



SUPPLIER SHIPPING AND ROUTING GUIDE

JANUARY 1, 2010

Corporate Headquarters

4001 Three Mile Road
Walker, MI 49544
(616) 453-6358

Distribution Centers

4001 Three Mile Road
Walker, MI 49544
(616) 453-6358

6579 West 350 North
Suite E, Building 103
Greenfield IN 46140
(317) 891-7752

**Please direct all questions on the SAS Shipping and Routing Guide to
our Supply Chain Department at (616) 453-6358 ext. 543**

Purchase Order Terms and Conditions

1. BUYER shall have no obligation to accept or pay for any merchandise shipped that does not conform to, or comply with, the terms and conditions of this order, including shipping instructions and dates of shipment and delivery. If BUYER should accept delivery of such an order, it reserves the right to deduct from its payment therefore any excess transportation, handling charges or other expenses incurred as a result of such non-conformance or non-compliance.
2. BUYER shall have no obligation to accept or to pay for any substituted merchandise or excess shipment of this order made without BUYER'S prior written approval.
3. BUYER reserves the right to reject any shipment of this order and shall have no obligation to pay therefore in the event that its business or operations are discontinued in whole or in part by reason of fire, flood, earthquake, war, civil disorder or Act of God beyond BUYER'S control. Shipments of this order shall be at the prices and terms of sales stated herein unless SELLER shall establish lower prices and terms more favorable to BUYER prior to shipment, in which event such lower prices and more favorable terms apply.
4. BUYER reserves the right without cost or other penalty to cancel this order in whole or in part at any time prior to shipment.
5. SELLER represents and warrants that this order and any goods shipped pursuant to this order shall conform to any and all requirements, conditions or provisions of applicable federal, state, or local law with respect to the manufacture, sale, or shipment of such goods.
6. SELLER shall protect, defend, indemnify and save BUYER harmless against any and all claims, demands, damages, costs, including counsel fees, or causes of action of any kind and character asserted by any person, including both BUYER'S and SELLER'S employees, on account of personal injuries or death or damages to property allegedly occurring, growing out of, incident to, or resulting directly or indirectly from the shipment or delivery by SELLER hereunder, whether such loss, damage, injury, or liability is contributed by the negligence of BUYER or its employees and whether due to imperfections of any material furnished by BUYER, or by the premises themselves or any equipment thereon whether latent or patent, or from other causes whatsoever, except that SELLER shall have no liability herein for damages or the costs incident thereto caused by the sole negligence of BUYER.
7. SELLER shall protect, defend, and indemnify from and against any and all claims, demands or cause of action of every kind of character arising or alleged to have arisen out of the sale by BUYER of goods purchased hereunder, and further, SELLER shall save BUYER harmless from any damages or costs, including counsel fees, incurred by BUYER as a result of any such claim, demand or cause of action. SELLER'S obligations herein shall not be or be deemed to have been waived or terminated by BUYER'S inspection or failure to inspect such goods.
8. SELLER'S shipment of all or part of this order constitutes and shall be deemed to be acceptance of each of its printed and written terms and conditions, regardless of any conflicting term or condition in an acknowledgment by SELLER of this order.
9. If Selling Price is F.O.B. destination, and freight is deducted or deductible from the invoice instead of being prepaid, the discount date shall be extended until, in the ordinary course of business, the receipted freight bill shall have been received and forwarded without remittance.
10. The shipping and billing instructions set forth above are understood and agreed to constitute terms and conditions of this order.

INSTRUCTIONS AND CONDITIONS READ CAREFULLY

INVOICING

1. Mark all Invoices and Packages with PURCHASE ORDER Number.
2. All Merchandise Terms of Payment are printed on the purchase order. Unless stated otherwise, payment terms begin on the date of receipt of goods at the designated location
3. Shipments of this order shall be at the prices and terms of sale stated herein unless seller shall establish lower prices and terms more favorable to buyer prior to shipment, in which event such lower prices and terms shall apply.
 - ACKNOWLEDGE ORDER PROMPTLY GIVING SHIPPING DATE
 - INVOICES MUST BE IN DUPLICATE
 - A SEPARATE INVOICE MUST BE ISSUED FOR EACH PURCHASE ORDER

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Delivery Specifications

All shipments tendered to an S. Abraham and Sons facility must deliver according to the following specifications:

- ❖ Scheduled delivery appointment
- ❖ Scanable UPC or UCC 128 barcode on all cases
- ❖ One UPC number per pallet, stacked in a uniform ti/hi, safe for slotting and picking
- ❖ Loaded on grade A or B 40x48 GMA pallet or CHEP (see pallet specifications for more information)
- ❖ Maximum pallet height 48 inches or as instructed by S. Abraham and Sons

Any product not meeting these specifications is required to be sorted and reconfigured by the driver or an authorized employee of the vendor. All handling and associated costs are the responsibility of the vendor.

