

Raley's

Family of Fine Stores


BEL**AIR** **NOB HILL**
FOODS **FOOD SOURCE**

Supplier Quality Expectation Manual

Revision 3

Raley's
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05/07/2013	Revised Chapter 2 – changed QMS thermometer requirements. Revision 1
04/28/2016	Revised manual due to change in QMS system and recall fee structure. Revision 2
03/08/2017	Revised Section 2.1 – changed supplier requirements. Revision 3

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1. OVERVIEW

1.1. Introduction

The safety and quality of the products that we sell and distribute and the service we provide our customers are amongst Raley's core values and mission. Raley's Quality Assurance goal is to provide its customers with unwavering, high quality products. To ensure the safety and quality of the products that we deliver to our customers, Raley's Quality Assurance Department has set up certain expectations from its Suppliers which are defined in this manual. Raley's reserves the right to reject any goods from Suppliers that do not strictly comply with our safety and quality expectation.

1.2. Purpose

The purpose of this manual is to provide new or prospective and existing Suppliers with Raley's Quality Assurance guidelines and expectations.

1.3. Mission

To infuse life with health and happiness by ensuring Raley's Family of Fine Stores carries only safe, high quality and regulatory compliant products.

1.4. Scope

The scope of this manual is for all Suppliers of the products that are sold and shipped to Raley's Family of Fine Stores.

2. RALEY'S QUALITY ASSURANCE REQUIREMENTS

2.1. Raley's Supplier General Requirements

2.1.1. PURPOSE

The purpose of this document is to provide Raley's Suppliers with general expectations. All Suppliers of Raley's are expected to conduct business according to Raley's Quality Assurance Approval Process as stated below, and maintain product safety, quality, and regulatory requirements and consumer expectations.

2.1.2. SCOPE

All Suppliers of the products that are sold and shipped to Raley's.

2.1.3. RESPONSIBILITY

Suppliers will be held responsible for the product safety and quality provided to Raley's and its customers.

2.1.4. RALEY'S QUALITY ASSURANCE APPROVAL PROCESS

Raley's Quality Assurance utilizes a Quality Management System (QMS) to ensure that vital plant and product information is kept current by our Suppliers, including facility contacts, telephone numbers, e-mail and other general information. Raley's QMS enables Suppliers to provide secure online product specifications, updated certifications and compliance documents. Upon approval from the Category Merchant, Suppliers will be invited to establish an account in Raley's QMS. Suppliers must complete all assigned compliance requirements for approval. General requirements are listed below and additional requirements may be assigned based on product categories.

2.1.4.1. TERMS AND CONDITIONS

Raley's Terms and Conditions are a legally binding agreement detailing the terms and conditions between Raley's and its trading partners. Suppliers must acknowledge they have received and reviewed this manual and agree to comply with the requirements mentioned within, as well as treat all information and data relating to Raley's as confidential information. Raley's expects Suppliers' adherence to all applicable Federal, State, and local laws. Specific examples including, but not limited to: The Federal Food, Drug and Cosmetic Act, the Food Safety Modernization Act, the Consumer Product Safety Act, California Proposition 65, Country of Origin Labeling, OSHA, etc.

2.1.4.2. CA PROPOSITION 65

California's Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code Section 25249.5 et seq, commonly known as "Proposition 65", requires that anyone who, in the course of doing business in California, knowingly or intentionally exposes an individual to a chemical known to the State to cause cancer or reproductive toxicity, must first give clear and reasonable warning of the presence of such chemicals. Raley's expects Suppliers to identify and keep current a list of all products supplied to Raley's that contain chemicals listed by the State of California pursuant to Proposition 65, which are not exempt from the warning requirement.

2.1.4.3. CA TRANSPARENCY IN SUPPLY CHAIN ACT

Raley's is committed to conducting its business in a lawful and ethical manner. Raley's expects that its suppliers also conduct themselves in such a manner. Raley's has implemented various policies and procedures in an attempt to prevent human trafficking and slavery in its supply chain. Raley's has a verification process which is used to evaluate and address risks of human trafficking and slavery in its supply chain. The verification is not conducted by a third party but rather relies on supplier self-certification. Raley's does not currently conduct audits of its suppliers to monitor suppliers' ongoing compliance with Raley's policy. Raley's requires most suppliers to certify that materials incorporated into their product comply with the laws regarding human trafficking and slavery of the countries in which they are doing business.

