility: Frontera Produce
Produce List: Cabbage, Cilantro, Avocado, Carrots, Cantaloupe, Chile, Green, Onions, Green, Jicamas, Waterm Pears, Dry Onions, Key Limes

Instructions: Please sign, date and write the respective comments for each severity answer before clicking on You should return this letter to PrimusLabs.com within 10 days of receiving.

In order to make changes to this Corrective Actions report, please [contact us](#)

Severity Level: C - Good Manufacturing Practices

Question 1.3.4 Are rejected or on hold materials clearly identified and separated from other materials?

Answer: Major Deficiency

Auditor Notes: The storage area for on hold or rejected product is well marked. The product in the on hold storage area has no sign attached showing when it was placed there, who placed it there, the name of the product, or the reason the product is being held.

Recommendation: Rejected or on hold materials should be kept separate and identified from other materials to avoid accidental use or shipping. Make sure that the pallet or rejected product is properly marked e.g. date item was placed on hold, reason and name of the person placing the item on hold. A separate area also helps ensure that there are no accidental uses or shipping of on hold materials.

Date & Initials of Corrective Actions: 10-23-06 ah

Corrective Action:

QC WILL BE RESPONSIBLE FOR THIS PROCEDURES.

Severity Level: C - Good Manufacturing Practices

Question 1.4.8 Are hand washing stations adequate in number and location?

Answer: Minor Deficiency

Auditor Notes: There are adequate hand washing stations that are located inside the restrooms only. There are no visual hand washing stations in the facility, as they are all behind the restroom doors.

Recommendation: Enough stations should be provided to ensure efficient staff flow (1 per 10 people on site). Hands free is an optimum system for food establishments.

Date & Initials of Corrective Actions: 10-23-06 ah

Corrective Action:

HAND WASHING STATION WILL BE MOVED TO THE OUTSIDE OF THE RESTROOM UPON NEW CONSTRUCTION.

Severity Level: C - Good Manufacturing Practices

Question 1.5.5 Are all employees wearing outer garments suitable for the operation (e.g. smocks, aprons, sleeves and gloves)?

Answer: Non-Compliance

Auditor Notes: No. There were no outer garments being worn in the packing area.

Recommendation: Smocks and aprons should be worn to cover street clothes that may have contaminants from the outside environment. Gloves and sleeves when properly used (if appropriate) can help reduce transmission of micro-organisms from the arms and hands (gloves do not replace hand washing).

Date & Initials of Corrective Actions: 10-23-06 ah

Corrective Action:

EMPLOYEES WILL WEAR APRONS

Severity Level: C - Food Safety File Requirements

Question 2.4.2 Are there records of regulatory inspections and/or contracted inspections, company responses and corrective actions, if any?

Answer: Minor Deficiency

Auditor Notes: There are no corrections or responses to last year's food safety audit conducted by Primuslabs.com.

Recommendation: It is important to keep these records on file to show that the company fixed deficiencies and it also verifies good practices. Corrective actions should be recorded.

Date & Initials of Corrective Actions: 10-23-06 ah

Corrective Action:

ATTACHED A COPY OF LAST YEARS CONTRACT INPECTION

Severity Level: C - Food Safety File Requirements

Question 2.4.4 Is there a hand / foot dip station log?

Answer: Non-Compliance

Auditor Notes: No. There is no hand dip station or log as required for product with edible peel.

Recommendation: The log shows that dip sanitizer strengths are being maintained.

Date & Initials of Corrective Actions: 10-23-06 ah

Corrective Action:

THERE WILL BE A HAND DIP STATION FOR EMPLOYEES TO USE SOON

Authorized Representative Signature & Date:

Signature: ARTURO HUARACHA

Date: 10-23-06

Do you want to edit your Corrective Actions?

Print this Page

CLOSE WINDOW

RECORD KEEPING REGULATIONS

Please confirm you are in compliance with the FDA Final Rule on Record Keeping Regulations as published on December 9, 2004 and procedures are in place that will allow for trace back of all shipments of products provided to The Kroger Co. within the 24 hour time period. Please provide your statement of compliance and identify how frequently the system is test to ensure the correct information will be provided within the timeframe identified in the regulations.

PETE SAUCEDA
Name

Frequently
Frequency

12-12-06
Date

Return this completed form to Kroger by April 30, 2006.

2005 Kroger Vendor Performance Survey

CONTACT INFORMATION

Plant/Process/Program Improvements

Discuss any plant, equipment, process or program improvements made to each of your plants and/or processing lines that produced Kroger products during the calendar year 2005. Explain in detail how these improvements will benefit the quality of product supplied to Kroger in the calendar year 2005.

Product Evaluations

Provide a listing of your products that have been evaluated during the calendar year 2005 against the national brand by a third party. These evaluations can be either audits or sensory panels.

A panel is defined as 1 code of Kroger compared to 1 code of the national brand target by 50 to 75 people. An audit is defined as 3 codes of Kroger and 3 codes of the national brand target audited by 6 to 10 people. Participants should be consumers of the product that are not associated with production or QA of that product. All evaluations shall be done on a blind basis and all products purchased from the store.

Kroger requires a minimum of 50% of formulas sold to Kroger to be evaluated. Therefore, the entire line should be evaluated every 2 years.

<u>Product Evaluated</u>	<u>Date</u>	<u>Target</u>	<u># of Codes</u>	<u>Evaluating Firm/Group</u>	<u>Results</u>
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Provide follow up actions taken on all results that were NOT Acceptable.

THE KROGER CO.
STANDARD VENDOR AGREEMENT FOR MERCHANDISE (PRODUCTS)
VERSION JANUARY 2006
SIGNATURE PAGE

The signature set forth below acknowledges Vendor's agreement with and acceptance of the Standard Vendor Agreement for Merchandise (Products)-Version January 2006, comprising pages 2 through 27, inclusive.

Vendor (legal entity name):	<hr/>		
Business Entity Type (e.g., Corp., LLC, etc.):	<hr/>		
Vendor Name as Shown on Invoice (DBA):	<hr/>		
Vendor Taxpayer Identification Number (EIN/SSN):	<hr/>		
Kroger Vendor Number:	<hr/>		
Vendor Contact Name:	<hr/>		
Vendor Contact Title:	<hr/>		
Vendor Contact Address:	<hr/>		
	<hr/>		
	<hr/>		
Vendor Contact #s:	<i>Phone:</i>	<i>Fax:</i>	
	<i>Cell:</i>	<i>E-Mail:</i>	
Vendor Emergency Contact Name:	<hr/>		
Vendor Emergency Contact Title:	<hr/>		
Vendor Emergency Contact Address:	<hr/>		
	<hr/>		
	<hr/>		
Vendor Emergency Contact #'s:	<i>Phone:</i>	<i>Fax:</i>	
	<i>Cell:</i>	<i>E-Mail:</i>	
Name of Signatory (printed):	<hr/>		
Signatory Signature:	<hr/>		
Signatory Title:	<hr/>		
Date Signed by Signatory:	<hr/>		

Please check the appropriate statement below:

- ☐ Vendor has read and agrees to comply with this Agreement.
- ☐ Vendor has read and does not agree to comply with the terms of this Agreement. Vendor's proposed changes are attached to this Signature Page in the form of an addendum. I understand that no addendum or amendment to this Agreement will go into effect until signed by Vendor and an authorized representative of Kroger. Vendor's shipment of Products subsequent to the date of its receipt of this Agreement will be deemed to be acceptance by Vendor of this Agreement, without modification, unless Kroger has executed an addendum attached to this Signature Page.

PLEASE RETURN THIS COMPLETED SIGNATURE PAGE TO KROGER AND RETAIN A COPY FOR YOUR RECORDS.
FAILURE TO CHECK EITHER BOX ABOVE WILL BE DEEMED TO BE ACCEPTANCE BY VENDOR OF THIS
AGREEMENT WITHOUT MODIFICATION.

THE KROGER CO.
STANDARD VENDOR AGREEMENT FOR MERCHANDISE (PRODUCTS)
VERSION JANUARY 2006

This Standard Vendor Agreement for Merchandise (Products)-Version January 2006 (this “**Agreement**”) is by and between The Kroger Co., an Ohio corporation, on behalf of itself and its direct and indirect subsidiaries and other affiliates issuing purchase orders hereunder (“**Kroger**”) and the vendor designated on the Signature Page (“**Vendor**”).

Introduction

Scope

The terms and conditions of this Agreement set forth Kroger’s offer and apply to Vendor with respect to Vendor’s provision of goods, merchandise and incidental services (“**Products**”) to Kroger. Products include food (including perishables and canned goods) ingredients for food, general merchandise, supplies, health and beauty aides, and similar items for Kroger offices, retail stores and manufacturing plants. This Agreement is effective as of the date this Agreement is accepted by Vendor (the “**Effective Date**”) and applies to any shipment of Products made by Vendor to Kroger from and after the Effective Date. Kroger’s retail, distribution, procurement and manufacturing operations currently are conducted under the names listed on **Schedule 1** attached hereto. This Agreement includes the terms and conditions of all Exhibits.

Execution of Agreement

By its execution of this Agreement, Vendor acknowledges its acceptance of the terms and conditions contained herein and represents and warrants that Vendor’s execution and delivery of this Agreement to Kroger has been duly authorized by all necessary corporate or other action on the part of Vendor.

Vendor will promptly deliver an executed original of the signature page of this Agreement signed by a person of authority representing Vendor to its Kroger buyer or other representative (“**Kroger Representative**”), but in no event later than fifteen (15) days after Vendor’s receipt of this Agreement. **If Kroger does not receive an executed signature page from Vendor within this timeframe, Vendor’s shipment of Products in response to a Kroger purchase order, whether electronically, orally or hard copy generated, constitutes Vendor’s unconditional acceptance of this Agreement.**

General Terms and Conditions

Purchase Orders

The legal basis for Kroger's purchase of Products is set forth in its purchase orders ("**Kroger Purchase Order**") and in this Agreement. A Kroger Purchase Order may be transmitted by Electronic Data Interchange ("**EDI**"), GlobalNetXchange ("**GNX**"), other electronic format including facsimile and electronic mail, or in paper format. Additional requirements governing EDI transactions are set forth below in the section captioned "**EDI Transactions.**" The legal basis for Kroger's purchase of private label goods is set forth in this Agreement and in the Corporate Brand Addendum to this Agreement.

The terms and conditions applicable to a Kroger Purchase Order (the "**P.O. Terms and Conditions**") are attached as **Exhibit A**. Unless Vendor and Kroger have executed a written amendment to the P.O. Terms and Conditions, the P.O. Terms and Conditions apply to every purchase of Products by Kroger from Vendor. If there is an inconsistency between the terms and conditions contained in this Agreement (including the P.O. Terms and Conditions) and the terms and conditions contained in other documents relating to the business to be conducted between Kroger and Vendor, the terms and conditions of this Agreement (including the P.O. Terms and Conditions) will prevail unless the conflicting document provides otherwise and is signed by both Kroger and Vendor.

Special Circumstances

Vendors that sell private label goods to Kroger or that sell Products based upon the transmittal of Kroger Purchase Orders by EDI may be subject to supplemental contractual requirements. It is the responsibility of each Vendor in these categories to inquire of Kroger what, if any, supplemental requirements may apply to its specific transaction.