Case bar coding

All cases must have a compliant bar code on the master case.

Shipment Documentation

All Purchase Order numbers must be listed on the Bill of Lading (BOL). Packing slips for every PO contained in the shipment should be attached to an easily accessible carton. Each item received must have a corresponding line on the packing slip.

Packing List Requirements

- | | |
|--|-----------------------------------|
| ➤ Send with shipment | ➤ Carton ID |
| ➤ Vendor Name and Address | ➤ Quantity of total units shipped |
| ➤ Purchase Order number | ➤ Carrier name |
| ➤ Quantity ordered per SKU (piece count) | ➤ Total number of SKUs shipped |
| ➤ Quantity shipped per SKU | ➤ Carrier PRO or tracking number |
| ➤ Unit of measure | ➤ UPC number |

Packaging Instructions

All merchandise must be packaged in full accordance with Motor Carrier, Rail, Parcel Post, and UPS requirements. All cartons must be properly marked, securely sealed and free of contaminants. All fragile merchandise must bear protective labels. All hazardous materials must be labeled according to Department of Transportation specifications.

- ❖ Carton Size must be the same for all product of the same vendor pack.
- ❖ No vendor pack changes will be accepted on any order without buyer approval.
- ❖ All LTL Shipments must have a packing slip attached to the outside of one carton for each purchase order within the shipment.
- ❖ Truckload shipments must have packing slip attached to a carton on the tail end of the trailer.

Small Parcel Packaging Instructions

When shipping with UPS Package or other parcel carriers, the outer case must be clearly marked with the purchase order number. For multiple case shipments, each case must show the order quantity, i.e.: one of four, 2 of 4, etc.

A packing slip must be affixed to the outer carton for each purchase order in the shipment and include the purchase order number on each case.

For all shipments under 300 pounds or less than 15 cases UPS Package is the preferred carrier. SAS does not allow or pay for pay pre-pay and add freight charges on small package shipments. All orders

must be sent on a freight collect basis. Please call our Supply Chain Department at (616) 453-6358 extension 510 for further instructions.

General Shipping Requirements

All merchandise must be segregated by purchase order. Each order must then be sorted by product code.

The driver is required to verify the carton count on the trailer unless the Bill of Lading states "Shipper Load and Count". If the driver is required to load or assist, it must be noted accordingly and signed by the shipper. All sealed trailers must have the seal number on the Bill of Lading.

- ❖ Load only clean trailers. Loads arriving at S. Abraham and Sons on dirty or infested trailers will be rejected.
- ❖ All SAS purchase orders have specific delivery dates shown on each purchase order. Please ship in a fashion that allows the product to be delivered on the date requested.
- ❖ SAS reserves the right to cancel late shipments.
- ❖ A packing list must be affixed to the outer carton, for each purchase order in the shipment.

Right of Routing

S. Abraham and Sons reserves the right of routing on all purchase orders.

All LTL shipments with collect or pre-pay & add freight terms must be routed with one of our core carriers. Use of other common carriers will result in bill-backs of all excess freight charges, lost sales that result from delivery delays and an administrative fee of \$200.00.

Core carriers are Old Dominion, UPS Freight or YRC

The vendor must notify the carrier of the pick up and ship available product to arrive on the arrival date.

All shipping costs associated with any approved back-order are the responsibility of the vendor.

Please ship UPS Package on shipments of 15 cases or less to a single distribution center. Review the proper labeling procedures before shipment, and include the purchase order number on each case.

Vendors may use truckload contract carriers of their choice for pre-paid shipments.

Customer Pick Up General Information

All orders placed as "Customer Pick Up" will be picked up on the date on the purchase order. Our carriers will arrange pick-up appointments directly with the shipping facility.

Any order placed for a customer pick-up and shipped in error is subject to bill-back for all excess freight costs, all pick-up incentives, any accessorials, unloading or miscellaneous charges plus an additional \$200.00 administrative fee.

