

**Imperial** Celebrating **80.**  
*The Performance Leader* Years

# ***Imperial Distributors, Inc.***

## ***Logistics Requirements Guide***



For delivery appointment, please email [scheduling@imperialdist.com](mailto:scheduling@imperialdist.com).

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To Imperial Distributors' valued vendor partners:

Imperial Distributors' current **Logistics Requirements Guide** outlines Imperial's policy on routing, delivery, and handling of inbound merchandise at our facilities.

Our objective is to clarify to the vendor community the steps that need to be followed to optimize efficiency in our daily operation. Our goal is to identify the best procedures possible to grow our business together.

This shall serve as the "Terms and Conditions" for every Purchase Order delivered to Imperial Distributors. Non-compliance with these terms and conditions will result in a charge back to the vendor.

Upon your receipt of this **Logistics Requirements Guide** you are considered to be aware of all of the policies of Imperial Distributors. Please forward this to all appropriate persons in your company's Logistics and Traffic departments, so that any action required is taken immediately.

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**Imperial Distributors, Inc.**  
150 Blackstone River Road  
Worcester, MA 01607

### **1. Purchase Order Fulfillment**

- a. Purchase Orders (POs) must be confirmed within 24 hours for all lines and quantities.
- b. Vendors must ensure delivery by the PO expected arrival date.
  - i. If any PO shipment will arrive later than the expected arrival date, the Supplier must notify the procurement buyer in advance of that date, and communicate the reason.
  - ii. Any items that are backordered must be communicated and approved by your procurement buyer.
- c. Exact quantities as ordered must be delivered by the expected arrival date on the PO. Any exceptions must be approved by your procurement buyer.
- d. No substitutions for the items ordered will be accepted. Items must have the proper item name and item barcode representing the items ordered.
- e. Items that have expiration dates must be shipped in date sequence. For example, a PO for an analgesic shipped on Monday should not have a later expiration date than a PO for that analgesic shipped on the following Friday.
- f. Date-codes on received goods must comply with vendor's guaranteed days upon receipt per item setup. If no guarantee is provided by the vendor at time of setup, required minimum remaining days prior to expiration will default to 66% of total product shelf-life at time of manufacture. Non-compliance with this policy is subject to product refusal at receiving and a chargeback.
- g. Same Items should not have multiple expiration dates in the same shipment. If necessary, please group by expiration date with clear separation of items. See Section 5d below.
- h. All PO numbers that are on an order must be provided to Imperial at the time delivery appointment is made.
- i. In summary, POs that arrive late, with incorrect quantities, mis-shipments, or items with mis-sequenced, incompliant, or mixed expiration date per pallet (without clear separation) are subject to chargebacks. Please see the table on pages 8-9 for compliance issues subject to chargebacks.

### **2. Cancelled Purchase Orders**

- a. If a purchase order or lines on a back-ordered PO are cancelled by Imperial, and the purchase order or back order subsequently arrives at our dock, Imperial maintains the option to accept or refuse this shipment.
- b. If the carrier will not or cannot take back the cancelled order, the merchandise will be sent to our Reclamation Center and the vendor will be notified. We require disposition from the vendor within 21 days.
- c. Imperial will not be responsible for the handling or return freight cost of a back-order shipment against a cancelled purchase order.

### **3. Bill of Lading (BOL)**

- a. Please ship to the address on the PO. The address will be one of two addresses:

Imperial Distributors, Inc.  
150 Blackstone River Road  
Worcester, MA 01607

Imperial Distributors, Inc.  
28 Millbury Street  
Auburn, MA 01501

- b. Please include the following information on the Bill of Lading (BOL)
  - i. Imperial's PO Number(s)
  - ii. Carton count and pallet count by PO
  - iii. Imperial's expected arrival date
  - iv. The notation "For delivery appointment, email [scheduling@imperialdist.com](mailto:scheduling@imperialdist.com)"
  - v. If there are any pallet exchange requirements
  - vi. State "Driver unload, sort, and segregate required"
- c. Multiple shipments (i.e, more than one PO) are to be consolidated onto one BOL
- d. Inaccurate, incomplete, or missing BOLs are subject to chargebacks. Please see the table on pages 8-9 for compliance issues subject to chargebacks.