Insurance Requirements

Vendor will maintain at all times while providing Products to Kroger, at Vendor's own cost and expense, insurance coverage of the types and in such amounts as described in **Exhibit B** with a company that has an A.M. Best Co. rating of "A-" or better. Products liability and completed operations insurance must provide coverage in respect of claims involving bodily injury or property damage arising out of or in connection with the Products. Vendor may comply with the required "*per occurrence*" limit through a combination of Primary and Excess Liability insurance policies. The insurance must be primary and not excess or contributing with any insurance or self-insurance maintained by Kroger. The insurance coverage required under this Agreement *must* be maintained by each Vendor for a minimum period of two years following any purchase by Kroger or as long as the Products are still held by Kroger for resale or use, whichever is longer.

Vendor will deliver to Kroger, prior to shipping Products, a Certificate of Insurance including "The Kroger Co. and Kroger's affiliates and subsidiaries" as Additional Insured Vendors. Such Additional Insured status may be given by either an Additional Insured Vendors Endorsement or blanket Additional Insured Vendors coverage built into the Vendor's General Liability policy form.

The Certificate of Insurance must identify all self-insured retentions and/or deductibles to the current ISO general liability policy. The Certificate of Insurance must evidence that the stated insurance will not be cancelled (voluntarily or otherwise) without at least thirty (30) days advance written notice to Vendor's Kroger

Representative. In the event of cancellation or expiration of said insurance during the period of time insurance coverage is required under this Agreement, Vendor must provide proof of replacement insurance a minimum of thirty (30) days in advance of the effective date of such cancellation or expiration. Failure to provide such proof of insurance will result in payments being withheld by Kroger until such time as such proof of replacement insurance is received. If payment to Vendor is delayed by Vendor's failure to furnish Kroger with acceptable proof of insurance, Vendor acknowledges that no discount terms previously negotiated with Kroger will be lost, revoked, denied or reduced, and Kroger will continue to enjoy such negotiated discounts to such extent as if payment were made within the time period necessary to obtain them.

Product Recall Policy

In the event of any and all product recalls that are either (i) agreed upon between Vendor and Kroger, or (ii) that are required (either by law or in the commercially reasonable judgment of Kroger) because Kroger has reason to believe the Products are defective, dangerous, incomplete, infringe upon intellectual property rights, or are not in compliance with applicable laws or regulations, the Products will be returned to Vendor at Vendor's expense, or otherwise disposed of as provided for in the Kroger National Reclamation Policy. This expense, unless otherwise agreed in writing between Vendor and Kroger, will be as set forth in attached **Exhibit C - Division Recall/Withdrawal Charges**. The Purchase Order Terms and Conditions continue to apply to Products that have been recalled. Agreed upon returns of slow sellers, overstock, and product recalls that result from defective, dangerous or incomplete merchandise will be returned to Vendor at Vendor's expense. This expense, unless otherwise agreed, will include: 1) a 12% handling fee for product consolidation and 2) incoming and return freight charges. Any exceptions to this policy must be in writing and signed by the Kroger Representative prior to the return.

Price Increase Notification Policy

Vendor must deliver to its Kroger Representative written notice of any proposed price increases, excluding commodity products (e.g., perishable products and live goods), 1) a minimum of ninety (90) days prior to the effective date of such price increase with respect to general merchandise items, and 2) thirty (30) days prior to the effective date of such price increase with respect to all other items. Kroger may establish additional price change notices and other procedures from time to time upon written notice to Vendor. Kroger will not be obligated to pay such price increase for any Products for which Vendor did not timely deliver such written notice. All such notices must be accompanied by a Certification for Price Increase in the form of attached **Exhibit D**.

Price Decrease Notification Policy

Vendor must deliver to its Kroger Representative written notice of any proposed price decreases, excluding those for commodity products (e.g., perishable products, live goods, and some food products), a minimum of thirty (30) days prior to the effective date of such price decrease. Price decreases received without proper notification will be subject to a price support charge.

Accounting Office Policies

Vendor must provide a separate invoice for each Kroger Purchase Order shipped. Each invoice must include the following:

- ☐ Unique invoice number.
- ☐ Valid Kroger Purchase Order number.
- ☐ Vendor name and "remit to address".
- ☐ Complete address to which the product was shipped.

- ☐ Net payment before cash discount.
- ☐ Payment terms.
- ☐ Total shipped quantity and total invoiced quantity.
(Food product: Case count, Non-food product: Eaches).
- ☐ Invoice date on or after the ship date.

Vendor must notify Kroger's Accounts Payable in writing of any change to Vendor's "remit to address." Failure to do so will delay future payments. Notification information for the various Kroger entities is available from the Kroger Representative.

Unless otherwise agreed in writing, terms of payment for the Products ordered will begin on the later of the date the Products ordered were scheduled for delivery and are received at Kroger's designated location and discounts will be calculated on the gross amount.

If Vendor ships Products prior to the date shown on the Kroger Purchase Order, payment will be made based upon the scheduled receiving date, increasing the original terms by the number of days early. All early shipment requests must be in writing and signed by the Kroger Representative.

Vendor must reference a Kroger Purchase Order number and Vendor's invoice number when making inquiries or initiating correspondence.

Kroger will notify Vendor of invoice payment discrepancies by advice messages on check stubs. Separate debit memos will not be issued. The deadline for inquiries regarding advice messages is ninety (90) days following issuance.

Vendor must keep full and detailed accounts for a period of not less than two (2) years or as required by law and exercise such controls as may be necessary for proper financial management with respect to transactions with Kroger. Kroger reserves the right to audit up to two (2) years of Vendor's books and records at any time with respect to Vendor's charges, policies, procedures and transactions with Kroger. Any resulting claims will be immediately deducted with or without prior Vendor approval or notice.

Kroger reserves the right to deduct, set-off or withhold payments determined by Kroger to be due and owing by Vendor, whether determined by Kroger in the course of any audit conducted on behalf of Kroger or otherwise, if Vendor has not made payment within thirty (30) days after the invoice date. Kroger will not be responsible for any late charges, penalties or assessments in connection with the assertion of its rights to deduct, set-off or withhold such amounts.

Vendor promotional offers and allowances will be administered and implemented by Kroger pursuant to Kroger's current guidelines, a copy of which is available from the Kroger Representative.

Vendor will pay to Kroger the amounts set forth in the Noncompliance Fee Schedule attached as **Exhibit E** for any noncompliance with this Agreement. The amounts set forth in Exhibit E are in addition to and not in lieu of Vendor's Indemnification and other obligations under this Agreement.

Confidential Information

Vendor acknowledges that it may from time to time possess Confidential Information that has been created, discovered, developed by or provided to it by or on behalf of

Kroger, which information has commercial value in Kroger's business and which is not in the public domain. As used herein, "**Confidential Information**" means all information (whether oral, observed, or written) that is marked or treated as confidential, restricted, or proprietary by Kroger, including but not limited to customer information, pricing information, product information, employee information, information regarding business planning and operations, and administrative, financial and marketing activities.

Vendor will protect Confidential Information with the same degree of care that it uses in protecting its own confidential information, but not less than reasonable care. Vendor will not, without Kroger's prior written consent, use or disclose any Confidential Information to any person except its authorized employees who require the same in connection with fulfilling Vendor's obligations to Kroger. Vendor will not commercially utilize any Confidential Information without Kroger's express prior written consent.

Notwithstanding the foregoing, Vendor will have no obligation under this Section with respect to any Confidential Information that it can prove is: (i) received from a third party having a bona fide right to such information and not under an obligation of confidentiality; (ii) approved for release in writing by Kroger; (iii) developed independently without reliance on any Confidential Information; (iv) published or becomes generally available through no act or failure to act on the part of Vendor, (v) publicly known through no wrongful act of Vendor, or (vi) required to be disclosed by a court of law, provided Vendor notifies Kroger prior to such disclosure.

Vendor will return all Confidential Information contained in a tangible form upon termination of its relationship with Kroger, or at an earlier time at Kroger's request. Unless otherwise agreed in writing, Vendor shall not make copies of any Confidential Information.

Store Visits, Merchandise Deliveries and Pickup Requirements

Except with respect to Products governed by a Scan Based Trading Agreement, Vendor will comply with the following requirements regarding store visits, deliveries, and pick-ups:

Vendor/Supplier Representative Entering And Exiting Store

Sign in on the Vendor store log located at the Customer Information Desk or Receiving Area.

Check attaché-type case at the Customer Information Desk. If there is a need to use items in the case while in the store, the Vendor/Supplier representative may be requested to open the case for examination prior to entering and leaving the department.

Sign out on the Vendor store log when leaving the store. Open attaché case for inspection by the person in charge when leaving the store.

Vendor Delivering Merchandise

Make all deliveries through designated receiving doors only. The only exceptions are pharmacy merchandise, fine jewelry, bulky garden and building materials, garden live goods and processed film. Request approval of the Receiving Clerk to remove Products from the location. The only exceptions are photo finishing and scan based trading partners.

Unload Products and place in designated receiving area. If load is too large to fit in designated area, the Receiving Clerk will select an alternate staging site.

Enter Products delivered into Kroger's Direct Store Delivery ("DSD") system. Unauthorized items will be refused.

Receiving Clerk will count Products delivered as eaches, verify that Products delivered corresponds with items and quantities listed on the invoice, and compare dollar totals to the invoice.

The invoice for Products received using Kroger's DSD system must agree with or be no higher than the Kroger Purchase Order.

Any Products not counted at time of receipt will be verified by item by store personnel prior to stocking. Vendor will be notified of any adjustments to invoice. (Exception is food.)

Sign Receiving Log. Vendor will receive a copy of Kroger receiving document (where applicable) after Log has been signed.

EDI Transactions

Use of EDI

Maximizing use of Electronic Data Interchange (EDI) is a key priority of Kroger. Cooperative efforts through the use of EDI have resulted in increased accuracy, improved timeliness, and reduced operating expenses. Kroger supports a variety of different EDI Transactions, some of which are mandated through an "EDI Non-Compliance" program. Information relative to available transactions sets, Kroger's requirements, and supply chain programs leveraged through EDI can be found on the Kroger EDI web site: <http://edi.kroger.com> Vendor will comply with Advance Shipment Notification Requirements, as set forth in **Exhibit F**.

Because updates to the site are made on a regular basis, including posting of "Alerts", all Vendors are expected to make site visits regularly. For new Vendors, the site provides valuable information on how to "Get Started" with Kroger. If Vendor does not have an EDI solution, suggestions are offered on the site and we encourage Vendor to contact one of our EDI Business Analysts. A current contact list is provided.

EDI Non-Compliance Program (DC Purchase Orders)

Vendors who accept product orders that require shipment to any Kroger distribution center ("DC") are required to have the ability to receive the issued purchase order via EDI as well as to return the associated invoice via EDI. Vendors not meeting this requirement will be given ninety (90) days to comply. Should Vendor not conduct the transactions via EDI within the ninety (90) days required, a \$150.00 fee will be deducted by Kroger from payment to help offset the cost of manual processing. Acceptance of a Kroger Purchase Order will signify consent to this term of purchase.

Standards

Kroger utilizes the standards of ANSI ASC 12 while following the industry guidelines of UCS, VIC, and Motor. These standards may be changed by Kroger from time to time.

Transmissions

Documents are transmitted electronically to each Vendor through the use of valued added networks and on a limited basis directly to Vendor. Either party may contract with the value-added network of its choice, but thirty (30) days notice must be given to the other party upon any change in the choice of the preferred value-added network. Each party is responsible for value-added network expenses for data sent or picked up from its own mailbox.