All shipping costs associated with back-ordered product are the responsibility of the vendor. All pick-up incentives will be allowed to S. Abraham and Sons on back-ordered product.

Freight Collect Shipments

LTL shipments with collect or pre-pay & add freight terms must be routed with one of our core carriers. Use of other carriers will result in bill-backs of all excess freight charges, lost sales that result from delivery delays and an administrative fee of \$200.00.

Core carriers are Old Dominion, UPS Freight or YRC,

The vendor must notify the carrier of the pick up and ship available product to arrive on the arrival date.

All shipping costs associated with any approved back-order are the responsibility of the vendor.

Pre-Paid Freight Shipments

All LTL shipments must be routed with one of our core carriers. These carriers have been chosen based on their operational compatibility with ours. They are familiar with our scheduling procedures and receiving requirements. They have made the commitment to work the hours necessary to support our operation, including evening and weekend service.

Core carriers are Old Dominion, UPS Freight or YRC

The transit times offered by these carriers are among the fastest available. These carriers do not trap or hold freight consigned to S. Abraham and Sons. Most delivery problems are resolved between S. Abraham and Sons and the carrier.

We discourage the use of interline services, especially for candy deliveries. The use of interline and non-core carriers can delay your shipments from 4 days to two weeks. We see a substantially greater amount of shortages and damaged product on interlined and non-core carriers.

S. Abraham and Sons will not assume responsibility for performance of non-core carriers. All storage, miscellaneous accessorial, notification, sorting and segregating or detention charges assessed by a non-core carrier will be billed-back to the vendor.

Delivery Appointment Instructions

All deliveries of 100 cases or more require a delivery appointment. Our core carriers know when to make delivery appointments. If shipping with a non-core carrier, all notification charges are the responsibility of the shipper. Appointments must be made a minimum of 24 hours in advance. However, it is recommended that appointments be secured as soon as possible since peak times fill quickly.

Vendors should not call for delivery appointments unless the shipment is being transported by their private fleet. To prevent duplication of appointments, only the carrier should request an appointment.

Receiving Hours

Walker	Monday through Friday 6:00 a.m. to 12:00 p.m. Email: RCVGRR@SASINC.COM Phone: (616) 453-6358 ext. 425 Fax: (616) 453-7217
Indianapolis	Monday through Friday 5:00 a.m. to 11:00 a.m. Email: RCVIND@SASINC.COM Phone: (317) 891-7752 extension 5104

If your carrier fails to show or is late for a delivery appointment, they will be rescheduled to next available day and time. S. Abraham reserves the right to charge back all lost sales and additional expenses that result from rescheduling the carrier.

General Receiving Instructions

S. Abraham and Sons is not responsible for sort & segregate, detention, or any other accessorial charges levied by vendor hired carriers or non-core carriers. These charges are the responsibility of the vendor or party securing transportation services. Any carrier billing such charges to S. Abraham and Sons will be instructed to seek payment from the shipper or the vendor will be charged back all applicable charges including a \$200.00 administrative fee.

S. Abraham and Sons is not responsible for notification charges assessed by carriers. We strongly urge all orders to ship on core carriers since they have set receiving times and are well versed on our operation.

All vendor hired carriers are agents and representatives of the vendor. Drivers and co-drivers are considered employees of the trucking company and/or vendor. S. Abraham and Sons assumes no liability for employees or representatives of manufacturers, suppliers, carriers or temporary service employees, etc. on the premise for any purpose.

S. Abraham and Sons reserves the right to reject any load not arriving as required. Drivers refusing to deliver according to our requirements will be asked to reschedule the appointment and secure unloading services for the next appointment time. Additional fees are the responsibility of the vendor.

The use of casual labor or lumpers is not permitted at the Walker or Indianapolis facility. S. Abraham and Sons has a pool of unloaders that have been prescreened and available for hire. A preset fee schedule is available on the dock.

S. Abraham and Sons reserves the right to reject any load not arriving according to the specifications outlined above. The vendor or carrier is responsible for securing any unloading services required. Drivers refusing to deliver according to our specifications will be asked to reschedule the appointment and secure unloading services for the next appointment time. Additional fees are the responsibility of the vendor.

Drivers are to remain on the dock, with the load at all times. With authorization from receiving personnel, they are permitted in the restrooms and to use the payphone. Failure to remain in designated areas will result in removal from the property.

The vendor is responsible for non-payment, short payment or any financial arrangements made between the unloading services and the driver.