#### 4. Carton Presentation

- a. Less than Truckload (LTL) and Full Truck Load (FTL) should have a PO number indicated on each pallet.
- b. For small parcel delivery, the PO number must be clearly marked on the outside of each carton. For samples, mark "Attention to [your Category Manager]."
- c. Small Parcel delivery in repack boxes should indicate it is mixed SKUs on the outside of the carton with a list of all POs and PO details in the carton.
- d. Individual cartons that have more than one sellable unit should not exceed 50 lbs.
- e. When possible, carton labels should face outward to allow for scanning the barcode without breaking down the pallet.
- f. The vendor cannot change the case pack quantity without first notifying Imperial Distributors.
- g. Case Pack and manufacturers' stocking (or style) # must be indicated on each case.
- h. All cases coming into Imperial to be received must have a scannable case barcode on the outside of the shipping carton. The case barcode can be ITF-14/SCC-14, UPC-A/UCC-12, or EAN/UCC-13 format. This barcode must be on the outside of the shipping carton. For example:

The following illustrates a GTIN in an ITF-14 bar code:



ITF-14 symbol  
EAN/UCC-14 structure

The following illustrates the use of GTIN in UPC-A and EAN13 bar codes:

UPC-A symbol  
UCC-12 structure



EAN-13 symbol  
EAN/UCC-13 structure



- i. If vendor is shipping in inner packs, these will also need to have a scannable inner pack barcode.
- j. Optional but helpful: We recommend displaying Imperial's 6-digit item number on the outside of the case.
- k. In summary, missing PO on pallet, unscannable barcodes, and missing barcodes are subject to chargebacks. Please see the table on pages 8-9 for compliance issues subject to chargebacks.

## 5. **Pallet Presentation:**

- a. POs shipped via LTL or FTL must be palletized and shrink-wrapped. No floor loading is permitted.
- b. Use GMA 40" x 48" 4-way wooden pallets. Grade A, Grade B or CHEP pallets are acceptable. Imperial does not participate in PECO pallet exchange.
- c. Ship only one PO per pallet. Exceptions may be authorized by your procurement buyer.
- d. If you have approval to ship multiple PO per pallet (See 5c above), each PO should be physically separated with a slip sheet or barrier with each PO clearly indicated.
- e. If you have approval to ship multiple expiration dates for an item in the same shipment, items should be grouped by expiration date with quantity of item with each expiration date clearly marked on each pallet.
- f. Keep same items together on the pallet.
- g. Fragile and Heavy items should be marked with clear identifiers that indicate fragile (e.g, glass) or marked for 2-man lift (over 50 lbs).
- h. If items are ordered in designated Ti/Hi's, they should be shipped in these designated Ti/Hi configuration.
- i. Cartons should not overhang edges of pallets by more than 2 inches on the sides of the pallets (48" edge) and zero overhang on the front (40" edge).
- j. Load heaviest items on the bottom of the pallet. When possible, brick stack with all edges flush on all sides.
- k. Pallets should not exceed 60" tall.
- l. Cartons should be attached to pallets with stretch wrap and/or reinforced with strapping tape. The stretch wrap should prevent shifting during transit. Corner boards may be used to help protect and maintain the stability of cartons in transit.
- m. In summary, multiple POs per pallet (that are not clearly separated) and over-height or unsafe pallets are subject to chargebacks. Please see the table on pages 8-9 for compliance issues subject to chargebacks.

## 6. **Shipment Presentation:**

- a. Shipments are to be delivered in good condition with no dirt or damage to the product or inner case.
- b. Do not double stack pallets when the product indicates it is not stackable or the cartons are visibly unstable or crushed with the weight of a stacked pallet.
- c. Cartons and package materials should protect items in transit.
- d. Allow for 6" lift clearance from the top of a double-stacked pallet.
- e. When possible, pallets should be loaded straight so that 2 rows of pallets with the 40" dimension facing the trailer door for easiest off-loading. If necessary, you can pinwheel the pallets to increase the load capacity as long as the pallets have 4-way access.
- f. A packing list per PO must be located on the outside of the shipment.
- g. In summary, shipments that are damaged or dirty or missing packing lists are subject to chargebacks. Please see the table on pages 8-9 for compliance issues subject to chargebacks.

