

CVS/pharmacy®

Routing Guide

&

Supplier Compliance Instructions



Attention

Logistics & Distribution

Dear Supplier:

CVS Health is committed to providing its customers with high quality service. To achieve this, CVS continuously strives to improve the effectiveness and efficiency of its operations.

CVS' Logistics Department has implemented new routing procedures and revised its freight handling instructions. Our new and revised instructions appear in this document. The instructions cover routing, scheduling, documentation, and packaging of merchandise for shipment to CVS distribution centers and stores. For your convenience, these instructions are also posted on CVS' Supplier Website at www.cvssuppliers.com.

We believe that you will find our requirements standard industry protocol. However, if you have any questions or require additional information about any of our procedures, please contact the individuals listed below for assistance. Please note e-mail is the most timely and preferred method of communication.

Routing:	Inbound Team (Preferred)	CVSOrders@CVSCaremark.com
	Thucdu Le (401) 770-5502	Thuc-du.Le@CVSHealth.com
	Michael Grenon (401) 770-3278	Michael.Grenon@CVSHealth.com
Compliance:	Michael Tavares (401) 770-7879	Michael.Tavares@CVSHealth.com
	Suzanne Lussier (401) 770-3084	Suzanne.Lussier@CVSHealth.com

CVS and its suppliers will benefit from these procedures as they are designed to enhance the overall efficiency of merchandise handling, control cost, and improve customer service.

Please forward these instructions to the responsible individuals in your distribution and logistics organizations.

IMPORTANT NOTE: In January 2018, CVS announced important changes to the CVS Vendor Compliance Program (*effective July 1, 2018*) including the introduction of the On Time and In Full (“OTIF”) metric, a new incentive based program designed to reward vendors who exhibit extended periods of exceptional compliance, updates to the penalty offset structure and vendor requirements for sending electronic advanced ship notices. These changes are explained in depth within Attachment III herein.



New and Updated Supplier Contact & Email Addresses

Please provide the following information. Note that an electronic response is preferred. For your convenience, our email address and street address appear below.

COMPANY NAME: _____

MAIN CONTACT NAME: _____

PHONE: _____

E-MAIL ADDRESSES: - *Please include email addresses for all recipients of updated CVS Routing Guides*

EMAIL ADDRESS _____

EMAIL ADDRESS _____

-

SIGNATURE (NAME) _____ DATE _____

Please forward your response to Suzanne Lussier - Supplier Compliance Analyst.

E-mail (preferred): Suzanne.Lussier@CVSHealth.com

Fax: 401-652-0124

REVISION CHANGE HISTORY

REVISION #	CHANGES
58	<p>DC Contacts (Attachment I); updated DC contact information and receiving hours for select DCs</p> <p>Freight Handling Deductions; updated for changes to STA compliance program related to inclusion of promo and season purchase orders</p>
59	<p>Collect Freight Routing Instructions; Updated Inbound Analysts and contact information, added floor load section</p> <p>Prepaid Freight Routing Instructions; Updated preferred carrier table to include new national and regional preferred carriers, Added regional preferred carrier coverage areas, Added note discussing CVS preferred carrier modifications, deleted approved carrier section</p> <p>Deliveries; Pharmacy Appointment additional requirements updated</p> <p>Packaging; Updated Seasonal Case Label Table</p> <p>Freight Handling Deductions; Updated STA requirements</p> <p>Attachment I; Administrative changes</p> <p>Attachment II: Added attachment II for regional preferred carrier coverage areas</p> <p>Other administrative changes made throughout</p>
60	<p>III. Prepaid Freight Routing Instructions</p> <p>B. Preferred Carriers - Minor administrative changes</p> <p>IV. Deliveries</p> <p>A. Bill of Lading & Packing List Documentation – Updated for minor administrative changes. Added requirement to include STA date to Bill of Lading</p> <p>V. Packaging</p> <p>A. Carton Labeling Requirements – Minor administrative changes, Added label example</p> <p>B. Seasonal Case Label Requirements – Minor administrative changes, Added seasonal label example, Updated seasonal case label table for 2018 events, Added requirement for vendors to receive PO comment field via EDI with purchase orders</p> <p>VII. Vendor Compliance Deductions</p> <p>Added note regarding 2018 vendor compliance changes</p> <p>Attachment I</p> <p>Minor administrative changes</p> <p>Attachment III</p> <p>Added description of 2018 vendor compliance changes</p>
60.1	<p>Attachment I</p> <p>Added new MWDC address and contact information</p> <p>Added new Tolleson, AZ address and contact information (previous location Phoenix, AZ)</p>