Acknowledgments

Vendor will acknowledge the receipt of transactions as facilitated through the 997 Functional Acknowledgment or alternative acknowledgment approved in writing by Kroger. Kroger will monitor these acknowledgments and take appropriate action if the expected acknowledgments have not been received within the time specified by the standard and version being used, or within twenty four (24) hours, whichever is the shorter period.

Transactions sent to Kroger by Vendor will be acknowledged according to the guidelines for standard versions being traded. As the sender, it is Vendor's responsibility to verify that Kroger acknowledges the transmissions sent. It is Vendor's responsibility to take appropriate action if the expected acknowledgments have not been forthcoming within the time specified by the standard and version being used or twenty four (24) hours, whichever is the shorter period.

Garbled Transmissions

If any transmitted document is received in an unintelligible or garbled form, the receiving party must promptly notify the originating party in a reasonable manner.

Termination

Kroger reserves the right to revoke an EDI partnership at any time and to revert to the comparable paper process exchange.

Logistics Requirements

Vendor will comply with the following logistics requirements:

UPC/GTIN Policy

- ☐ All Products sold to Kroger in consumer units for the purpose of resale must have a readable UPC or GTIN ("UPC") barcode affixed to the Product or the Product's "sellable" packing. The exceptions are items that have been declared exempt, such as newspapers, bulk items, produce, etc. All produce sold to Kroger must have a PLU code affixed to the Product. See your Kroger Representative for further clarification.
- ☐ Vendor must adhere to the UCC specifications for the UPC bar code for format, size, color, location and clarity.
- ☐ Bar codes must be clear, legible, scannable and represent the human readable numeric code located beneath the barcode.
- ☐ Vendor must e-mail its Kroger Representative for authorization prior to making substitutions for the Products appearing on the Kroger Purchase Order.
- ☐ Vendor must communicate to its Kroger Representative, in writing, all changes to current UPC numbers, as well as the addition of new numbers, no less than ninety (90) days prior to shipment of Products to Kroger.

- Vendor covenants that: 1) the UPC on the labels or packaging for all Products will be imprinted in an accurately scannable manner; and, 2) the UPC information will be correctly assigned to the Products. For the breach of either or both of these covenants, Kroger will charge Vendor in accordance with the Non-Compliance Fee Schedule attached as Exhibit E.
 - As technology changes, Vendor agrees to adhere to any additional labeling or identification requirements that Kroger requires.
-

Product Preparation

Vendor must prepare Products for shipment as specified by the Kroger Purchase Order instructions, I.D.T.A., DOT CRF-49, I.M.D.G. requirements, and in accordance with the Terms and Conditions of the National Motor Freight Classification as it pertains to specifications for packages and the rules portion of the tariff.

- Apply tickets to product in accordance with the Kroger Purchase Order, including any specific ticketing provisions and cost thereof:
 - Print the correct information on the ticket (e.g., price, SKU, Class, UPC).
 - Place ticket on the correct Products.
 - Place ticket in the correct location on the Products.
 - Apply hangers as specified by the Kroger Purchase Order:
 - Proper color.
 - Proper size and type.
 - Size indicator properly applied.
 - Custom pre-pack and package Products as specified by the purchase order:
 - Case quantity and inner pack quantity as specified.
 - Correct number of units.
 - Pre-assorted as specified.
 - Do not ship partial cases.
-

Packing Lists

Vendors are required to prepare packing lists as specified below:

- Prepare a packing list for each Kroger Purchase Order to include the Kroger Purchase Order number, Vendor style/stock number, UPC, quantity ordered, quantity shipped, and customer address.

Note: Softgoods Products packing lists must also include the UPC/SKU number, color, size and the total quantity shipped by style.
- Clearly indicate which carton contains the packing list.

Note: If agreed upon, prepare individual store packing lists and a consolidated packing list when shipment is specified for multiple stores. Attach paperwork to the lead carton.

- ☐ Indicate the quantity and cost of pallets if Products are delivered on pallets for which Kroger will be charged.

Case Labeling

Case labeling is required only when UCC-128 carton labels meeting Kroger specifications are not used. Label cases legibly, as required, to include the following information:

- ☐ Kroger name, address and Kroger Purchase Order number.
- ☐ Vendor name and invoice number.
- ☐ Vendor style/stock number (list all styles in mixed cases).
- ☐ Case-pack information by style, size breakdown, color, quantity, and lot code.
- ☐ For Softgoods Products, mark the carton number and the total number of cartons on each carton in multiple carton shipments. (For example: 1 of 26, 2 of 26, etc.).
Note: If Products are one full pallet of the same item (all the same SKU), only one case label per pallet is required.
- ☐ Label hazardous substances in compliance with the Federal Hazardous Substance Labeling Act and transportation method; I.D.T.A., DOT CRF-49, I.M.D.G. as may apply.

Product Packaging

Vendor will comply with all reasonable ergonomic requirements established by Kroger and provided to Vendor, including but not limited to those pertaining to packaging weights, carton dimensions and handhold requirements. Vendor will utilize secure clamshell packaging to better protect high theft Products if requested by Kroger.

Case Packaging

Using advanced automated technology systems, Kroger is changing the way Products are handled within its distribution processes. With these automated systems, pallets are received and inducted into the system in a uniform manner. Subsequently, each case flows through the same standardized processes throughout the system. The system's output is a mixed SKU pallet, ready for delivery to retail stores. Both pallets of Products and case units supplied by Vendor must be able to flow through this system without causing any errors or interruptions to the system process. If errors occur routinely with specific SKUs, packaging or pallet configuration changes may need to be made by Vendor.

Vendor must comply with the pallet, case and slip-sheet/tie-sheet specifications established by Kroger for Products handled by its Case Handling Automation System. A copy of these specifications is available from the Kroger Representative.

Routing and Shipping Instructions

- ☐ Vendor will list all Kroger Purchase Order numbers on the Bill of Lading. (This service may be performed by the carrier on the freight bill.)

- ❑ Mark all cartons and Bills of Lading with *complete* shipping address. Pack, mark and describe shipment on Bill of Lading in accordance with the National Motor Freight classifications, including I.D.T.A., DOT CRF-49, I.M.D.G.
- ❑ Call Kroger's Logistics Department for correct routing instructions on FOB origin shipments when the shipping point will be other than that shown on the Kroger Purchase Order. Any excess charges due to Vendor's failure to do so will be charged to Vendor.
- ❑ Provide Kroger with a contact name, address, and phone number, for each of Vendor's ship points, to receive updates to standard routing instructions.
- ❑ Follow the Kroger Logistics Department standard routing instructions for all collect shipments.
- ❑ Ship Products according to the date specified on the Kroger Purchase Order. Products shipped to arrive before the "due on" date or shipped after the cancel date (without written prior-approval by the Kroger Representative) are considered non-compliant and are subject to a non-compliance base fee charge.
- ❑ Ship Kroger Purchase Orders complete in one departure -- backorders are not allowed unless the Kroger Representative gives prior written approval. Failure to do so will result in a chargeback for shipping costs associated with a backorder.
- ❑ Ship pre-approved backorders prepaid, FOB our dock at FOB Vendor expense plus applicable off invoice amounts.

Kroger covers marine insurance under its open marine policy on FOB origin shipments only. Any added costs caused by Vendor not following Kroger's instructions will be charged to Vendor.

Scheduling, Delivery, Unloading and Pallet Requirements

For prepaid Vendor shipments, a delivery appointment is required prior to pickup by the carrier. Vendor name, Kroger Purchase Order number, delivery address, and pertinent load information is required for appointment and delivery. This includes number of cases, weight, number of pallets/and cube, if available. Load type should be identified (floor stacked, slip sheets, pallets) and delivery appointments should be scheduled a minimum of 48 hours prior to the requested arrival-due date.

To facilitate scheduling of inbound delivery appointments, Vendor and its shippers and carriers must use One Network Enterprise's online web-based scheduling (www.onenetwork.com). Delivery appointments can be scheduled off line at a Kroger scheduling center. Kroger reserves the right to impose a fee for any manual scheduling.

Unloading for any type of shipment (floor stacked, slip sheets, pallets) will be based on Kroger's specifications. Palletized loads must be on 48x40 4-way entry pallets. **CHEP 48x40 block pallets are preferred.** If Products are not shipped on CHEP, or like type pool pallet, ONLY- #1/A GMA quality pallets will be accepted. Kroger reserves the right to refuse Products shipped on pallets that do not meet minimum standards of quality, safety or sanitation. Kroger may require Products to be converted to acceptable pallets at the Vendor's or carrier's expense. **Pallets are considered part of the cost of goods.** Kroger will not participate in pallet exchange programs, or pallet bank programs, unless it has agreed to participate in a written agreement signed by both Kroger and Vendor.

Customer Pickup Fuel Allowance Policy

Vendor must provide Kroger a diesel fuel allowance on all Kroger backhaul shipments in accordance with the Customer Pickup Fuel Allowance Policy, attached as **Exhibit G**.

Returns

Shipping terms for returned Products are FOB Kroger's designated location, freight collect.

General

Salvage Terms

Vendor must sign and return to its Kroger Representative a National Reclamation Agreement. Vendor must update this agreement when major line changes occur, but no less than annually. Current agreements will remain in effect until changed in writing. Vendor will comply with the terms of the Kroger National Reclamation Policy, incorporated herein by reference.

Scanning/Faxing

The parties agree that in the event Vendor returns the signature page of this Agreement via fax or other electronic means, Kroger will be entitled to rely on and enforce that version of the Agreement as if it were an original. Either party may rely on and/or enforce a scanned version of this Agreement as if it were an original.

Notices

Any notices required or permitted by this Agreement must be in writing and sent, in the case of Kroger to the Kroger Representative and in the case of Vendor to the Vendor Contact designated on the signature page of this Agreement. Notices will be deemed given on the date deposited in the mail, if mailed, or received, if delivered in any other manner.