## 7. **Transportation and Apportioning**

- a. Freight Pick-Ups and Backhaul – Please contact Transportation Manager John Cimmino at (508) 713-6588 or [JCimmino@imperialdist.com](mailto:JCimmino@imperialdist.com) regarding potential back-haul opportunities.
- b. Forty-eight (48) hours advance notice of pickup is required for Imperial Distributor's contracted carriers, and the Purchase Order(s) must be ready at time of pick-up appointment.
- c. All deliveries (except for UPS Ground and FedEx Ground) require that a delivery appointment be made in advance.
- d. Requests for delivery appointment should be made by the carrier seven (7) days in advance of the expected arrival date on the Purchase Order when possible. E-mail Imperial's inbound receiving department at [scheduling@imperialdist.com](mailto:scheduling@imperialdist.com). Response will be within 24 hours, not including weekend days or holidays.
- e. Ensure delivery by the PO expected arrival date as referenced on the PO.

f. Please use one of our preferred carriers:

| <b>Preferred Carriers</b>   |                              |
|---|------------------------------|
| <b>Shipments &gt; 150 lbs (TL/LTL)</b>  | <b>Shipments &lt;150 lbs</b> |
| A Duie Pyle<br>ABF Freight<br>FedEx Freight<br>New Penn<br>Old Dominion Freight Line<br>UPS Freight | FedEx Ground                 |

| <b>Carriers not to be used</b>         |                              |
|--|------------------------------|
| <b>Shipments &gt; 150 lbs (TL/LTL)</b> | <b>Shipments &lt;150 lbs</b> |
| Central Transport<br>R&L Carriers      |                              |

- g. Expedited and/or Air Freight shipping can only be authorized by the Imperial Distributors Procurement Buyer.
- h. Imperial can accept less than truckload (LTL) or full truckload (FTL) trailers or small parcel carriers (UPS or FedEx)
- i. Drivers must arrive at the appointment time and no earlier than 30 minutes ahead of the appointed time. Early deliveries will be accommodated if possible, but may need to wait until the scheduled appointment time.
- j. Imperial requires a minimum of one (1)-hour notice prior to the scheduled appointment if the driver is running late but is still going to deliver. Please e-mail [scheduling@imperialdist.com](mailto:scheduling@imperialdist.com).
- k. If a carrier will be one (1) or more hours late, it is at Imperial's discretion to receive or reschedule the delivery. Any delivery more than one hour late is subject to chargeback to vendor.
- l. Imperial requires a minimum of 24 hours' notice (email to [scheduling@imperialdist.com](mailto:scheduling@imperialdist.com)) if carrier is cancelling or rescheduling a delivery appointment. Appointments not rescheduled with 24 hours' notice or missed or late appointments are subject to chargebacks.
- m. Imperial does not support Standing appointments for LTL or TL carriers. Every appointment needs to be explicitly made.
- n. Small parcel carriers do not need an appointment.
- o. Some carriers may be granted permission to schedule an appointment as a drop trailer. The carrier is still required to provide the PO, carton and pallet count details for any approved drop trailer. The scheduled drop date will count as the arrival date when determining if the PO arrived by the Expected Arrival Date. Please contact [scheduling@imperialdist.com](mailto:scheduling@imperialdist.com) to get approval to request appointments as a drop trailer carrier.
- p. If pallet exchange is required, Imperial must be informed when the delivery appointment is made.
- q. Imperial reserves the right to re-direct shipments to an alternative Imperial receiving facility other than what is on the purchase order.
- r. If the vendor uses a logistics company to ship goods, Imperial needs to know the specific name of the carrier that is actually bringing in the delivery, along with contact person, and phone number of the carrier.
- s. Drivers must ensure trailer is safe and in good condition according to the Department of Transportation guidelines prior to loading. Vehicles deemed to be unsafe, at the discretion of Imperial Distributors, will not be allowed entry to our facilities.
- t. If carrier on the routing guide is deemed to be unfit to perform, please contact Imperial's transportation department immediately. It is impossible to predict future bankruptcies, slow downs, strikes, mergers/acquisitions and/or natural disasters that could affect the timely arrival of your shipment.
- u. It is the vendor's responsibility to ensure that the carrier services both the origin and destination locations, on a direct basis (i.e. no interline carrier).

- v. In summary, appointments not rescheduled with 24 hours' notice, and missed or late appointments are subject to chargebacks.

**8. Unloading, Sort, and Segregation**

- a. Imperial utilizes a third-party unloading, sort and segregate service, Diversified/Southeast Unloading. All appointment unloading fees will be determined and collected by this group.
- b. Unloading, sort & segregation and any other accessorial charges incurred by Imperial will be deducted from the vendor.