TABLE OF CONTENTS

I.	General Instructions and Tobacco Free Notice	6
II.	Collect Freight Routing Instructions	7
	Introduction.....	7
	General Routing Notes.....	7
	Routing Entry and Instructions	8
	Partial Truckload Shipments.....	10
	Small Package Shipments.....	10
	Floor Loads.....	11
	Air Freight Shipments.....	11
	Hawaii DSD Shipments.....	11
III.	Prepaid Freight Routing Instructions	12
	General Routing Notes.....	12
	Preferred Carriers.....	12
	C.H. Robinson Consolidation Program.....	13
	Small Package Shipments.....	13
	Assessorial Charges.....	13
IV.	Deliveries	14
	Bill of Lading & Packing List Documentation.....	14
	Delivery Location.....	15
	Scheduling.....	16
V.	Packaging	18
	Carton Labeling Requirements.....	18
	Seasonal Case Labeling Requirements.....	19
	Pallet Requirements.....	21
	Ti-Hi Requirements	21
	Item and Case Requirements.....	21
VI.	Backorders/Overages/Shortages/MisShipments/Damages	23
VII.	Vendor Compliance Deductions	25
VIII.	International Shipments	32
Attachment I	Distribution Center Information	33
Attachment II	Regional Preferred LTL Carrier Coverage Areas	41
Attachment III	Vendor Compliance Program Modifications	43

I. General Instructions

1. This Guide supersedes all previous routing guides and freight handling instructions issued by CVS Health (CVS).
2. This Guide contains detailed instructions for the routing, scheduling, documentation, and packaging of merchandise for shipment to CVS distribution centers and stores.
3. The instructions apply to all purchase orders issued by CVS and are incorporated by reference into the terms and conditions of all CVS purchase orders.
4. Noncompliance with the CVS' routing and freight handling requirements will result in a chargeback of all excess expenses incurred plus an administrative fee.
5. Each supplier is responsible to forward this Guide to its Logistics Department and other affected individuals responsible for the delivery of product to CVS distribution centers.

IMPORTANT NOTE (TOBACCO FREE POLICY)

CVS is dedicated to providing a healthy, comfortable, and productive work environment for Employees, Contractors, Vendors and Visitors. The use of tobacco, e-cigarettes and other methods not approved by the FDA shall not be permitted within the CVS defined locations. Please refer to Distribution Center Management for designated areas at each DC. Any individual found to be in violation of this policy shall be subject to immediate disciplinary action.



CVSquitsforgood

II. Collect Freight Routing Instructions

All Collect, Backhaul and CPU suppliers are required to be compliant with the CVS Collect Freight Routing Instructions and must contact the CVS Transportation Department for all shipments 300 lbs. and/or 10 cases or greater (or any shipment that exceeds the CVS Small Parcel guidelines as outlined in section II:D). Any invoice that is not compliant with the CVS Routing Instructions, will receive an off invoice penalty or will have invoice payment denied.

All routing must run through the CVS Web Portal according to the guidelines set above. If you are not compliant, it is imperative that you sign up for training which will provide on-boarding instruction and access to the Web Portal required for routing. To participate in the training, please contact CVSOrders@CVSCaremark.com.

All collect shipments must be tendered and authorized by the CVS Transportation team. CVS reserves the right to deny payment for any unauthorized collect shipments.

In the event you need to speak with someone in the Transportation Department regarding routing, you can reach out to the following. Please note the group email is the fastest and most preferred method of communication.

CVS Inbound Analyst	Phone	E-mail
Jeff Flanagan	401-770-8687	CVSOrders@CVSCaremark.com
Lauren Letellier	401-770-9198	
Matthew Campagnone	401-665-8414	

A. General Routing Notes

- High Value Shipments: Suppliers with single shipments exceeding the value of \$100,000 must contact the CVS Transportation Department CVSOrders@CVSCaremark.com prior to submitting your request.
- Backhaul Opportunities: Suppliers must contact the CVS Transportation Department to discuss backhaul opportunities whenever shipping to a CVS Distribution Center located within 150 miles of their shipping point. Please contact CVSOrders@CVSCaremark.com when applicable.
- Backorder Shipping Expectations: Please be advised that shippers with negotiated collect freight terms will be responsible for all freight tendering responsibility and the corresponding freight charges associated with any/all backorders. Please contact CVSOrders@CVSCaremark.com with any questions regarding this expectation.