TABLE OF EXHIBITS

SCHEDULE 1:	LIST OF CURRENT KROGER NAMES
EXHIBIT A:	KROGER PURCHASE ORDER TERMS AND CONDITIONS
EXHIBIT B:	VENDOR INSURANCE REQUIREMENTS
EXHIBIT C:	DIVISION RECALL/WITHDRAWAL CHARGES
EXHIBIT D:	CERTIFICATION FOR PRICE INCREASE
EXHIBIT E:	NON-COMPLIANCE FEE SCHEDULE
EXHIBIT F:	ADVANCE SHIPMENT NOTIFICATION VENDOR REQUIREMENTS
EXHIBIT G:	CUSTOMER PICKUP FUEL ALLOWANCE POLICY

SCHEDULE 1

LIST OF CURRENT KROGER NAMES

Grocery and Mass Merchandise Stores

Kroger
Kroger Marketplace
Baker's Supermarkets
Bell Markets
Cala Foods
City Market
Dillon Stores
Food 4 Less
Foods Co.
Fred Meyer
Fresh Fare
Fry's
Fry's Marketplace
Gerbes
Hilander
Jay C Food Stores
Kessel Food Markets
King Soopers
Owen's
Pay Less
QFC
Ralphs
Smith's
Smith's Marketplace

Convenience Stores

Kwik Shop
Loaf'n Jug
Mini Mart
Quik Stop Markets
Tom Thumb Food Stores
Turkey Hill Minit Markets

Distribution, Procurement And Other Entities

Kroger Group Cooperative, Inc.
Kroger Group, Inc.
Peytons
WESCO
Inter-American Products

Manufacturing Facilities

Grocery: America's Beverage
Bluefield Beverage
Delight Products
Kenlake Foods
Pace Dairy of Indiana
Pace Dairy
Pontiac Foods
Springdale Ice Cream & Beverage
State Avenue
Tara Foods

Bakery: Anderson Bakery
Clackamas Bakery
Columbus Bakery
Country Oven Bakery
Dillons Bakery
Indianapolis Bakery
K B Specialty Foods
King Soopers Bakery
La Habra Bakery
Layton Dough
Ralphs Deli Kitchen

Dairy: Centennial Farms Dairy
Compton Creamery
Crossroad Farms Dairy
Heritage Farms Dairy
Jackson Dairy
Jackson Ice Cream
Layton Dairy
Michigan Dairy
Riverside Creamery
Southern Ice Cream Specialties
Swan Island Dairy
Tamarack Farms Dairy
Tolleson Dairy
Turkey Hill Dairy
Vandervoort Dairy
Westover Dairy
Winchester Farm Dairy

Meat: King Soopers Meat
Sunland Meat
Vernon Meat

EXHIBIT A

KROGER PURCHASE ORDER TERMS AND CONDITIONS

1	<p><u>Purchase Order; Cancellation.</u> These Kroger Purchase Order Terms and Conditions apply to all orders ("Kroger Purchase Orders") of goods, merchandise and incidental services ("Products") by The Kroger Co. and its affiliates (collectively, "Kroger") from Vendor. Kroger reserves the right to cancel a Kroger Purchase Order without penalty by notice to Vendor on or before the given cancellation date and at any time if the completion or delivery date is not met or if prior to such date, Kroger had reason to demand adequate assurance of due performance and such assurance is not forthcoming within ten (10) days after the date of Kroger's demand. If a delivery date or completion date is not specified on the Kroger Purchase Order a reasonable time will be allowed. Kroger may cancel the unreceived portion of a Kroger Purchase Order at any time if delivery of the Products is not timely. If Vendor can fulfill its delivery obligation only by shipping by premium routing, the premium charges will be prepaid by Vendor. If no cancellation date appears on the front of the Kroger Purchase Order, the cancellation date will be a reasonable period of time prior to the shipment of the Products. If Vendor ships the Products before the "ship on" date, after the cancellation date, or after actual cancellation, Kroger may, in the exercise of its sole discretion, refuse the shipment, or Kroger may accept the Products and charge Vendor in accordance with Kroger's Non-Compliance Fee Schedule. Any and all loads created at Vendor's dock must be segregated by individual Kroger Purchase Order.</p>
2	<p><u>Non-Conforming or Unordered Products.</u> Kroger will have no obligation to accept or pay for any unordered Products or Products shipped that do not conform to, or comply with, the terms and conditions of the Kroger Purchase Order or the terms and conditions of any agreement to which these Kroger Purchase Order Terms and Conditions are attached, including shipping and routing instructions and dates of shipment and delivery. If Kroger takes delivery of such nonconforming order, or any part of such an order, Kroger reserves the right to deduct from its payment all actual or reasonable expenses, including but not limited to transportation, inspection, receipt, ticketing, re-ticketing, recall, care and custody of the Products, and notice to Vendor incurred as a result of such non-conformity or non-compliance. If Kroger takes delivery of any unordered or non-complying Products, Kroger may, without notice to Vendor of such fact, ship the unordered or non-complying Products to Vendor at Vendor's cost and expense. Kroger will have no obligation to accept or to pay for any substituted goods or excess shipment of any Products made without Kroger's prior written approval. Vendor will not backorder any Products subject to the Kroger Purchase Order without Kroger's prior written consent. Vendor must pay all shipping costs associated with a backorder. All backorders should receive the best of pricing and terms at either the time of original order or at the time of actual shipment. All terms and conditions of the Kroger Purchase Order apply to any Products on backorder.</p>
3	<p><u>Right of Inspection.</u> Kroger will have the right to inspect the Products and reject any nonconforming Products within sixty (60) days of delivery. This right of inspection, whether exercised or not, will not affect Kroger's right to revoke acceptance or pursue other remedies if defects or nonconformities are discovered at a later date, notwithstanding that any defect or nonconformity could have been discovered upon inspection. Payment by Kroger will not be construed as an acceptance of Products, or as a waiver or limitation of any of Kroger's rights as set forth herein. In no event will Vendor sell or distribute to third parties any Products that contain logos, trade names, trademarks or labels of Kroger, even if rejected by Kroger as nonconforming.</p>
4	<p><u>Shipment Constitutes Acceptance of Agreement.</u> Shipment of Products by Vendor constitutes acceptance of these Kroger Purchase Order Terms and Conditions and the terms and conditions set forth in any agreement to which the Kroger Purchase Order Terms and Conditions are attached, unless Kroger has agreed to a change in writing prior to shipment.</p>
5	<p><u>Retail Pricing.</u> Kroger makes no representation regarding the maintenance of any specific retail price for Products purchased for resale.</p>

- 6 Representations, Warranties and Guarantees. By acceptance of the Kroger Purchase Order, Vendor makes the following representations, warranties and guarantees:
- a. The Products shipped, as of the date of shipment, comply with, and are not adulterated or misbranded within the meaning of, the Federal Food, Drug and Cosmetic Act, as amended, ("FDCA"), including, without limitation, the Food Additives Amendment and any other amendment thereto, and comply with, and are not adulterated or misbranded within the meaning of, any state food and drug law, including but not limited to California Proposition 65; are not articles that may not, pursuant to Sections 404 or 505 of the FDCA, the Federal Hazardous Substances Act ("FHSA"), or otherwise, be introduced into interstate commerce; if meat and poultry products comply with the Federal Meat Inspection Act and the Poultry Products Inspection Act; and comply with all other applicable federal, state and local laws, rules and regulations.
 - b. Each shipment or other delivery of Products is not misbranded or mislabeled under the FHSA or any other law or regulation, has been tested and approved by the Underwriters Laboratory, Inc. and the National Sanitation Foundation (if applicable); will not be an item of wearing apparel or interior furnishing that fails to conform to all applicable Consumer Product Safety Standards and rules issued under the Federal Consumer Product Safety Act; will, if constituting or containing an economic poison as defined in the Federal Insecticide, Fungicide, and Rodenticide Act, be registered pursuant to said Act and comply with all other provisions of such Act (7 U.S.C.A. 135-135K); will conform to the applicable flammability standards under the Federal Flammable Fabrics Act; and meets all applicable Occupational Safety and Health Administration Standards. Vendor warrants that all electric appliances, component parts and wiring purchased shall be listed by the Underwriters Laboratories, Inc. in compliance with applicable electrical codes; that all merchandise purchased containing fabric which is subject to the provisions of the Federal Flammable Fabrics Act shall conform to the provisions of such act; that all merchandise purchased which is subject to the provisions of the applicable state bedding and furniture laws shall conform to the provisions of such laws; and that all textile fiber products furnished shall be properly branded and invoiced in accordance with the Textile Fiber Products Identification Act and all other Federal Statutes applicable to such products.
 - c. The Products, including the packaging, advertising, labels and other materials contained on, with, or relating to the Products, do not infringe any patent, copyright, trademark, trade name or other proprietary interest of Kroger or any third party and comply with the Federal Trade Commission Act and all other applicable laws, rules and regulations.
 - d. The price charged, allowances and services furnished, if any, in connection with the sale of Products to Kroger are not discriminatory and were made available on substantially proportionate terms to other customers of Vendor, and that the prices charged for the Products shipped are the lowest lawful prices available from Vendor.
 - e. The Products and the manufacture, sale, storage, shipping, transportation and billing for the Products, comply with all provisions of applicable law and with all applicable promulgations of governmental authority, both domestic and foreign.
 - f. Vendor is the lawful owner of the Products, has good right to sell same and convey good and merchantable title, and the Products are and will be conveyed free of any and all claims, liens, security interests or other encumbrances.
 - g. The Products are of merchantable quality and of good material and workmanship, are free from contamination or impurity and defects in design and title, and are fit and sufficient for purposes for which goods of that type are ordinarily used, as well as for any purposes Vendor has specified or advertised.
 - h. The Products conform in every respect to applicable specifications, instructions, drawings, data, samples and descriptions.
 - i. The representations, warranties and guarantees contained in this Section 6 run to Kroger, its customers, and its and their successors and assigns. Vendor incorporates by reference and passes on to Kroger and its customers and its and their successors and assigns the benefits of all warranties and guarantees given to Vendor by persons from whom Vendor purchased any of the Products. Kroger's approval of specifications, drawings, samples and/or other descriptions furnished by Vendor does not relieve Vendor of its obligations. The representations, warranties and guarantees set forth in this Section 6 are in addition to all other express, implied or statutory warranties, are continuing in nature, survive Kroger's payment, acceptance, inspection or failure to inspect the Products.

	j. It will in every manner of its business related to the Kroger Purchase Order obey and conform to all applicable laws, rules and regulations, both domestic and foreign.
7	<p>Code of Conduct. Vendor warrants that the Products are produced in compliance with all applicable requirements of Sections 6, 7 and 12 of the Fair Labor Standards Act, as amended, and of regulations and orders of the United States Department of Labor issued under Section 14 thereof. Vendor represents and warrants that Vendor and its contractors are not engaged in and will not engage in any labor practice in violation of the laws or regulations of the country of manufacture or assembly of the Products involving unsanitary and/or unsafe labor conditions. If Kroger determines that Vendor or its contractors have failed to comply with the foregoing, Kroger will be entitled to return all Products on hand for full refund, at Vendor's cost, and cancel any unfilled orders at no cost.</p> <p>The following Code of Conduct is an integral part of all Kroger Purchase Orders, the terms of which must be followed by Vendor and its contractors:</p> <ul style="list-style-type: none"> a. Child, indentured, involuntary, or prison labor must not be used or supported. b. Workers may not be exposed to unreasonably hazardous, unsafe, or unhealthy conditions. c. Workers may not be unlawfully discriminated against on the basis of race, color, religion, gender, national origin, age, disability or sexual orientation. d. The workplace must be free from harassment, which includes sexually coercive, threatening, abusive, or exploitive conduct or behavior or harassment because of one's race, color, religion, gender, national origin, age, disability or sexual orientation. e. Workers at all time must be treated fairly, with dignity and respect. f. Wages paid to workers must meet or exceed legal and industry standards. g. All Vendor workers performing work within the United States must be legally eligible for employment in the U.S.A. under the United States Immigration Laws. Vendor must require and review, prior to each non-U.S. citizen employee's assignment, documentation establishing such eligibility for all Vendor workers who perform services for Kroger within the United States. h. Vendor may not engage in any conduct likely, intending, or appearing to improperly influence any Kroger Representatives in the performance of their job responsibilities. Bribes, cash payments, and business gifts and entertainment of more than token value expressly are prohibited. Vendor must refrain from engaging in any conduct that may appear improper or may result in a conflict of interest when viewed from Kroger's point of view. i. Vendor and its contractors must maintain written records evidencing compliance with the provisions of this Code of Conduct and must make those records available to Kroger upon request.
8	<p>Customer Returns. If Kroger has purchased Products hereunder for the purpose of resale and Kroger's customers return any of the Products to Kroger due to any actual or alleged defect, or the Products in any way fails to comply with these Kroger Purchase Order Terms and Conditions, Kroger may tender back such Products to Vendor on an F.O.B. origin basis. Vendor will promptly accept such Products, pay all shipping and handling expenses and give full, unconditional credit or cash refund, at Kroger's option, for the cost of the Products to Kroger. Perishable food Products need not be returned in order to obtain full credit.</p>
9	<p>Acceptance of Terms. Kroger's offer to purchase is expressly subject to Vendor's acceptance of these Kroger Purchase Order Terms and Conditions and any agreement to which these Kroger Purchase Order Terms and Conditions is attached. Vendor's execution of Kroger's Standard Vendor or other Purchase Agreement (or Vendor's shipment of Products in response to a Kroger Purchase Order) constitutes Vendor's acceptance of these Kroger Purchase Order Terms and Conditions and any</p>

