

March 27, 2020

Dear Partners:

We are continuously monitoring the ever changing environment created by COVID-19. C&S is carefully heeding the direction of the Centers for Disease Control and Prevention (CDC) and taking steps to ensure all areas of our Company are prepared to respond to this ever changing situation.

With the current strain on our entire industry including your stores, we are temporarily implementing changes to our delivery and credit request processes effective Monday March 30, 2020. These changes are designed to protect the safety of drivers and store personnel while reducing the strain on store labor and making more product available for your customers.

**Delivery Process:**

- Your C&S Driver will arrive at and contact the store as usual and will continue to break the seal, operate equipment (lift gate, jack) and unload to the store
- Store personnel should be prepared to be present and visible to confirm pallet count based on the normally provide delivery documentation. Drivers will not perform unattended deliveries
- *We ask all store personnel to keep appropriate social distance of at least six feet for the safety of your teams and drivers*
- Drivers will provide store personnel with verbal confirmation of the number of pallets, shippers, or totes unloaded
- Drivers will record the store personnel name(s) on the invoices and the driver will sign the invoice. This will serve as proof of delivery.
- No signature from store personnel is required
- Drivers will leave a copy of the invoice on the last pallet unloaded
- Pallets, totes, or any other returnable items will be picked up if staged near the unload drop point
- *Drivers will not accept any returned product (see updates to credit process below)*

### **Transfer Request Process**

In the event of a transfer request, please follow these guidelines

- The store should stage the pallet(s) being transferred in a designated pickup area that is accessible to the driver
- Any paperwork should be placed on and wrapped with the pallet(s) being transferred
- *Again, we ask all store personnel to keep appropriate social distance of at least six feet for the safety of your teams and drivers*

### **Credit Process:**

We are temporarily implementing an automated standard credit process designed to dramatically reduce both the number of credit requests as well as the effort necessary for our partners to manage these requests.

Customers will receive a weekly standard credit based on each shipping facilities historical performance with an adjustment for current performance. . Rates will be assessed at the distribution center level and assessed monthly providing the most up-to-date measure for changing performance.

This weekly credit will cover shortages, damages and mispicks less than \$300 in error per delivery.

At the time of delivery, the only action required by the store is to verify the pallet count as outlined below.

### **Shortages and Damages**

- For credit requests greater than \$300, stores will contact Customer Service within 24 hours and provide supporting pictures of damaged product.
- No physical returns will be required for damage less than \$300.
- C&S will issue full credit on any returns in process prior to the effective date. Stores may dispose of this product.

Off Condition, Out of Code, Ordering Errors

- Please continue to call in these credit requests to Customer Service within 24 hours as usual with supporting pictures for off condition and out of code product. Again, no physical returns will be required for any issues less than \$300.

Benefits

- This process will reduce store labor required to initiate and manage credit requests, allowing team members to focus on customers and store operations.
- Additional product will be available for you to make available to your customers (partial damages, off condition, mispicks)

We absolutely understand the stress our industry is under and we are asking you for your support as business partners to help us all maintain a sense of calmness and normalcy.

Please contact any of your C&S Team Members if you have questions, concerns or suggestions.

To your health,

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