2.1.4.4. THIRD PARTY AUDIT REPORT

Raley's expect all Suppliers to provide a third party audit report (Product Safety, Quality and Regulatory Compliance) by an accredited certifying body. Suppliers must demonstrate in the third party audit report that they have Good Manufacturing Practices (GMPs) and quality systems in place. For acceptable audit schemes, refer to **Appendix A**.

2.1.4.5. CERTIFICATE OF LIABILITY INSURANCE

Raley's expects all Suppliers to provide General and Product Liability Insurance at their own expense. The Certificate of Insurance (COI) must meet Raley's requirements listed in the Terms and Conditions Agreement.

2.1.4.6. BIOTERRORISM ACT STATEMENT OF COMPLIANCE

U.S. Congress passed the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (Bioterrorism Act), which allows the Food and Drug Administration (FDA) and other authorities to quickly determine the source and cause of any deliberate or accidental contamination of food. Raley's expect all food Suppliers to conform to this regulation. A sample document is available on Raley's QMS. Supplier should use the sample document to prepare a compliance statement and bill of lading.

2.1.5. APPROVED SUPPLIER'S FOOD SAFETY, QUALITY AND REGULATORY REQUIREMENTS

2.1.5.1. SUPPLIER NONCOMPLIANCE

Raley's may designate a Supplier as noncompliant based on poor product quality, excessive customer complaints, regulatory issues, lack of adherence to Raley's specifications, failure to provide updated compliance documents on Raley's QMS, or other problems determined by Raley's. Raley's will provide the Supplier with written notice providing the reasons for designation as a Noncompliant Supplier. The cost of added inspections, testing or reformulation necessary to correct the problem to Raley's satisfaction will be at the Supplier's expense. Noncompliance Fee as defined in **Appendix B** will be applied to Suppliers that do not maintain 100% compliance. Ongoing non-compliance or refusal to correct the problem to Raley's satisfaction will be grounds for terminating the partnership with Raley's.

2.1.5.2. PRODUCT RECALL OR MARKET WITHDRAWAL

Raley's requires Suppliers to have product recall or market withdrawal procedures in place. In the event of a product recall or market withdrawal, the brand owner of the affected product(s) or

its contracted representative must notify Raley's in a timely manner. The Supplier / Brand Owner of the affected product(s) is held accountable for any costs incurred. When reporting a recall or market withdrawal, communication must include:

- Supplier Information
- Manufacturer's name
- Recall Classification
- Product name as it appears on the consumer package
- Package size
- U.P.C. #
- Code(s) or date(s) and location on package
- Distribution Date
- Image of product/package or supporting information to assist Raley's in removing affected product
- Reason for the withdrawal/recall
- Instructions to handle the affected Product
- Instructions to receive credits for Products

Maintaining and assuring quality standards and regulatory compliance leads to additional costs requiring Raley's to implement a Recall Fee which is defined in **Appendix B**.

Thus, in the event that a product is recalled or withdrawn, the Supplier of that product will be responsible for: (1) the Recall Product Fee, (2) the Recall Logistics Fee, and (3) the Recall Administrative Fee. Raley's reserves the right, if it incurs administrative costs more than fifty percent (50%) of the Recall Administrative Fee (described in **Appendix B**) to hold the Supplier responsible for Raley's actual administrative costs.

The Recall Product Fee, Logistics Fee, and Administrative Fee shall either be paid to Raley's in immediately available funds or may be credited against Supplier invoices. Raley's shall have the right to offset and deduct from invoices owed the amount of any Recall Administrative Fee and/or Recall Logistics Fee not previously paid.

Recall Product Fees, Logistics Fees, and Administrative Fees are in addition to any other damages and indemnities to which Raley's may be entitled (without limiting its other rights or exercising any election of remedies.) These Recall Administrative Fees and Recall Logistics costs shall be subject to change from time to time, at Raley's sole discretion, upon no less than thirty (30) days of notice by electronic or physical mail or by posting on the Raley's QMS portal.

In the case of a recall involving Raley's private brand products, the affected Supplier will develop and communicate PR (public relations) communications with regulatory bodies and governmental agencies. The Supplier is responsible for ensuring that communication to news agencies, regulatory bodies, governmental agencies and Raley's is complete and verified.