	<p>Agreement to which the Kroger Purchase Order Terms and Conditions is attached, and precludes Vendor's objection to any such terms and conditions and/or Vendor's inclusion of any different or additional items, terms or conditions in any resulting order except as set forth in written amendment referencing these Kroger Purchase Order Terms and signed by both Kroger and Vendor. By accepting a Kroger Purchase Order or by shipping Products in response to a Kroger Purchase Order, Vendor agrees that Kroger is not bound by any other term or condition of Vendor in any written acknowledgment, invoice or otherwise, that is inconsistent with or in addition to the terms and conditions hereof. All sections of the Uniform Commercial Code that expressly or implicitly protect Kroger and are not inconsistent with any term hereunder are hereby incorporated by reference, whether it be construed as an offer or acceptance.</p>
10	<p><u>Payments Subject to Claims/Defenses.</u> All amounts payable to Vendor will be subject to all claims and defenses of Kroger, whether arising from the Kroger Purchase Order or any other transaction. Kroger has the right to set off and deduct against any such amounts all present and future indebtedness of Vendor to Kroger (which includes all of its affiliates). Vendor will be deemed to have accepted each debit amount or vendor chargeback within ninety (90) days following receipt of notice of same, unless Vendor notifies Kroger's Accounts Payable Department (marked "Correspondence") in writing during such period as to why the deduction should not be made and provides sufficient documentation of the reason(s) given.</p>
11	<p><u>Taxes and Other Charges.</u> Unless otherwise agreed in writing, the contract price includes all federal, state and local taxes, tariffs, import duties, commissions and other charges, except taxes Vendor is required by law to collect from Kroger. Such taxes, if any, will be separately stated in Vendor's invoice and will be paid by Kroger unless an exemption is available. Vendor will obtain and pay for any licenses, permits, or inspections by public bodies required in connection with the manufacture, completion, or delivery of the Products.</p>
12	<p><u>Force Majeure.</u> TIME IS OF THE ESSENCE. However, Kroger excuses Vendor from nonperformance or delays in delivery caused by acts of God, unforeseeable occurrences or other force majeure events, but Vendor agrees it is not excused by unexpected difficulty or commercial impracticability of any degree. Kroger may cancel the unreceived portion of a Kroger Purchase Order at any time if delivery of the goods is not timely. If Vendor can fulfill its delivery obligation only by shipping by premium routing, the premium charges shall be prepaid by the Vendor or, if not prepaid, then Kroger reserves the right to issue chargebacks relating to the additional freight costs and administrative costs. Kroger reserves the right to reject any shipment of any order of goods from Vendor and shall have no obligation to pay for the rejected shipment in the event that Kroger's business or operations are discontinued in whole or part by reason of fire, flood, earthquake, war, civil disorder or any other act or event beyond Kroger's reasonable control.</p>
13	<p><u>Indemnification.</u> Vendor will protect, defend, indemnify and hold harmless Kroger, its subsidiaries and affiliates, and its and their directors, officers, employees, agents, contractors, successors and assigns from and against any and all claims and actions (including those in strict liability), demands, liabilities, losses, costs and expenses (including attorney's fees,) including, without limitation, liabilities arising from any actual or alleged injury to or death of any person, damage to any property, and any other damage or loss, by whomsoever suffered, including Vendor's or Kroger's agents or employees, resulting or claimed to result, directly or indirectly, from 1) the Products, including Kroger's purchase, use, shipment, storage, delivery, sale, offering for sale, or other handling of the Products, or 2) Vendor's actual or alleged breach of any of the representations, warranties, guarantees or other terms and conditions contained herein, except if such liability is caused by the sole negligence or willful misconduct of Kroger or its employees. In addition to the foregoing, if any of the Products purchased or any part thereof is alleged or held to constitute infringement, Vendor, at its own expense, will either (i) procure for Kroger, its successors, assigns, and customers the right to continue using such Products, (ii) replace the Products with non-infringing items or (iii) only if options (i) and (ii) are impracticable, refund the purchase price for the Products and pay all related expenses.</p> <p>As to any claim made against Kroger, Vendor expressly waives any insulation from liability or immunity from suit with respect to injuries to Vendor's employees that may be extended to Vendor as a result of any payments made by Vendor to such employees or under any applicable worker's compensation statute or similar law or judicial decision. It is further agreed and affirmed that Vendor will hold harmless Kroger from and against any claims made by any of Vendor's employees, contractors or representatives working in the course and scope of their employment by Vendor or provision of services to Vendor while at any Kroger</p>

	location (the term "location" not being limited to any store, manufacturing plant or distribution center, but encompassing Kroger and all of its affiliates and subsidiaries and their facilities), unless such claim was the sole and proximate result of the gross negligence and/or willful misconduct of Kroger. Further, Kroger will be held harmless from any worker's compensation liens incurred from Vendor's insurance carrier, third party administrator or self-administered, self-insured claims program(s). Vendor acknowledges that this provision is a reasonable request from Kroger and being agreed to by Vendor in order to give Vendor employees, contractors and representatives access to Kroger locations.
14	<p><u>Country of Origin Requirements.</u> Vendor warrants to Kroger that it complies (or prior to the Effective Date will be in full compliance) with all federal, state and local Country of Origin labeling and related requirements, including those required by the U.S. Customs Service, those contained in the Agricultural Marketing Act, as amended by the 2002 Farm Bill, and the implementing regulations (collectively, "Country of Origin Requirements"), and will provide to Kroger all reasonable assistance requested by Kroger and information necessary to enable Kroger to comply with the Country of Origin Requirements as they apply to Vendor's Products. In particular, Vendor will:</p> <ul style="list-style-type: none"> a. label or include with all Products subject to the Country of Origin Requirements ("covered commodities") that are shipped to Kroger all Country of Origin information that Kroger is required to display or maintain with respect to the covered commodities; b. comply with all record keeping and product segregation standards required by the Country of Origin Requirements and by Kroger; and c. provide to Kroger at least once each year the results of an audit of the program used by Vendor to comply with the Country of Origin Requirements performed by the USDA or other third party reasonably acceptable to Kroger. <p>Breach of this warranty with respect to the Country of Origin Requirements will trigger the indemnification obligations of the Kroger Purchase Order Terms and Conditions and in any agreement to which they are attached.</p>
15	<p><u>Title and Risk: Shipment.</u> Unless otherwise indicated on the Kroger Purchase Order, title and risk of loss with respect to the Products will remain with Vendor until the Products have been delivered to and accepted by Kroger, or an agent or consignee duly designated by Kroger, at the location specified on the front hereof. A packing slip must accompany each shipment. If a shipment is to a consignee or agent of Kroger, a copy of the packing slip must be forwarded concurrently to Kroger. If no packing slip is sent, the count or weight reported by Kroger or its agent or consignee will be final and binding upon Vendor with respect to such shipment.</p>
16	<p><u>Mechanic's Liens.</u> Vendor hereby waives its rights to any mechanic's liens or other such liens under any applicable statutes or otherwise for work done on materials furnished in connection with the Products. As a condition to payment, Vendor will, upon Kroger's request, furnish Kroger evidence that all subcontractors or materialmen used by Vendor in connection with completion of the Products have been paid in full and have released all mechanic's liens or other such liens held by such subcontractors or materialmen against the Products. Upon Kroger's request, Vendor will, at its expense, promptly discharge any mechanic's liens or other such liens held by Vendor or its subcontractors or materialmen against the Products or obtain a bond to satisfy such liens. In any event, Vendor will indemnify Kroger against and hold Kroger harmless from any and all costs, expenses, liabilities, and damages, including attorney's fees, that Kroger may incur in connection with or as the result of the existence or discharge of any such liens.</p>
17	<p><u>Supplier Diversity.</u> Kroger is committed to providing meaningful opportunities for minority-owned businesses ("MBE" – minority-owned business enterprises) and women-owned companies ("WBE" – women-owned business enterprises) to be our business partners. Kroger carries out this commitment in many ways, including on-going efforts to identify and track expenditures with MBEs and WBEs. Vendor will supply to Kroger upon Kroger's request MBE and WBE information about Vendor's organization and entities with whom Vendor does business.</p>

18	<p><u>Public Announcements.</u> Vendor will inform and obtain the prior written consent of Kroger prior to making any public announcement, through press releases or otherwise, concerning its relationship with Kroger.</p>
19	<p><u>General Provisions.</u> Any rights or remedies granted to Kroger in any part of the Kroger Purchase Order will not be exclusive of, but will be in addition to, any other rights or remedies that Kroger may have at law or in equity. Vendor may not assign its rights and obligations hereunder without the prior written consent of Kroger, which will be in Kroger's sole discretion. The rights and obligations of the Kroger Purchase Order will inure to the benefit of, and be binding upon the parties hereto and their respective heirs, administrators, executors, personal representatives, successors and permitted assigns. No action, failure of action or delay by either party will constitute a waiver of any of its rights or remedies under the Kroger Purchase Order. Vendor and Kroger are not, and will not be, joint venturers, partners, agents, servants, or employees or fiduciaries of the other, and do not have the power to bind or obligate the other. The waiver of a breach of any provision does not constitute a waiver of a subsequent breach of the same or different provision. The rights and liabilities of the parties under a Kroger Purchase Order are governed in all respects by Ohio law, without reference to or application of its conflicts of law provisions. THE PARTIES HEREBY WAIVE THEIR RIGHT TO A JURY TRIAL OF ANY DISPUTES OR CLAIMS ARISING UNDER THIS AGREEMENT. If Vendor has previously made Kroger an offer with respect to the Products, the Kroger Purchase Order will not operate as an acceptance of Vendor's offer, but rather will be deemed to be a counter-offer. If any of the terms of the Kroger Purchase Order or agreement in which they are incorporated are subsequently or are now illegal, they will be severed without affecting the remaining terms. The section headings are for reference only and will not be considered controlling as to the content and/or interpretation of any section.</p>
20	<p><u>Mandatory Arbitration.</u> Any controversy, claim or dispute of whatever nature arising between the parties arising out of or relating to the Kroger Purchase Order or any agreement in which they are incorporated, or the breach, termination, enforceability, scope, or validity thereof, whether such claim existed prior to or arises on or after the execution date (a "Dispute"), will be resolved by binding arbitration in Hamilton County, Ohio, USA or other location agreed upon by Kroger. The prevailing party in any such action will be entitled to recover all costs, including reasonable attorneys' fees, at trial and on any appeal or petition for review, incurred in enforcing the terms of the Kroger Purchase Order or other agreement including these terms.</p> <p>Neither party will commence an arbitration proceeding pursuant to the provisions set forth below unless that party first gives a written notice (a "Dispute Notice") to the other party setting forth the nature of the Dispute. The parties must attempt in good faith to resolve the Dispute through discussions between the parties' senior management.</p> <ol style="list-style-type: none"> a. If the Dispute has not been resolved through senior management discussions as provided above within sixty (60) days after receipt of the Dispute Notice, or if a party fails to participate in those discussions, then the Dispute will be determined by binding arbitration. The arbitration will be conducted in accordance with such rules as may be agreed upon by the parties, or failing agreement within thirty (30) days after arbitration is demanded, in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA"). The Dispute will be determined by one arbitrator, except that if the Dispute involves an amount in excess of \$1,000,000 (exclusive of interest and costs), three arbitrators will be appointed. b. Persons eligible to serve as arbitrators need not be members of the AAA, but they must have professional credentials demonstrating the ability to handle a matter of the scope and complexity of the Dispute. The arbitrator(s) will base the award on the applicable law and judicial precedent that would apply if the Dispute were decided by a United States District Court Judge, and the arbitrator(s) will have no authority to render an award, which is inconsistent therewith. The award must be in writing and include the findings of fact and conclusions of law upon which it is based. c. Unless the parties agree otherwise, discovery will be limited to an exchange of directly relevant documents. Depositions will not be taken except as needed in lieu of a live appearance or upon mutual agreement of the parties. The arbitrator(s) will resolve any discovery disputes. The arbitrator(s) and counsel of record will have the power of subpoena process as provided by law. The

parties knowingly and voluntarily waive their rights to have any Dispute tried and adjudicated by a judge or a jury.