- Product Origin Expectations: Shipments must originate from the supplier production facility or warehouse location closest to the CVS distribution center destination.
- Multiple Purchase Order Expectations: Multiple purchase orders from the same location that would normally ship within one to three days of each other should be combined as one shipment (excluding weekends and holidays).

Time Specific Services: Suppliers must receive written authorization from a member of the CVS Logistics Department to ship using a time specific service (services included, but not limited to, Expedited Freight, Guaranteed Delivery or Time Critical). Please contact CVSOrders@CVSCaremark.com for authorization.

- Detention on Pickup: Suppliers have 48 hours to challenge a detention/accessorial charge with the carrier. If no response is received, approval of the charges is assumed and the charges will stand as notified.
- Count Verification: For CVS managed loads, the driver is only required to count the pallets. They are **not** required to count the cases.
- Cubic Feet Requirements:
 - a) Pallets will be considered 96 inches in height if any of the following apply:
 - Pallets, skids or cartons banded or shrink wrapped together into a single unit which are pyramided, rounded, or topped off.
 - Units which have an irregular shape on top (i.e., machines, etc.).
 - Units that are marked with instructions that no other freight is to be loaded on top.
 - b) If the shipment is palletized, the dimensions of the pallet determine the cubic dimensions
 - c) Try to keep your pallets no taller than 59 inches or build them as high as possible to maximize cubic capacity of the trailer and reduce excess freight charges.

B. Routing Entry and Instructions:

1. **Shipment Size:** All shipments **300 lbs and/or 10 cases or larger** (or any shipment that exceeds the CVS Small Parcel guidelines as outlined in section II; subsection D) must be submitted to CVS via the Web Portal.
 - a. Failure to follow these instructions for shipments 6,000 lbs or more will result in a financial penalty equal to the difference in freight charges or 30% of total invoice whichever is greater.
 - b. Failure to follow these instructions for shipments less than 6,000 lbs will result in a financial penalty equal to 30% of total invoice.
2. **System Entry Accuracy:** All shipment information entered into the CVS Web Portal must be accurate. Shipments are routed based on the information provided and additional charges due to submission of incorrect information will be charged back to the shipper in the form of an LOG (Logistics) deduction.

3. **System Entry Timing and Freight Availability:**

a. Notification:

- Shipping information must be submitted to CVS at least **72 hours/3 business days prior to the Available Pickup Date**. Do not include weekends, holidays or the Available Pickup Date in the calculation.

b. Available Pickup Date and Transit Matrix:

- Suppliers should consider transit times when determining their Available Pickup Date.
- It is the Supplier’s responsibility to determine an Available Pickup Date that will be compliant with the CVS STA Compliance Program and Transit Matrix.
- **The Available Pickup Date must be at least the minimum required business days prior to the Ship to Arrive (STA) Date according to the CVS Transit Matrix below.** Do not include weekends, holidays or the STA Date in the calculation.

Transit Matrix								
<p>Use the matrix to determine the minimum business days of freight availability prior to the STA date.</p> <p>For example, a shipment going from CA to RI (Zone 5 to Zone 1A) requires at least 7 business days of availability prior to the STA date.</p>	Minimum Business Days available prior to STA							
	ZONE	1A	1B	1C	2	3	4	5
	1A	3	3	4	4	5	6	7
	1B	3	3	3	4	4	5	6
	1C	4	3	3	4	4	6	7
	2	4	4	4	3	3	4	6
	3	5	4	4	3	3	4	5
	4	6	5	6	4	4	3	4
	5	7	6	7	6	5	4	3

- c. Failure to comply with the above guidelines may result in penalties associated with the STA Compliance Program (refer to section VII Freight Handling Deduction) and/or accessorial charges including administrative fees.

