

## [Northeast Shared Services]

461 Nott Street, Schenectady, New York 12308

### Standard Vendor Charges & Assessments

These standard charges and assessments set forth below (the “Terms”) shall apply to all vendors doing business with Project P Holdings, LLC, d/b/a Northeast Shared Services, and/or its operating companies, divisions or affiliates, including but not limited to The Golub Corporation and Tops Markets Corporation (collectively “Buyer”). If any part of these Terms is determined to be invalid or illegal by any court or agency of competent jurisdiction, then the invalid or illegal part shall be limited or curtailed to the minimal extent necessary to make such provision valid or legal, and all other remaining Terms shall remain in full force and effect. These Terms are not all-inclusive and Buyer reserves the right to amend the Terms at any time.

### Retail Prices

Buyer reserves the right to set retail prices on all items sold by Buyer.

### Entities covered by Tradepoint Deals

All Tradepoint Deals will be assumed to cover both Buyer and Brattleboro/former Grand Union stores unless otherwise noted in the Additional Notes section of the Promotional Allowance Agreement.

### Enhanced Marketing and Ad Support Processing Fee

Buyer reserves the right to assess an upcharge of up to 10% on scan promotions to cover rainchecks given out to customers for out-of-stock items and other discounts given to customers but not included in the billing data. Also covers marketing expenses including but not limited to target marketing vehicles, website development, ad flyers outside of weekly ad, e-coupon development and Insta-cart.

### Load-in Policy

For short-term deals that provide an allowance to Buyer based upon the number of units purchased by Buyer, the vendor allowance shall commence as follows: 1) For DSD items, the allowance to Buyer shall commence no later than on the Thursday, Friday and Saturday (for daily delivery vendors) and for weekly vendors for the delivery week prior to the related advertised promotion start date in order to ensure that Buyer has adequate levels of product on hand to support the expected sales volumes and 2) For items that are delivered to Buyer’s stores and/or to C&S on Buyer’s behalf, the allowance shall commence no later than and apply to all shipments that occur the week before the related advertised promotion start date.

### Promotional Fees/Temporary Price Reduction (TPR) Fees

Buyer reserves the right to assess vendors a TPR fee, as negotiated by the category team, to assist in offsetting the cost of printing and hanging temporary price-reduction tags in the stores. Other fees negotiated with the category team may include ad fees, slotting fees, display fees, special event fees and other fees associated with advertising carried out on behalf of vendors.

### Prepaid funds

A prepaid fund (the “Fund”) can be established with Buyer in order to ensure that invoice terms are met in a timely manner and to reduce the frequency of check or wire payments or credit deductions from vendor invoices. The Fund is a running credit on a vendor’s account, which will decrease when billings or assessments are applied against the Fund and will increase when the vendor submits a replenishment check or wire. The Fund can automatically settle some or all of the billing and assessment types that are open on a vendor’s account, depending upon what was agreed to by the vendor in the vendor’s Bill Payer Account Agreement established before the account is opened. The Bill Payer Account Agreement is completed by the vendor and lists the billings or assessments that the vendor elects to have deducted from the Fund. At the conclusion of each Buyer period, Fund statements are automatically e-mailed to the vendor contact (which was selected within the Bill Payer Account Agreement). The statement will summarize all activity, if applicable, for the given Buyer period, and will include the beginning and ending balances.

#### Promotional Allowance Agreement Compliance

All promotional arrangements are expected to be negotiated and documented in advance in a Promotional Allowance Agreement and submitted to the category team by the vendor prior to the start of the promotion. Promotions will apply to, and Buyer shall be entitled to receive credit for and bill for, 100% of units of applicable SKUs sold during the designated promotional period. Vendors are expected to complete each Promotional Allowance Agreement accurately and timely in order to support the negotiated advertised retail prices. If an agreement is not submitted with accurate and complete information by the advertisement date’s preparation deadline, Buyer may find it necessary to delay or cancel a promotion. Vendors are expected to make every attempt to project good faith estimated allowance amounts and promotion volumes.

#### Post-Promotion Billing Audits

Buyer reserves the right to audit and confirm that all billings, allowances, and adjustments have been properly assessed and collected.