2.1.5.3. RALEY'S RECEIVING TEMPERATURE PARAMETERS

Raley's will enforce the receiving temperature requirements described herein for all shipments of products delivered to any company distribution center or store. Products that do not meet the required temperature shall be rejected at the point of receiving inspection. Refer to **Appendix C** for Raley's Receiving Temperature Parameters.

2.2. Raley's Private Label Supplemental Requirements

2.2.1. PURPOSE

The purpose of this section is to provide Raley's Private Label Suppliers information about Quality Assurance specifications and requirements, Supplier evaluations and responsibilities in addition to those set forth in Raley's Supplier General Requirements section.

2.2.2. SCOPE

All Raley's Private Label Brand Suppliers.

2.2.3. RESPONSIBILITY

Suppliers of Raley's Private Label Brand products will be held responsible for the additional requirements stated below.

2.2.4. SUPPLEMENTAL REQUIREMENTS

- a. The Supplier's production, food safety, and quality documentation must be made available upon Raley's request. The Supplier is responsible for keeping Raley's fully informed of difficulties encountered or anticipated in quality, production or shipping, which could result in claims, inventory shortages, or customer dissatisfaction.
- b. Suppliers must notify Raley's in case of a change in ownership.
- c. At no time is an approved Supplier to sub-contract the manufacturing of the product to another manufacturer without prior notification and written approval by Raley's.
- d. The Supplier is responsible for informing Raley's of any issues identified by regulatory agencies regarding Supplier facility(s) or its product(s).
- e. The Supplier is responsible for responding promptly with an appropriate explanation to information requests or questions by Raley's.
- f. Raley's prefers all Private Label Brand Suppliers that manufacture food products (including pet food) to be certified by Global Food Safety Initiative (GFSI) accredited organizations. The GFSI certification must be maintained annually. Supplier can choose to be certified under any of the accredited organizations. Exception: SQF Level 1 is not acceptable. Facilities that qualify for a surveillance audit under a GFSI scheme must submit the full audit report or corrective action report. Facilities that qualify for an annual audit only under a GFSI scheme may submit a certificate. For a full list, see **Appendix A**.
- g. All manufacturing facilities used by Suppliers must pass a facility audit conducted by a third-party agent. Non-food facilities must submit a HACCP, GMP or GFSI audit report. Facilities must comply with all applicable regulatory requirements. For a full list, see **Appendix A**.
- h. The Supplier is responsible for providing a current product specification for the item(s) being offered.
- i. The Supplier is responsible for providing and updating qualified certifications (Organic, Kosher, Halal, Non-GMO, etc.)

- j. Upon request, Suppliers are required to provide Raley's with quality, safety, and regulatory testing results for the item(s) from an accredited third party laboratory.
- k. Cutting Process – Suppliers may be asked to submit samples of proposed new products/line extensions and the product target to Raley's Quality Assurance Department for approval.
- l. First Production Evaluation – After Suppliers receive initial approval, Suppliers must submit samples from the first production run to Raley's QA for approval prior to release and distribution of the product to any store location. See **Appendix D** for first production requirements.
- m. Raley's requires that all food products be open code dated per the document Private Label Code Dating found in **Appendix D**.
- n. During the term of any partnership between Raley's and Supplier, Raley's, or its designated representative, shall have the right, at reasonable business hours with prior notice, to (1) examine all production and quality records of products supplied to Raley's; and (2) inspect, analyze and test Supplier's goods and means and methods of production of goods. Such audit, inspection and testing rights of Raley's shall include the rights of access to fields, packing houses, manufacturing facilities and any other facilities owned or operated by Supplier or by third parties who handle or otherwise manage Supplier's goods.

3. APPENDIX

Appendix A – Acceptable Audit Schemes

ACCEPTABLE AUDIT SCHEMES *†

**Full audit report required unless otherwise stated.*

†We may accept other types of audits at our discretion

Food

- BRC for Food Safety Audit (Grade of A or B, certificate only. Grade of C or lower, corrective action report required.)
- BRC for Storage and Distribution Audit (Grade of A or B, certificate only. Grade of C or lower, corrective audit report required.)
- FSSC 22000 Audit
- GAP Food Safety Audit
- GlobalGAP Audit
- GMP Food Safety
- HACCP System Verification Audit
- IFS Food Audit
- PrimusGFS Audit
- General Certificate of Conformity (GCC/CPSIA)
- SQF Level 2 Audit (Score of 86 or greater, certificate only. Score of 85 or below, corrective action report required.)
- SQF Level 3 Audit (Score of 86 or greater, certificate only. Score of 85 or below, corrective action report required.)