- d. The arbitration will be governed by the substantive laws of the State of Ohio, without regard to conflicts-of-law rules, and by the arbitration law of the Federal Arbitration Act (Title 9, U.S. Code). Judgment upon the award rendered may be entered in any court having jurisdiction. Notwithstanding the foregoing, upon the application by either party to a court for an order confirming, modifying or vacating the award, the court will have the power to review whether, as a matter of law based on the findings of fact determined by the arbitrator(s), the award should be confirmed, modified, or vacated in order to correct any errors of law made by the arbitrator(s). In order to effectuate such judicial review limited to issues of law, the parties agree (and will stipulate to the court) that the findings of fact made by the arbitrator(s) will be final and binding on the parties and will serve as the facts to be submitted to and relied upon by the court in determining the extent to which the award should be confirmed, modified, or vacated.
- e. Except as otherwise required by law, the parties and the arbitrator(s) agree to keep confidential and not disclose to third parties any information or documents obtained in connection with the arbitration process, including the resolution of the Dispute. If either party fails to proceed with arbitration as provided in the Kroger Purchase Order, or unsuccessfully seeks to stay the arbitration, or fails to comply with the arbitration award, or is unsuccessful in vacating or modifying the award pursuant to a petition or application for judicial review, the other party will be entitled to be awarded costs, including reasonable attorney's fees, paid or incurred in successfully compelling such arbitration or defending against the attempt to stay, vacate or modify such arbitration award and/or successfully defending or enforcing the award.

Each party hereby waives any and all rights it may have to receive exemplary or punitive damages with respect to any claim it may have against the other party, it being agreed that no party will be entitled to receive money damages in excess of its actual compensatory damages, notwithstanding any contrary provision contained in the Kroger Purchase Order or otherwise. Notwithstanding any contrary provisions in this Section, the parties recognize that certain business relationships could give rise to the need for one or more of the parties to seek emergency, provisional or summary relief to repossess and sell or otherwise dispose of goods, equipment and/or fixtures, to prevent the sale or transfer of goods, equipment and/or fixtures, to protect real or personal property from injury, or to obtain possession of real estate and terminate leasehold interests, and for temporary injunctive relief. Immediately following the issuance of any such relief, the parties agree to the stay of any judicial proceedings pending mediation or arbitration of all underlying claims between the parties.

EXHIBIT B**VENDOR INSURANCE REQUIREMENTS**

The Kroger Co. and/or Kroger's affiliates and subsidiaries ("Kroger") may require higher insurance coverage limits and/or different coverages for certain product and service providers.

Underwritten by insurance companies rated A- or higher by A.M. Best

Cancellation Days Notice: Thirty (30) Days

Additional Insured & Certificate Holder:
"The Kroger Co. and Kroger's affiliates and subsidiaries"

Certificate Holder Address:
The Kroger Co. and Kroger's affiliates and subsidiaries
C/o Aon Certificate Tracking
PO Box 1128
Glenview, IL 60025

Must be shown as additional wording on Certificate: All insurance policies must be "primary & non-contributory"

General Liability

Commercial General Liability	Yes
Occurrence Basis	Yes
Product Liability / Completed Operations	Yes
Additional Insured – Vendors	Yes
Each Occurrence	3,000,000

The following coverages are required if services are provided by Vendor on Kroger premises, or as otherwise required by Kroger:

Auto Liability

Any Auto	Yes
Combined Single Limit	2,000,000

Workers Compensation

Statutory Limits	Yes
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Employers Liability

Each Accident	1,000,000
Disease Policy Limit	1,000,000
Disease Each Employee	1,000,000

Note: a) Required coverage limits can be achieved through a combination of Primary & Excess or Umbrella Liability Insurance; b) As it concerns Auto Liability, a combination of "All Owned Autos, Hired Autos & Non-Owned Autos" OR "Scheduled Autos, Hired Autos & Non-Owned Autos" is acceptable; c) In certain instances, "Claims Made" policies may be acceptable, consult with the Aon Kroger Certificate Administrator to validate exceptions.

FAX your Compliant Certificate to Kroger's Certificate Administrator – Aon CertTracking @ 1-877-772-0374.

For Questions, please contact:

Contact Name:	Contact Title / Company:	Contact Phone:	Contact e-Mail:
Jim Aalberg	VP Corporate Insurance – Kroger	1-503-797-5300	jim.aalberg@kroger.com
Ed Bird	Insurance Analyst – Kroger	1-503-797-3318	edward.bird@kroger.com
Jan Stage	Kroger Certificate Administrator – Aon	1-877-542-6724 (toll free)	janet_stage@ars.aon.com
		1-847-953-5352 (direct)	

Last Revision August 14, 2006

EXHIBIT C

DIVISION RECALL/WITHDRAWAL CHARGES

Vendors of Products removed from sale due to a recall or withdrawal will be charged the total of the following:

1) Delivered Cost of Products	Charge the greater of invoice or replacement cost.
2) Store Handling Cost	Use average clerk rate, including fringes, (x) the total number of hours involved. (Must be documented with accurate records.)
3) Warehouse Handling Cost	Use average warehouse rate, including fringes, (x) the total number of hours involved. (Must be documented with accurate records.)
4) Shipping Cost to Stores	Use cents per cwt. cost for shipping that product category (x) cwt. shipped to stores and also from stores, if Kroger Division is requested to return the products.
5) Actual Freight for Products Returned	Charge the actual freight cost for the products returned
6) Disposal Cost	Charge any identifiable disposal costs.
7) Special Handling Cost	Charge any identifiable special handling costs.
8) Administrative Cost	Class I Recall - \$500 per recall. Class II Recall - \$300 per recall. Class III Recall & Withdrawals - \$200 per recall or withdrawal.

A record of each transaction is necessary for charging the handling and product costs back to Vendor. Any replacement merchandise must be billed to the Operating Division by Vendor as new merchandise. *(Trading merchandise without a charge or credit in the store or in the warehouse is not permissible.)*

A copy of the recall billing costs must be sent to the designated Recall Contact at Kroger's General Office.

EXHIBIT D

CERTIFICATION FOR PRICE INCREASE

The undersigned hereby represents to The Kroger Co. and its subsidiaries and affiliates (collectively, "Kroger"), that the pricing reflected in the documentation attached hereto is no greater than the pricing offered to any competitor of Kroger, including Wal-Mart. In the event that lower pricing is offered to any other person or entity, that price and the basis for the lower price is set forth on the attachment hereto.

Company Name

Signature

Date

EXHIBIT E

STANDARD VENDOR AGREEMENT NON-COMPLIANCE FEE SCHEDULE

Base Fee		
\$ 100.00	Per Incident (Note: The Base Fee is waived when Flat Fees are charged.)	
Hourly Fee		
\$ 45.00	Per hour	
Flat Fee*		
\$ 500.00		ASN Incorrect or Not Provided
\$ 200.00	Per shipment	Case Labeling Errors
\$ 500.00	Per shipment	Case Pack Errors
\$ 500.00		Flat fee for non-conforming and illegible UCC-128 labels
\$ 500.00		Hazardous material improperly labeled
\$ 500.00		Improper Application of Hangers
\$ 1,000.00		Improper or no Hazardous Material shipping papers when required
\$1,000.00	Per item per division	Items discontinued without 60 days written notice
\$ 1,000.00	Plus all extra outbound transportation costs, plus any applicable \$ 250.00 Traffic Department service charge(s)	Late or Incorrect Ad Merchandise
\$ 500.00	Plus all extra inbound and outbound transportation costs, plus any applicable \$ 250.00 Traffic Department Service charge(s)	Merchandise shipped early / late (shipped before ship on extra inbound and date or shipped after cancel date as specified on purchase order, or received early / late before first requested arrival date, or received after requested arrival date)
\$1,000.00	Per item per division	New products not in inventory at distribution center after item availability date
\$ 150.00	Per PO / Invoice	Non-Compliance for EDI Usage
\$ 250.00	Plus extra freight costs	Not following Traffic Department routing instructions (collect shipments), or shipping an order Collect that was Supposed to be prepaid
\$ 250.00	Plus the cost of unloading	Not providing the unloading services on a prepaid shipment
\$ 200.00	Per shipment	Packing List Errors / No Packing List
\$ 100.00	Per pallet, plus extra handling cost	Poor Pallet Quality or Incorrect Pallets
\$1,000.00	Per item per division	Product attributes (e.g. GTIN, case GTIN, case pack, size, item dimensions, description) charged with out 60 days written notice
\$ 1,000.00	Per PO	UPC Violations – General Merchandise procured by Fred Meyer
\$ 5,000.00	Per item / per division	UPC Violations – All Other
\$ 500.00		Unapproved Backorder (approved backorders are only approved if in writing from buyer)

* This may be in addition to an hourly fee and may be administered on a per Kroger Purchase Order basis applicable to multiple Kroger Purchase Order shipments.

Fee Collection

Kroger will deduct the amount due from any outstanding invoice. If there are monies due Kroger that have not been deducted within sixty (60) days, Vendor must pay by check. These amounts are in addition to, and not in lieu of, Vendor's indemnification and other obligations to Kroger. Vendor agrees that all amounts set forth in this fee schedule are reasonable liquidated damages and do not constitute a penalty.

EXHIBIT F

ADVANCE SHIPMENT NOTIFICATION VENDOR REQUIREMENTS

Technical Requirements

1. An 856 EDI transaction must be generated and sent to Kroger. The 856 EDI transaction must comply with Kroger's requirements as listed on edi.kroger.com.
2. The Advance Shipment Notification ("ASN") must be generated when the truck leaves the plant.
3. The EDI process times should occur at least as frequently as the travel time it takes for the truck to get to the warehouse. This will insure that the data transmission will arrive before Products arrive.

Operational Requirements

1. Sample labels must be sent to the Kroger DC for review.
2. The items' tiers and highs on the ASN should be sent to the Kroger Distribution Center.
Note: The Tix HI is helpful for ASN set up and review. Negotiable as a requirement on data transfer.

Physical Requirements

1. One piece of wood or slip-sheet for every load of product is required for ASN receiving.
2. The label must be placed in the upper right hand corner of the pallet.
3. The label must be placed on the outside of the shrink-wrap.
4. The labels should comply with the UCC SSCC-18 Standard (<http://www.uc-council.org>).
5. The label should be temperature sensitive (to prevent smearing in freezing conditions).