#### New Item Process

Vendors who wish to add new items to their line must provide to their Buyer merchandiser at least 3 samples for verification of UPC and product specifications a minimum of 12 weeks prior to the new item launch. The vendor must also provide a promotional merchandising plan for a minimum of six months, but preferably for twelve months. The vendor must complete and submit the new item form(s) to their merchandiser. The vendor should also provide recommendations for products to be discontinued to open up space for the new items.

#### In-Store Execution Teams

Buyer reserves the right to charge non-DSD vendors for section resets, new item placements, and the introduction of non-perishable warehouse items. Such reset services may be performed by Buyer’s In-Store Execution Teams and/or Shelf Management and Reset Teams (SMART teams) rather than through vendor representatives and Buyer reserves the right to allocate all such costs back to each manufacturer based on its proportion of sales volumes.

#### Scan-Based Trading Programs

Vendors who wish to be on a Scan-Based Trading (SBT) Program will be responsible for start-up fees and monthly subscription fees with the 3<sup>rd</sup> party SBT provider.

### Discontinued Items:

To make room for new items and maintain planogram integrity, Buyer or the vendor may discontinue the sale of older items from time to time. Once Buyer has determined that an item will be discontinued, Buyer reserves the right to reduce the selling price on each discontinued items up to 50% off of the bill-in retail price established for each store beginning on the discontinuation date. The reduced retail selling price on any discontinued item will remain in place until the item is gone or for a period up to 49 days whichever occurs first (the “Discontinuation Period”). Excluding private label brands and vendors that have other arrangements with Buyer, the vendor will be billed for the retail markdown on all items sold during the Discontinuation Period, as well as the retail markdown on all discontinued items still on hand at the end of the Discontinuation Period, which items will be marked down further at Buyer’s discretion for final clearance. This will guarantee that there is adequate space for new items to be placed on the shelf.

### Price Protection – Price Declines

In the event of a vendor cost reduction, Buyer reserves the right to charge back the vendor for the inventory devaluation by calculating the inventory value at the new, lower cost for on hand store inventory quantities. The methodology to be used is an average of two cases per store at the effective date of the price decrease. This would also include any inventory in transit at the time of the decrease (from warehouse to store).

### New Store Support:

Vendors may be requested to provide first-fill product, sample product, or funding to support new stores opened by Buyer. For purposes of these Terms, new stores opened by Buyer will be further defined as any new location, any newly acquired store, and/or any replacement store. Store expansions and/or major store remodels will also be considered as a new store for new store support purposes.

### Product Recall Fees

Buyer will impose a recall fee consisting of (a) of \$6,000.00 per SKU plus (b) a “robo call” fee based on item classification and size and scope of recall, for each Buyer affiliate or operating company stocking such SKU and responding to a recall incident. Buyer will charge back to the Vendor, at cost (with no upcharge), the value of all products discarded products in connection with a recall.

The reclaim process may be used for all Class 3 and market withdrawal recalls.

If the vendor chooses to pick up the recalled product, it will have two weeks from the date of the recall notification to remove the product from all Buyer stores. The stores are instructed to destroy any recalled product remaining after two weeks.

### Penalties for short-weighted products

If Buyer is charged civil penalties by a local bureau of weights and measures for a vendor-packaged product being short-weighted, Buyer will review the situation, and if it is deemed that the vendor is at fault, will bill the vendor for the amount of the penalty plus an administrative fee to cover paperwork processing. Repeat offenders will be subject to higher administrative fees and possible discontinuation of product.

### Long-Term Out-of-Stocks/Short-Stocks

Buyer reserves the right to assess reasonable charges to vendors for out-of-stock/short-stock items to reimburse Buyer for lost sales. Buyer further reserves the right to discontinue any items that are out of stock (or short-stocked) and shelf space may be reallocated as deemed appropriate by Buyer or as negotiated with the category management team. Once supplies are available again, Buyer reserves the right to assess slotting fees to reset the shelf space. Intermittent out-of-stock/short-stock issues related to manufacturing supply issues may be evaluated from time to time by Buyer and additional charges may be applied.

### C&S Deduction fees

C&S may charge fees to vendors to recover amounts that are due to Buyer by a vendor.

### Warehouse fees

Vendors whose items are delivered to the warehouse for distribution to the stores may be charged certain warehouse fees for unloading fees, broken pallets, late deliveries and other delivery-related issues.