Non-Food

- BRC for Consumer Products Audit
- GMP Non-Food Audit
- HACCP System Verification Audit
- General Certificate of Conformity (GCC/CPSIA)

Appendix B - Noncompliance and Recall Fee Structures

Raley's QMS Noncompliance Fee

Fee Category	Description	Charges
QMS Noncompliance Fee	Suppliers that do not maintain 100% compliance will be charged the Non-Compliance Fee. Ongoing non-compliance will be grounds for terminating the partnership with Raley's.	\$ 1,000.00

Raley's Recall Fee

The Recall Fee is defined into three different categories:

1. Recall Product Fee - The cost of goods that are involved in the recall or withdrawal.
2. Recall Logistics Fee -
 - a. Regular Products Handling Fee: The cost of handling, transportation, and disposal, which is estimated to be 10% of the retail cost of the product.
 - b. Potentially Hazardous Products Handling Fee: The cost of handling, transportation and disposal, which is estimated to be 20% of the retail cost of the product.
3. Recall Administrative Fee - The cost involved in customer notification, incident investigation and other administrative fees.

Fee Category	Description	Charges
Recall Product Fee	Cost of goods recalled	100% of the cost of the goods
Recall Logistics Fee	Regular Product Handling Fee	10% of the cost of goods
	Cost of goods recalled	20% of the cost of goods
Recall Administrative Fee	Market Withdrawal	\$2,500
	Recall Class III	\$2,500
	Recall Class II	\$2,500
	Recall Class I	\$2,500
	Multiple UPC's involved (Cost per additional UPC)	\$500

Appendix C – Raley’s Receiving Temperature Parameters

TABLE 1 PRODUCE ITEMS					
COMMODITY	PREFERRED RANGE TEMP °F		OPTIMAL TEMP °F	RECEIVING MINIMUM TEMP °F	RECEIVING MAXIMUM TEMP °F
	APPLES	32	35	34	32
APRICOTS	32	36	34	32	40
ARTICHOKES globe	32	35	33	32	40
ARTICHOKES Jerusalem	32	35	33	32	40
ASPARAGUS	34	36	34	34	40
AVOCADOS California (not ripe)	38	45	43	36	55
AVOCADOS Florida (not ripe)	50	55	52	50	55
AVOCADOS ripe	34	36	36	34	40
BANANAS holding	58	60	58	58	62
BROCCOLI	32	36	33	32	40
BRUSSELS SPROUTS	32	36	33	32	40
BUNCHED GREENS including beets, turnips, green onions, mustard, parsley, spinach, chard, mint, watercress, cilantro	32	36	33	32	40
CABBAGE head	32	36	33	32	40
CANTALoupES	38	40	38	37	45
CARROTS topped	32	36	33	32	41
CAULIFLOWER cello	32	35	34	32	40
CAULIFLOWER unwrapped	32	35	34	32	40
CELERY	32	36	33	32	40
CHERRIES	32	35	34	32	40
CHINESE POD PEAS	32	35	34	32	40
CHINESE VEGETABLES	32	36	33	32	40
COCONUTS	40	46	50	40	50
CORN On the Cob	32	36	33	32	40
CRANBERRIES	38	42	40	36	45
CUCUMBERS	42	45	55	42	55
CUT FRUIT	34	36	34	32	40
CUT VEGETABLES	34	36	34	33	40
EGGPLANT	42	50	55	42	55
ENDIVE, ESCAROLE & CHICORY	32	36	33	32	40
FIGS	34	36	34	34	40
FRESH HERBS excluding basil & oregano	35	40	38	34	50
GARLIC	32	40	55	32	55
GINGER ROOT	40	55	50	40	65
GRAPEFRUIT CA/AZ	40	48	45	40	60
GRAPEFRUIT Florida/Texas	50	60	55	50	60
GRAPES	34	36	34	33	40
GREEN BEANS	40	45	43	40	50
GUAVAS	40	46	50	40	50
KIWI FRUIT	32	36	34	32	40
KOHLRABI	32	36	33	32	40
LEEKS	32	36	33	32	40
LEMONS	37	45	60	37	60