Vendors and drivers are required to adhere to all applicable, federal, state, local and company laws and regulations while on SAS property. Failure to do so will result in removal and prohibition from the facility.

All drivers are required to leave the premise immediately upon completion of the delivery. Sleeping is not permitted on the premise.

S. Abraham and Sons reserves the right to collect fees, lost sales, or any other charges agreed upon that result from failure of the vendor to meet this obligation.

Delivery Assurance Policy

All advertisement and promotional merchandise is subject to our Delivery Assurance Policy. All purchase orders containing ad and/or promotional merchandise is subject to 20% failure fee if the order is not satisfied as requested or if it is not delivered prior to the start of the promotion.

Non-conforming Shipments

Non-conforming shipments are defined as items shipped to S. Abraham and Sons that do not appear on the S. Abraham and Sons purchase order. They may be either overages or item substitutions. In the event product arrives at a distribution center that does not appear on our purchase order, notice of a non-conforming shipment will be sent via certified mail to the distributor, vendor or manufacturer notifying them that such product is being held for their pick up. If the product has not been picked up within thirty days of notice, the goods will be considered abandoned. Title to the goods shall automatically vest to S. Abraham

and Sons. All charges associated with disposal, destruction and/or return are the responsibility of the vendor.

S. Abraham and Sons has no legal obligation to accept any quantity, type, or style of goods beyond the quantity and description stated on our purchase order.

Pallet Exchange

All SAS facilities are set up for comparable even exchange of pallets at the time of delivery. Failure to exchange at the time of delivery will result in forfeiture by the supplier and/or delivering carrier.

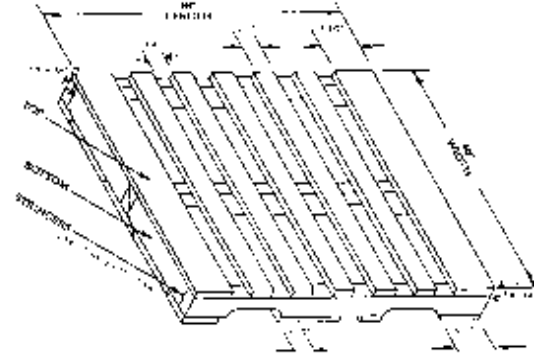
All pallets must meet the following specifications for unloading and exchange:

- ❖ Measure 48" x 40", 4 way entry hardwood construction
- ❖ Top deck must have 7 boards 5/8" to 3/4", evenly spaced with a 4" maximum spacing
- ❖ Bottom deck must have both end boards and a minimum of three centerboards, the same size as top deck boards.
- ❖ Must have 3 stringers, none split or broken
- ❖ No protruding nails
- ❖ Free of contaminants infestation, soil, or any other material that may harm the product or its container.

Product on non-acceptable pallets must be transferred to acceptable pallets by the vendor or carrier making the delivery. All non-acceptable pallets must be removed from SAS.

No exchange on CHEP deliveries

Vendor hired trucks are responsible for their own pallets.



CHEP Pallet Program

All S. Abraham and Sons distribution centers participate in the CHEP Pallet Program. Any time CHEP is available at a supplier, it should be utilized for our product.

Please contact the Supply Chain Department at (616) 453-6358 ext. 543 for our account numbers.

Concealed Weapons

No supplier representative, drivers or visitors may transport or possess weapons or explosives of any kind on company property, in private vehicles or in Company vehicles, including tractors or trailers.

Any person found to be in possession of a weapon of any type will be asked to leave the premises immediately.

At the discretion of SAS management, carriers possessing weapons on SAS property will not be allowed subsequent deliveries

Hazardous Materials

Material Safety Data Sheets (MSDS) are required on all products deemed hazardous by DOT, EPA, and OSHA. Hazardous materials contact and phone number must be provided.

Supplier Acknowledgement

The following information is not included and would be beneficial to the shipper/vendor:

This guide creates confusion with respect to:

Return to: Supply Chain Department Fax # (616) 453-7217
 S. Abraham and Sons
 4001 Three Mile Road NW
 Walker, MI 49544

ACKNOWLEDGEMENT

I have received a copy of the Shipping and Routing Guide, effective 01/01/2010.

I have read the terms and conditions contained within and accept them on behalf of:

_____.

(company name - printed)

I have forwarded the guide or a copy to: _____ for further review.

(Vendor Representative - Signature)

Date