### Cross-Dock Fees

Buyer reserves the right to assess a cross-docking fee to vendors who invoice Buyer directly but deliver their product to the warehouse for store distribution, in order to cover incremental labor and transportation costs, which fee may change periodically and will range depending upon the type of product and packaging involved.

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March 3, 2023

To Our Valued Vendor and Broker Partners,

As communicated several times over the past few years, Buyer requires that all paperwork be filled out completely, accurately and in a timely manner to be more efficient and better support your brands.

Below please find more specific details of expectations as well as attached forms and 2020/2021 schedule.

**New Item for Warehouse or Single Distributor DSD**

Sales Representative/Distributor provides all product and marketing information to Category Business Manager. Sales Rep/Distributor completes new item form in all applicable white areas of the first tab. Forms submitted to Category Business Manager with required number of live samples or sale sheet with size and upc information. The sale sheet may be pasted directly into the new item form on the red tab.

**Shipper Paperwork**

Fill in all yellow highlighted areas in header and sections 1-4. In Section 5 fill in shipper quantity units which must equal the pack at the top of the page. Fill in from open stock code to list cost for the individual items on the shipper. Also, complete any applicable deal information for items in the fields marked off invoice through scan. This is just for item information a Tradepoint deal will still have to be submitted.

**New Item for DSD Multiple Distributor (Alcohol and Non-Alcohol Beverages)**

Sales Representative/Distributor provides all product and marketing information to Category Business Manager (CBM). Sales Rep/Distributor must complete the first two blue tabs of the new item form. The first tab with item and cost information and the second tabs with the distributor number next to each store they are authorized to service. Tabs labeled Beer Segment, Store List and Distributor Lists are included for reference. Forms are to be emailed to Category Business Manager with required number of live samples or sale sheet with size and upc information (Beverage - single bottle and retail package). The sale sheet may be pasted directly into the new item form on the red tab.

**Item Cost Changes**

Sales Representative/Distributor completes the item cost forms with Supplier Information, Dates for Order/Ship/Effective, Increase/Decrease, Vendor/Source #, Item #(s), UPC(s), Brand, Item Description, Pack, Size, New MSRP/Pre-Price, New Unit and Case Cost (brackets). Accurate, complete forms are emailed to the Category Support Coordinator with 30 days' [except Dairy] notice for cost increases. **Forms received with less than 30 days' notice will be reviewed for the next 30 day cycle.**

**Cost Changes for DSD Alcohol and Non-Alcohol Beverages and Snacks**

Sales Representative/Distributor requests an item cost file from Category Support Coordinator if one was not received automatically on Monday morning via email. The Sales Rep/Distributor will insert labeled columns for the new cost and effective date and email the completed file to the

Category Support Coordinator with a minimum of 30 days' notice of the cost increases. **Forms received with less than 30 days' notice will be reviewed for the next 30 day cycle.**

**DemandTec Deal Offers**

Sales Representative and Category Business Manager discuss promotions (type, timing and rate/spend) as well as product and packaging changes. Sales representatives submit deals via DemandTec Deal Management with all required information (deal dates, all line items, UPC(s), cost, pack, size, vendor numbers, performance codes, Ad or TPR fees) based on Category Business Managers stated needs. Please refer to appendix for deal submission process.

Ad and TPR deal submission dates must be STRICTLY followed, except for pallet program retail extensions for Goya and VT Beer/Wine. See attached submission calendar. If you should have an issue where you did not meet the deadline for submission a phone call to the Category Support Coordinator is required with the Deal Management offer number(s).

**Accuracy of Submitted Paperwork**

All new item and cost change forms can be found at <https://northeastsharedservices.com/vendor-forms>. Failure to use the most up-to-date form will require the paperwork to be resubmitted on the correct form.

**Fees will be incurred for any paperwork errors submitted. An assessed fee of \$250 will be charged for each error. This will be a separately billed fee that will not be charged against future promotional, merchandising or marketing funds that have been allocated to the applicable Buyer operating company for the promotion and sale of product.**

Please forward to anyone within your organization that may have been missed.

Thank you for your continued support. Should you have any questions, please reach out to your Category Business Manager or Category Support Coordinator.

Sincerely,



Kristen Hanson  
VP Center Store and Pharmacy Merchandising