LETTUCE all varieties	32	36	33	32	40
LIMES	45	50	48	45	55
LYCHEES	40	45	42	40	45
MANGOES	50	55	53	50	55
MELONS Casabas, Persian & Crenshaw	45	50	47	45	55
MELONS Honeydew	42	45	55	42	55
MUSHROOMS	32	35	34	32	40
NECTARINES	32	36	34	32	40
OKRA	40	46	50	40	50
ONIONS Other than Green Onions	45	50	47	45	55
ORANGES California & Arizona	40	44	42	38	50
ORANGES Florida & Texas	36	41	38	34	45
OREGANO & BASIL	50	60	55	45	60
PACKAGED SALADS	34	36	34	32	40
PAPAYAS	50	55	55	50	55
PEACHES	32	36	34	32	40
PEARS	32	35	34	32	40
PEAS green	32	35	34	32	40
PEPPERS	42	45	55	42	55
PERSIMMONS	32	35	34	32	40
PINEAPPLES	45	55	50	45	55
PLUMS & PRUNES	32	36	34	32	40
POMEGRANATES	36	40	38	32	45
POTATOES New	50	60	55	50	60
POTATOES Storage	40	55	50	40	55
PUMPKINS	50	60	57	50	80
QUINCES	34	36	34	34	40
RASPBERRIES & BLACKBERRIES	32	36	34	32	40
RHUBARB	32	35	33	32	40
SALSA	33	38	36	32	40
SQUASH Hard shell	50	55	52	50	55
SQUASH Soft shell	42	45	55	42	55
STRAWBERRIES	32	36	34	32	40
SWEET POTATOES & YAMS	42	55	65	42	65
TANGERINES California & Arizona	40	44	42	40	50
TANGERINES Florida & Texas	36	41	38	34	45
TOFU Conventional	35	41	38	34	41
TOMATOES holding (ripe)	55	60	57	55	65
TOMATOES ripening (green)	62	65	63	60	65
TOPPED VEGETABLES including beets, celeriac, rutabagas, parsnip, radishes, turnips	32	36	33	32	40
WATERMELONS	55	65	60	55	70
TABLE 2 MEAT ITEMS					
BOXED BEEF	28	36	32	28	40
CHUB PACK SAUSAGE	28	36	32	28	40
GROUND MEATS/FRESH SAUSAGE	28	34	32	28	35
LAMB/VEAL	28	36	32	28	40
PORK	26	35	32	26	38
POULTRY INCLUDING WOGS (Turkeys Whole Cooked for Deli Holiday Meals received frozen for slack out during shipment - DO NOT RE-FREEZE)	26	34	32	26	35
PREPACKAGED MEAT	28	36	32	28	38