**9. Vendor Compliance and Chargebacks**

- a. We recommend you review the vendor compliance requirements carefully and understand the terms. If you have any questions, please contact [vendor-compliance@imperialdist.com](mailto:vendor-compliance@imperialdist.com).
- b. Non-compliance with the policies outlined in this guide will be subject to chargebacks according to the following schedule:

| Compliance Issue  | Chargeback Amount |
|---|-------------------|
| <b>Over-shipment:</b> Shipment of a greater quantity than is ordered. Example: Imperial orders 10 cases and vendor ships 10 pallets.  | \$150 per item    |
| <b>Mis-ship:</b> Wrong items sent. Example: Imperial orders item 123456 and Vendor ships item 123455.   | \$150 per item    |
| <b>Over-height, Unsafe or collapsed pallet:</b> Over-height, severely broken or collapsed/unstable pallets. Example: Pallet over 5' or pallet with shattered stringers with no integrity or pallet that has toppled over. | \$150 per pallet  |
| <b>Damaged/dirty product:</b> One or more items on the pallet are damaged or dirty. Example: Cartons that are crushed (even if the product inside may be okay), Cartons with a heavy layer of dust or debris.             | \$150 per pallet  |
| <b>Multiple POs per pallet (not clearly separated).</b> Example: Imperial orders on Monday and again on Wednesday, vendor ships items from both POs without any physical separation on multiple pallets.                  | \$150 per pallet  |
| <b>Unscannable/Missing UPC:</b> UPC Barcode is missing or unscannable on carton. Example: Imperial is unable to scan any of the barcodes on the carton to receive the product into inventory.                             | \$150 per Item    |
| <b>PO not visible:</b> PO is not displayed on the shipment. Example: Shipment from the vendor has no visible reference to the PO on the outside of the shipment.  | \$150 per pallet  |
| <b>PO does not match appointment:</b> Example: POs that are delivered that are not on the appointment or POs that are on the appointment are not delivered.   | \$150 per PO      |
| <b>Expiration date grouping violation:</b> Pallet contains an item with more than one expiration date without clear physical separation and notation. Example:  | \$150 per pallet  |



|  |                    |
|--|--------------------|
| Item A ships with expiration date 12/31/2022 and expiration date 1/31/2023 on the same pallet with no physical separation.   |                    |
| <b>Expiration date compliance:</b> Date-codes on received goods is less than the vendor's guaranteed days upon receipt per item setup, or minimum remaining days prior to expiration less than 66% of total product shelf-life at time of manufacture.   | \$150 per shipment |
| <b>Expiration date sequence:</b> Items must arrive in date code sequence based on PO order date. Example: Items ordered in June has an earlier expiration date than items ordered in May.  | \$150 per shipment |
| <b>Late truck:</b> Truck is >1 hour late for scheduled appointment.  | \$425              |
| <b>Missed appointment:</b> Scheduled appointment is a no-show or rescheduled <24 hours or canceled <24 hours.  | \$425              |
| <b>Late POs:</b> There will be a chargeback for each day late beyond the PO expected arrival date.   | \$150 per day late |
| <b>Inaccurate, incomplete or missing BOL:</b> When the BOL/packing list is missing, inaccurate, or incomplete.   | \$150 per shipment |
| <p>Imperial will not absorb any accessorial charges billed to Imperial by any carriers (e.g., "sort and segregate" or "driver detention" charges) or charges due to re-weighted or re-classed shipments. These charges, should they occur, will be paid to the carrier and deducted from the vendor invoice.</p> <p>An additional 10% will be added for each re-occurrence of same violation within a 90-day period.</p> |                    |

### Glossary of Terms/Acronyms

|              |   |
|--------------|---|
| BOL          | Bill of Lading. Document issued by carrier that serves as receipt for the goods delivered |
| CHEP         | Commonwealth Handling Equipment Pool Pallet   |
| DC           | Distribution Center   |
| FTL          | Full Truck Load   |
| GMA          | Grocery Manufacturers Association   |
| LTL          | Less than Truckload   |
| Packing List | Vendor prepared document that lists all items and quantities in a given shipment          |
| PECO         | Pallet from the PECO pallet rental service  |
| PO           | Purchase Order  |
| RMA          | Return Merchandise Authorization  |
| SCAC         | Standard Carrier Alpha Code   |

|        |   |
|--------|---|
| SKU    | Stock Keeping Unit  |
| Ti/Hi  | TI = cartons per layer on a pallet<br>HI = number of layers         |
| UPC    | Universal Product Code  |
| Vendor | Supplier; the party from whom Imperial Distributors purchases goods |