Additional Preferred Requirements

1. The SSCC-18 label should have the last six characters at least one inch in height.
2. A single SSCC-18 label should not be placed on mixed pallets (a pallet with two or more items).
3. Usage of wrap around labels is recommended (One label with two SSCC-18 ID's extending from the upper right hand corner of one side to the upper left hand corner of the other).

Please refer to edi.kroger.com for additional details and requirements.

EXHIBIT G

CUSTOMER PICKUP FUEL ALLOWANCE POLICY

Kroger requires all Vendors to provide a 'fair and equitable' market-based Customer Pickup ("CPU") diesel fuel allowance on all Kroger backhaul shipments of Products. This allowance should be applied to each individual Kroger Purchase Order invoice. The total allowance amount will be based on the U.S. Government's weekly Department of Energy's (DOE) National Diesel Fuel Index. Calculation logic is as follows:

- Miles are calculated between origin and delivery location zip codes using PC Miler.
- The Kroger Purchase Order pickup date will be cross-referenced to the U.S. Government's D.O.E. Weekly National Diesel Fuel Index to pinpoint the price of diesel fuel for each individual backhaul shipment.
http://tonto.eia.doe.gov/oog/info/wohdp/diesel_detail_report.asp
- The D.O.E. Weekly Diesel Fuel Index price per gallon is then cross referenced to Kroger's CPU Fuel Index Scale to determine the weekly fuel subsidy per mile.
- Kroger's DOE fuel index scale's 'neutral zone' is \$1.15--\$1.1999. Every +/- \$.05 change in the National DOE Index will equate to +/- \$.01/mile vendor fuel allowance per backhaul shipment. Kroger's scale is uncapped.
- The Kroger Fuel Index Scale will be multiplied by each Kroger Purchase Order's total mileage to determine total \$\$ subsidy applied to each Kroger Purchase Order invoice.


THE KROGER CO.
STANDARD VENDOR AGREEMENT FOR MERCHANDISE (PRODUCTS)
VERSION JANUARY 2006
SIGNATURE PAGE

The signature set forth below acknowledges Vendor's agreement with and acceptance of the Standard Vendor Agreement for Merchandise (Products)-Version January 2006, comprising pages 2 through 27, inclusive.

Vendor (legal entity name): FRONTERA PRODUCE LTD
Business Entity Type (e.g., Corp., LLC, etc.): L.P.
Vendor Name as Shown on Invoice (DBA): FRONTERA PRODUCE
Vendor Taxpayer Identification Number (EIN/SSN): 74-2674413
Kroger Vendor Number: 047713

Vendor Contact Name: LONNIE SHAFER
Vendor Contact Title: SALES Rep - Customer Rep
Vendor Contact Address: Street / Suite: 1321 FRONTERA Rd
City / St / Zip: EDENBURG, TX 78541
Vendor Contact #s: Phone: 956-381-5701 Fax: 956-381-5706
Cell: 956-330-9376 E-Mail: lonnie@fronteraproduce.com

Vendor Emergency Contact Name: Ken NABAL
Vendor Emergency Contact Title: VP SALES
Vendor Emergency Contact Address: Street / Suite: 1200 S Rogers Cr. Unit 4
City / St / Zip: Boca RATON, FL 33487
Vendor Emergency Contact #s: Phone: 561-241-8087 Fax: 561-241-8365
Cell: 954-543-2902 E-Mail: ken@fronteraproduce.com

Name of Signatory (printed): Amy L. GATES
Signatory Signature: 
Signatory Title: V.P. Finance & Administration
Date Signed by Signatory: 12-4-07

Please check the appropriate statement below:

- ☐ Vendor has read and agrees to comply with this Agreement.
- ☐ Vendor has read and does not agree to comply with the terms of this Agreement. Vendor's proposed changes are attached to this Signature Page in the form of an addendum. I understand that no addendum or amendment to this Agreement will go into effect until signed by Vendor and an authorized representative of Kroger. Vendor's shipment of Products subsequent to the date of its receipt of this Agreement will be deemed to be acceptance by Vendor of this Agreement, without modification, unless Kroger has executed an addendum attached to this Signature Page.

PLEASE RETURN THIS COMPLETED SIGNATURE PAGE TO KROGER AND RETAIN A COPY FOR YOUR RECORDS.
FAILURE TO CHECK EITHER BOX ABOVE WILL BE DEEMED TO BE ACCEPTANCE BY VENDOR OF THIS
AGREEMENT WITHOUT MODIFICATION.

EXHIBIT D

CERTIFICATION FOR PRICE INCREASE

The undersigned hereby represents to The Kroger Co. and its subsidiaries and affiliates (collectively, "Kroger"), that the pricing reflected in the documentation attached hereto is no greater than the pricing offered to any competitor of Kroger, including Wal-Mart. In the event that lower pricing is offered to any other person or entity, that price and the basis for the lower price is set forth on the attachment hereto.

FRONTIERA PRODUCE
Company Name


Signature

12-4-07
Date

Amy L Gates

From: Will Steele [will@fronteraproduce.com]
Sent: 12-04-07 8:30 AM
To: 'Amy L Gates'
Subject: FW: Kroger Standard Vendor Agreement
Attachments: StdVendorAgmt January 2006.pdf

Can you take care of this for me?

From: henry.dill@kroger.com [mailto:henry.dill@kroger.com]
Sent: Dec 03, 2007 4:58 PM
To: bharrison@aiharrison.com; amstad@worldnet.att.net; greg@belkfarm.com; molly@basinggold.com; glen@greenhouseproduct.net; peter@calpinedistributors.com; rick@calavo.com; basil@christopherranch.com; circlekirk70@aol.com; mfinnie@freshdelmonte.com; newman@eagleeyproduct.com; kpartida@eurofresh.com; bc@fivecrowns.com; franksales@garciafarmproduce.com; bob@gardikas.com; greggpaulproduce@aol.com; keispuds@aol.com; wally@legacyproduce.com; jim@martproduce.com; jgee@martorifarms.com; tfranconi@starband.net; ljmcand@pacbell.net; ccarrera@missionpro.com; thie@lovepotatoes.com; mdayers@doublepotatoes.com; davsm@oppy.com; brian@pim4u.com; dougw@dolefresh.com; victor@progressivemarketinggroup.com; byron@rigbyproduce.com; waltesp@aol.com; david@stamoules.com; kevin@sunblestfarms.com; betty@sunglo-idaho.com; pcolin@timcoworldwide.com; CT4Diamond@aol.com; van@unitedmelon.com; markr@vegfresh.com; kevins@wadafarm.com; dean@washingtonlettuce.com; duane@yagibros.com; keber@msn.com; craig@asgproduce.com; agallino@calgiant.com; norm@cwproduce.com; vincent_lopes@na.dole.com; michael.holister@driscolls.com; hamsg@aol.com; bprice@naturipefarms.com; kawa@ix.netcom.com; ebeno@sunrisegrowers.com; chad@tritonfresh.com; dan@wellpict.com; coronamktg@aol.com; jan@gourmettrading.net; isola@growerdirect.net; ltwan@pacbell.net; scott@amsexotics.com; jking@andrew-williamson.com; scieary@apio.com; ande@babefarms.com; jjackson@beachsideproduce.com; rroiz@masterstouch.com; bnakagawa@borgproduce.com; dhobson@boskovichfarms.com; cdean@grimmway.com; chuckm@capurrofarms.com; willem.drost@clubfresh.com; dpdonovan@coastproduce.com; bill@coastlineproduce.com; rcoyle@colorfulharvest.com; coronamktg@aol.com; camaral@danigo.com; rick.alcocer@duda.com; henry@pim4u.com; Allen_L_Davis@na.dole.com; greg.ek@att.net; rpelkey@frshexpress.com; brian@freshpac.com; jackie.wiggins@friedas.com; gkdist04@aol.com; cathybacciarini@gourmetgarden%com@kroger.com; jan@gourmettrading.net; bvargas@thegiant.com; karin@hollandiaproduce.com; jimmy@veg-land.com; kwille@kraft.com; vance@lasalad.com; mrpack@inreach.com; jay.iverson@mannpacking.com; Sales@mcldproduce.com; shawnab@melissas.com; len@muranakafarm.com; amyyv@ebfarm.com; phayes@newstarfresh.com; tnunes@foxyproduce.com; garys@oceanmist.com; tkaplan@profproduce.com; yoliram@msn.com; fratto@rattobros.com; mcelani@readypack.net; dgiacone@rrff.com; larry@salyeramerican.com; arliss.namba@sanmiguelgreens.com; sanbon2003@sbcglobal.net; tom@stamoules.com; steve@coastlineproduce.com; gespen@earthlink.com; colin@taproduce.com; steve@victoriaisland.com; tim.seaton@vitasoy-usa.com; wvprg@wvegpro.com; dliefier@westlakeproduce.com; jharley@anthonyvineyards.com; sryan@ballantineproduce.com; tbaloian@baloianfarms.com; jim@beesweetcitrus.com; jeff@chuckolsenco.com; atomic@crownjewelsmarketing.com; mcrumb@freshdelmonte.com; jack@delanofarmsco.com; rossvanyleck@dfigoldrush.com; jwagner@farmersbest.com.mx; gvasquez@fordellinc.com; justin@fowlerpacking.com; mike@fruitpatch.net; johnn@grapeking.com; manspach@grimmway.com; cdevan@grimmway.com; artr@itopack.com; charliehein@kingsburgorchards.com; steve@legacyproduce.com; barry@legendproduce.com; mthurlow@mountainviewfruit.com; tshasarian@nationalraisin.com; tfomega1@aol.com; trouse@pomwonderful.com; jburton@peterrabbitfarms.com; mike@poindexterhut.com; primav2@attglobal.com; mwat@primetimeproduce.com; frontosa@ips.net; mbozick@mrgrape.com; steve@sandrini.com; barneyevans@sunpacific.com; normanevans@sunriversales.net; jwest@sunkistgrowers.com; charlesalter@sunview.com; dougs@sunwestfruit.com; dmarguleas@sun-world.com; david@trinityfruit.com;

stans@visaliaproduce.com; markb@wawonapacking.com; jim@westsideproduce.com; cawilliams@bolthouse.com; gsmirnov@zsfresh.com; larry@riofresh.com; wili@frontierproduce.com; lloyd.miller@healdsvalley.com; mike@rioqueencitrus.com; rcrooks@foodsourcebr.com; pbearner@bakerproduce.com; ronny@botsfordgoodfellow.com; scotth@holtzingerfruit.com; jim@calfarmsslc.com; waynes@chelanfresh.com; chuck@cmiapples.com; hannahf@crunchpak.com; matt@curryandco.com; johnshaddle@dilettante.com; pmont%superfr@kroger.com; dale.eichacker@stores.kroger.com; bempire@spiritone.com; jess@duckwallpooley.com; craigb@evansfruitco.com; fewelfarms@nwinform.net; rogerortega@charter.net; jweidner@hursts-berry.com; dan@keystonefruit.com; charles.hoctor@lmcompanies.com; maiv@mountainlandapples.com; greg@northernfruit.com; roy@nuchief.com; kyle@starranch.com; pat@pacificmarketing.com; dolly@pricepacking.com; petee@rainierfruit.com; johno@sagefruit.com; sales@skagitgrowers.com; bill.young@sternit.com; jsterinofm@aol.com; bill@sweetcloverproduce.com; billy@tft.att.net; scotth@algxmail.com; dale@valleypridesales.com; aeric@washfruit.com; dean@washingtonlettuce.com; tom.fleming@yakimafresh.com

Cc: keith.johnson@kroger.com; harlan.ewert@kroger.com; roger.grams@kroger.com

Subject: Fw: Kroger Standard Vendor Agreement

Henry Dill
Kroger/Wesco
Office: (559) 252-7395
Pager: (559) 872-3802
henry.dill@kroger.com

----- Forwarded by Henry Dill/GROC/WESCOF/KrogerCo on 12/03/2007 02:34 PM -----

Keith Johnson/GROC/WESCOF/KrogerCo

To: Henry Dill/GROC/WESCOF/KrogerCo@KrogerCo

cc

12/03/2007 02:16 PM

Subject: Kroger Standard Vendor Agreement

Dear Valued Kroger/Wesco Supplier:

We sent you a e-mail regarding our Vendor Agreement last April.