SEAFOOD LIVE (Temperature measured through TempTales)	35	41	40	32	42
SEAFOOD PROCESSED	28	36	32	28	38
VALUE ADDED/ ENHANCED MEATS	28	36	32	28	40
TABLE 3 REFRIGERATED PERISHABLE/DELI ITEMS					
BUTTER stick, tub, whipped	33	40	36	None	44 Ambient
CHEESE block, pre-sliced, shredded and imported specialty	33	40	36	33	44
CURED MEATS salami, pepperoni, jerky	33	40	38	None	44 Ambient
EGGS in shell	33	40	36	33	44 Ambient
FLUID MILK (GRADE A) HTST whole, low fat, skim, chocolate	33	40	36	33	44
GREEN SALAD KITS (WITH SEAFOOD) Signature Salads with seafood	33	37	36	33	38
GREEN SALAD KITS (WITHOUT SEAFOOD) Signature Salads	33	39	36	33	40
JUICE, JUICE DRINKS AND OTHER REFRIGERATED BEVERAGES such as fruit juices, Tampico, tea, lemonade, soy beverages, non-dairy creamers	33	40	36	33	40
LIQUID, PASTEURIZED EGGS, EGG PRODUCTS, EGG SUBSTITUTES	33	40	36	33	40
MARGARINE SPREADS stick, tub, whipped	33	40	36	33	44 Ambient
MEATS Deli Items, bulk and prepackaged non-seafood	28	36	32	28	38
OTHER PREPARED FOOD / ENTREES	33	37	36	33	38
PUDDINGS ready-to-eat pudding	33	39	36	33	40
REFRIGERATED BAKERY ITEMS (pie shells, tube biscuits, cookie dough)	33	40	36	33	44
REFRIGERATED DRESSINGS in Produce department	33	40	36	33	40
REFRIGERATED PASTA ready-to-cook pasta	33	38	36	33	40
SEAFOOD smoked salmon, shrimp, seafood dips	28	35	32	28	38
SOUP (WITH SEAFOOD) Signature soups with seafood	33	37	36	33	38
SOUP (WITHOUT SEAFOOD) Signature soups without seafood	33	38	36	33	40
UHT PASTEURIZED PRODUCTS including pasteurized puddings	33	40	36	33	44
WET SALADS bulk and prepackaged non-seafood	33	38	36	33	40
WET SALADS WITH SEAFOOD such as ceviche, crab salad, shrimp salad	33	37	36	33	38
YOGURT, SOUR CREAM, CREAM CHEESE, COTTAGE CHEESE all spoonable/pourable items	33	40	36	33	44
TABLE 4 FROZEN ITEMS					
ALL FROZEN OTHER THAN ICE CREAM AND MEATS Such as potatoes, entrees, pizza, vegetables, juices	-20	0	-15	-20	0
FROZEN FOR SLACK OUT such as artisan breads, bagels, frozen cookies and desserts	-20	0	-15	-20	0
ICE CREAM bulk packaged, novelties, soy desserts	-20	-10	-15	-20	-10
ICE CREAM CAKES and PIES	-20	-10	-15	-20	-10
MEAT, POULTRY, AND SEAFOOD	-20	0	-15	-20	0
TABLE 5 FLORAL ITEMS					
CUT FLOWERS	35	40	36	33	42
MIXED BOUQUETS	34	38	36	34	42
POTTED PLANTS - NON TROPICAL Including all Bulb Items, Azalea, Mums, Cineraria, Cyclamen, Lilies, Hydrangeas, Kalanchoe, Shamrock, Mini Rose, Gerber Daisy	35	40	38	35	50
POTTED PLANTS - TROPICAL Including African Violets, Begonia, Zygocactus, Exacum, Gloxinia, Hibiscus, Poinsettia	50	60	55	50	75
ROSES	33	38	34	33	42
TABLE 6 FRESH BAKERY ITEMS					
BAKERY Fresh Un-refrigerated Items	N/A			60	85

Appendix D – Private Label Product Requirement Guidelines

PRIVATE LABEL PRODUCT DATING REQUIREMENTS

I. PURPOSE

To enable our stores to rotate inventory and identify products in the event of a recall, as well as to help consumers purchase product at its best quality. Product Dating is required for all retail units and shipping cases.

II. REQUIREMENTS

Product dating is required on the retail package of all Raley's private label products. Products must be marked with a legible code that identifies the plant designator, dates, and time of production for traceability. All exceptions to the product dating format and placement must have prior approval from Quality Assurance.

III. OPEN DATING

- a. "BEST BY MM/DD/YYYY", should be used for all food products with more than 6 months of shelf life. (Example: BEST BY 01/20/2009)
- b. "SELL BY MM/DD/YYYY", should be used for refrigerated products and other products with 6 months or less of shelf life to maintain proper in-store stock rotation. (Example: SELL BY 01/20/2009)
- c. "EXP MMM/YYYY or MM/YYYY" Expiration dates, along with lot numbers, should be used on all over-the-counter drugs and other Health & Beauty Care products. (Example: JAN 2009 or 01/2009 Lot ###)
- d. Wording should be printed in ALL CAPS: "BEST BY", "SELL BY" and "EXP."
- e. Military time of production should follow code date where space and coding equipment allow.
- f. Plant designators must be used if product is manufactured at multiple plant locations.

IV. CLOSED DATING

Closed Dates are packing numbers used by the manufacturer in tracking their products. Private label general merchandise items, such as paper products, plastic wraps and containers, cat litter, etc., with more than 2 years of shelf life can display closed dating or a lot number.

V. CODE PLACEMENT

Retail Packages:

- a. "BEST BY", "SELL BY" or "EXP." wording can be printed on the package or incorporated into the label copy. Product dating should not interfere with artwork and should avoid printing on **the front of the package**.
- b. Where inner consumable packages exist, the product dating must appear on both the inner and outer packages. (Example: soft drink cans inside a 12-pack wrap.)

Shipping Cases:

- a. The shipping case must be labeled or printed with the same product dating information as appears on the retail package. The code must appear on a minimum of 2 sides, preferably adjacent sides, and be a minimum of $\frac{3}{4}$ " high.
- b. Refer to Shipping Case Requirements for more shipping case requirements.

SHIPPING CASE REQUIREMENTS

I. PURPOSE

To ensure that all shipping cases and trays consistently and legibly display the required information that will assist in lot rotation and traceability.

II. REQUIREMENTS

Cases must display the following information:

- a. Logo – 2 sides preferred
- b. Product Description – 2 adjacent sides
- c. Pack/Size – 2 adjacent sides
- d. UPC – 2 adjacent sides
- e. Code Date – 2 adjacent sides
- f. Government Seals/Plant Number – 2 adjacent sides
- g. Country of Origin – 2 adjacent sides (if required by CoOL)
- h. Recycle Symbol – If used, placed on top Panel
- i. Special Handling Instructions – Placed on top panel
- j. Distribution Clause – Preferred but not required. The clause states:
Proudly Distributed By: Raley's 500 West Capitol Avenue, West Sacramento, CA 95605
- k. The shipping case must be labeled or printed with the same product dating information as appears on the retail package. The code must appear on a minimum of 2 sides, preferably adjacent sides, and be a minimum of ¾" high.

III. SIZE AND STRENGTH

Cases must be of ample strength and suitable size relative to the retail package. They should be sized to prevent excessive shifting that might scuff or damage labels, containers, or closures. Dividers should be utilized if required for stacking strength or reducing product contact. Pallet patterns and cases should be designed to provide maximum stability and strength to prevent damage to the product during transport, handling, and distribution.

IV. LABELING

All legally required markings, such as USDA inspection stamps, must be placed on cases and trays. Country of Origin should be placed under the Code Date/Lot Code. Barcodes, if used, must be readable and inkjet codes must be able to scan. Special Handling Instructions should be placed in the center of the top panel.

Additional shipping case text includes the following, where applicable:

- a. Glass – Handle with Care
- b. Fragile
- c. Frozen Foods – Store Below Zero Degrees Fahrenheit
- d. Flammable
- e. Perishable – Keep Refrigerated
- f. Special Opening Instructions
- g. Regulatory Information

PRIVATE LABEL 1ST PRODUCTION EVALUATION REQUIREMENTS

I. PURPOSE

To assure that the production meets the agreed upon product specification prior to being released to stores. The Private Label 1st Production evaluation applies to all new products, new suppliers, reformulations and/or line extensions.

II. REQUIREMENTS

Product must be collected from the actual production run, retail ready (labeled and coded with printed/labeled shipping case) and represent what would arrive at the warehouses and/or stores. If multiple production sites are used, product from all locations must be submitted for evaluation.

All required QA documents must be submitted before 1st production is approved.

III. SAMPLE SUBMISSION

a. QA Samples:

1. For each SKU, submit 3 (THREE) UNITS each from the beginning, middle, and end of the first production run. Identify accordingly, if not time stamped. Total 9 units for each item (SKU).
2. Certificate of Analysis (COA) or Production Records submitted to confirm specification compliance.
3. Include 3 labeling flats per item to confirm labeling compliance.

b. Advertising and Marketing Samples:

1. Non-perishable items please send 2 UNITS, pulled from anywhere in the run.
2. Perishable items please send 2 packaging flats.

IV. SAMPLE EVALUATION AND APPROVAL

Samples will be evaluated against the specifications and approved retained samples, when available. If approved, the Supplier and Raley's Merchant will be notified. If rejected, the Supplier will be notified and advised on required corrective actions and sample resubmission. The Supplier is responsible for all expenses related to the cost of goods and logistics of the rejected products.

V. SAMPLE SHIPPING

Product should be shipped in a manner to prevent breakage and/or spoilage. Expedited shipping is recommended to prevent delays in the approval process. Please send an email containing package tracking information to the appropriate QA Specialist at time of shipment.

Shipping Address:

**Raley's
Attn: QA Department – First Production Samples
500 West Capitol Avenue
West Sacramento, CA 95605**