Reggie Griffin discussed this at our last years Business Review meeting in February.

We have not received a sign Vendor Agreement as of today from your Company

We also asked for a certification or copy of your Liability Insurance and have not received as well.....

In order to continue doing business we need this sent this week.....

The original e-mail is attached below as well as a copy of the Vendor Agreement.

If you have any further question please feel free to call me.

Thanks Keith Johnson
Western Area Manager

----- Forwarded by Keith Johnson/GROC/WESCOF/KrogerCo on 12/03/2007 02:02 PM -----

Cheryl

Weldy

04/17/2007

06:34 AM

To: bharrison@albharrison.com, amstad@worldnet.att.net, greg@balkfarms.com, molly@basingold.com, glen@greenhouseproduct.net, peter@calpinedistributors.com, rich@calavo.com, bsil@christopherranch.com, circlekirk70@aol.com, minnie@freshdelmonte.com, newman@eagleeyproduct.com, kpartida@eurofresh.com, bc@fivecrowns.com, franksales@garciafarmsproduce.com, bob@gardinas.com, greggpaulyproduce@aol.com, kerspuds@aol.com, wally@legacyproduce.com, jim@meritproduce.com, jgee@martorifarms.com, titanconi@starband.net, jimcdan@pacbell.net, ccarrera@missionpro.com, thia@lovepotatoes.com, mdayers@doublepotatoes.com, davsm@bppy.com, brian@pin4u.com, dougw@dolefresh.com, victor@progressivemarketinggroup.com, byron@rghyproduce.com, valtesp@aol.com, david@stamoules.com, kevin@sunblestfarms.com, betty@sunglo-idaho.com, poelin@lincolnworldwide.com, CT4Diamond@aol.com, van@unitedmelon.com, markr@regfresh.com, kevins@wadafarms.com, dean@washingtonlettuce.com, duane@yagibros.com, keber@msn.com, craig@asgproduce.com, agallino@calgiant.com, norm@cwproduce.com, vincent_lopes@na.dole.com, michael.holister@driscolls.com,

12/4/2007

hamsg@aol.com, bprice@naturipefarms.com, kawa@ix.netcom.com, ebeno@sunrisegrowers.com, chad@tritonfresh.com, dan@wellpict.com, coronamktg@aol.com, jan@gourmettrading.net, isola@growerdirect.net, ltalan@pacbell.net, scott@ainsexotics.com, jking@andrew-williamson.com, edleary@apio.com, ande@babefarms.com, jjackson@beachsideproduce.com, rroiz@masterstouch.com, bnakagawa@borgproduce.com, dhobson@boskovichfarms.com, cdean@grimmway.com, chuckm@capurofarms.com, willem.drost@clubfresh.com, apdonevan@coastproduce.com, bill@coastlineproduce.com, rcoyle@colorfulharvest.com, coronamktg@aol.com, camaral@carrito.com, rick.alcocer@duda.com, henry@pim4u.com, Allen_L_Davis@na.dole.com, greg.ek@att.net, rpelkey@fishexpress.com, brian@freshpac.com, jackie.wiggins@friedas.com, gkdisto@aol.com, cathybacciarini@gourmetgarden.com, jan@gourmettrading.net, bvargas@thegiant.com, karin@hollandiaproduce.com, jimmy@veg-land.com, kwiite@kraft.com, vance@lasalad.com, mrpack@inreach.com, jay.iverison@mannpacking.com, Sales@nclproduce.com, shawnab@melissas.com, len@muranakafarm.com, amyv@ebfarm.com, phayes@newstarfresh.com, ttrunes@foxyproduce.com, garys@oceanmist.com, tkaplan@profproduce.com, yoliram@msn.com, fraito@rattobros.com, mceleni@readypack.net, dgiacone@rrif.com, larry@salyeramerican.com, arliss.namba@sanmiguelgreens.com, sanbon2003@sbcglobal.net, tom@stamoules.com, aleve@coastlineproduce.com, gespan@earthlink.com, colin@taproduce.com, steve@victoriainland.com, tim.seaton@vilasoy-usa.com, wvprg@wvegpro.com, dliefen@westlakeproduce.com, jharley@anthonyvinyards.com, sryan@ballantineproduce.com, thalolain@taloianfarms.com, jim@beesweetcitrus.com, jeff@chuckolsenco.com, atomic@crownjewelsmarketing.com, mcgrumb@freshdelmonte.com, jack@delanofarmsco.com, rossvanieck@dfgoldrush.com, jwagner@farmersbest.com, gvasquez@fordelinc.com, justin@fowlerpacking.com, mike@fruitpatch.net, johnn@grapeking.com, mar.spach@grimmway.com, cdevan@grimmway.com, artr@itopack.com, charliehein@kingsburgorchards.com, steve@legacyproduce.com, bany@legendproduce.com, mthurlow@mountainviewfruit.com, tshaserien@nationalraisin.com, tfoomega1@aol.com, trouse@pnmwonderful.com, jburton@peterrabbitfarms.com, mike@pointexternut.com, primav2@attglobal.com, inwat@primetimeproduce.com, frontosa@ips.net, mbozick@mrgrape.com, steve@aradrini.com, barneyevans@sunpacific.com, normanevans@sunnversales.net, jwest@sunkistgrowers.com, charlessalter@sunview.com, dougs@sunwestfruit.com, smarguleas@sun-world.com, david@trinityfruit.com, stans@visaliaproduce.com, markb@wewonapacking.com, jim@westsideproduce.com, cawilams@ballhouse.com, gsmimov@zsfresh.com, larry@riofresh.com, wili@frontieraproduce.com, lloyd.miller@healdsvalley.com, mika@rioqueer citrus.com, rorooks@foodsourcectx.com, pbeaner@bakersproduce.com, ronny@batsfordgeodallow.com, scotth@holtzingerfruit.com, jim@calfarmslc.com, waynes@cheanfresh.com, chuck@cmiapples.com, harnahf@crunchpak.com, matt@cl.ryandco.com, johnshaddle@dilettante.com, pmort@superfreshgrowers.com, bempire@splitone.com, jess@duckvalpooley.com, craigb@evansfruitco.com, fewelfarms@nwinfo.net, rogerortega@charter.net, jweison@hurets-berry.com, dan@keystonefruit.com, charles.hocor@lmcompanies.com, marv@mountainlandapples.com, greg@northernfruit.com, roy@nuchief.com, kyle@starranch.com, pat@pacificmarketing.com, dolly@pricepacking.com, petee@rainierfruit.com, johnn@sagefruit.com, sales@skagitgrowers.com, bill.young@stemill.com, jsterinofm@aol.com, bill@sveetdoverproduce.com, billy@tifi.aff.net, scotth@algxmail.com, daia@valleypridessales.com, aerio@washfruit.com, dean@washingtonisttupa.com, lorn.fleming@yakimafresh.com, cc: Keith.Johnson/GROC/WESCO/KrogerCo@KrogerCo, Barbara.Lauti/GROC/WESCO/KrogerCo@KrogerCo, Dan Johnson/BAPC/CORP/KrogerCo@KrogerCo
Subject: Kroger Standard Vendor Agreement



April 17, 2007

Dear Valued Kroger/Wesco Supplier:

Re: Standard Vendor Agreement

Recently in our 2007 Vendor Supplier Meeting, we announced that we would be asking all Kroger/Wesco Suppliers to complete a Standard Vendor Agreement in light of the recent food safety issues within our industry. Please read and complete the attached Kroger Standard Vendor Agreement and return back to us by no later than **May 5, 2007**.

Please direct all questions to Keith Johnson in our Fresno, Wesco Office at (559) 252-7503 or via email to keith.johnson@kroger.com.

Please mail a signed copy of the Standard Vendor Agreement to:

Keith Johnson

12/4/2007

Wesco Foods Co.
5118 E. Clinton Way, Suite 101
Fresno, CA 93727-2014

Thanks in advance for your prompt return of the Standard Vendor Agreement.

Sincerely,

Dan Johnson
Director of Produce Procurement
The Kroger Co.
11310 Corneli Park Dr.
Blue Ash, OH 45242

12/4/2007



THE KROGER CO.

5118 East Clinton Way, Suite 101

Fresno, CA 93727-2014

May 09, 2002

Frontera Produce LLC.
Mr. Will Steele
P.O. Box 3567
Edinburg, TX 78540-3567

Dear Will:

Thanks to your efforts, we have collected a total of \$ 7,415.15 toward March of Dimes. Our team of eighteen walkers walked from three to six miles on Saturday, April 20. When you participate in March of Dimes WalkAmerica, you really are a **hero**, because you are helping to find treatment that will save vulnerable and defenseless babies. They need our help! By joining thousands of volunteers across the country, you are donating funds to support lifesaving research and programs. **Thank you** for helping to make sure every baby gets a healthy start in life.

We would like to thank you for your generous donation of \$200.00. We gratefully acknowledge your contribution to help in the successful fight to save babies.

Our Company appreciates your continued support and again, thank you very much for supporting March of Dimes.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "George Grimsley".

George Grimsley

Will,

We took your generous donation to
March of Dimes this week. Our total
now is "7,415.15"! Thank you!

George

**Food4Less**

07/09/09

FRONTERA PRODUCE LTD

VENDOR: 031793

REF: 1629 R

ATTN: ROXANNE

We are in the process of conducting a review of our vendor accounts. Accordingly, we are requesting your assistance and cooperation in providing us a current statement of our account showing all open transactions.

Should you not be able to provide an open item statement, please send us a copy of your aged trial balance of our account or any other source that will allow us to review all open items including: invoices, charge backs, allowances, credits, and overpayments. If there is a zero balance on the account(s), please indicate such below.

Since this is an Accounts Payable special project, we have established a separate fax number for all responses. This fax number is:

Fax #: (888) 605-0316**Attn: Cherie Hollingsworth**

If a mailed response to this request is necessary, please return the requested information, along with this letter to the address below. Kindly include the name and phone number of the individual we may contact if follow up is needed.

**Ralphs/Food 4 Less
Accounts Payable Special Project
2233 South Presidents Drive, Suite F
West Valley City, UT 84120**

Should you have any questions, please contact Cherie Hollingsworth 866-331-2706.

Please continue to mail all invoices and regular monthly statements, as usual, to the current address on file.

Sincerely,
Oscar Castillo
Oscar Castillo
Auditor

Vendor Contact:**Name:** Roxanne Martinez**Telephone:** 956-381-5701**Fax:** 956-381-1318**Email:** roxanne.martinez@fronteraproduce.com

☒ Place a (x) to indicate account has a zero (\$0.00) balance --no outstanding invoices, debits, or credits.