- d. Example: A shipment from FL to RI (Zone 1C to Zone 1A) would look like the following:

	Latest System Entry Date ↓						Latest Available Pickup Date ↓						PO STA Date ↓
Wed March 02	Thurs March 03	Fri March 04	Sat March 05	Sun March 06	Mon March 07	Tue March 08	Wed March 09	Thurs March 10	Fri March 11	Sat March 12	Sun March 13	Mon March 14	

4. Post System Entry and Next Steps

- a. Once routed via the CVS Web Portal, the CVS Inbound Team has up to 48 hours to assign a carrier. The carrier has an additional 24 hours to schedule their pickup appointment with the CVS DC prior to reaching out to the supplier for pickup.
 - **Please Note: Routing information will be provided approximately 5+ days in advance of the STA date. Please do not contact the CVSOrders team for routing updates until this date to allow for carrier assignment.**
- b. Upon carrier assignment, an auto-generated email from Descartes Transportation Management System will be emailed to the appropriate contacts at the shipper indicating the carrier assignment, CVS LD number, and BOL instructions.
 - Shipping instructions are sent to the vendor service representative on file. It is the supplier’s responsibility to notify CVSOrders@CVSCaremark.com if there is a representative change or instructions may not be received
- c. In the event CVS manages your shipment with **ABF Freight (excludes ABF Volume quotes) or NEMF**, the Supplier **must** contact the Carrier to arrange the pickup.
 - The supplier must clearly indicate the **full** CVS LD number on the BOL. The CVS load number is ‘LD’ followed by 9 digits. (Example: LD000123456)

C. Partial Truckload

1. In the event CVS manages your shipment via volume LTL quote, our 3rd Party Logistics Partner/Broker or LTL carrier will provide the Supplier with their BOL. The Supplier must confirm all information is correct and provide this BOL to the Driver at point of pickup. Failure to utilize the correct/accurate BOL will result in a Logistics Deduction for the additional freight charges incurred plus administration fees (Refer to section VII).

D. UPS Ground Shipments (Small Package Shipments)

Note: Collect Suppliers **MUST** contact The Inbound Team at CVSOrders@CVSCaremark.com for the CVS UPS Ground Collect Freight Account Number prior to shipping.

In determining when to ship via UPS Ground instead of an LTL common carrier please use the following weight limit guidelines:

1. Shipments 300 pounds and under (maximum – 10 cartons), ship via UPS Ground. Each carton should not weigh more than 70 pounds and each carton should not exceed 130 inches in length and girth combined.

2. Do not add any insurance or handling charges.
3. The top of the carton(s) must show the ship to address.
4. In order to minimize the number of cartons shipped, please place smaller cartons into a larger carton when possible. The master carton must contain the Distribution Address (see Attachment I), purchase order number and box number. (e.g. 1 of 5)
5. For shipments that exceed 300 pounds and/or over 10 cases, the vendor must route through the CVS Web Portal (refer to section B).
6. Include the CVS PO number in *the first* Reference field. Only put the 7 digit CVS PO Number, DO NOT add any qualifiers such as “PO #”, or “CVS -” etc.

E. Floor Loading

Floor loaded shipments require the prior approval of the Transportation Department. Please reach out to CVSOrders@cvscaremark.com.

F. Air Freight Shipments

Ordinarily, suppliers are not to ship any merchandise via air freight. However, should the need arise to ship merchandise via air freight, follow the instructions in Section IV, Deliveries, Paragraph A, Documentation, Part 14, Air Freight Shipments, of this document.

G. Hawaii DSD Shipments

In an effort to maximize the cost benefits associated with shipping to stores on the neighbor islands, CVS/Longs has relationships with selected consolidation vendors. As part of the program, Oahu based DSD vendors with a FOB point of Honolulu dock need to use the following selected consolidation vendors:

- Dry goods – Pacific Transfer (www.pacifictransfer.com), Contact Debbie Miguel (dmiguel@pacifictransfer.com) 808-836-3871 ext. 154
- Chill/frozen – CFI, Contact Ryan Owens (mryano@CFI-Hawaii.com) 808-833-0043

CVS/Longs will have provided these consolidators with a list of approved vendors provided by the stores you service. To be added as an approved vendor or have questions about this program, contact Tim Pelton at timothy.pelton@cvshealth.com.

III. Prepaid Freight Routing Instructions


A. General Prepaid Routing Notes

- Suppliers with prepaid freight terms are responsible for ensuring freight is transported timely, accurately and efficiently from the point of origin to the respective CVS DC. Suppliers are also responsible for ensuring their contracted carriers are following the scheduling requirements within Section IV – Deliveries.
- In order to ensure timely delivery, please work with your carrier to determine a timely pickup date that will allow the carrier to delivery your freight on or four days before the purchase order Ship-to-Arrive date. Transit time should be a major consideration when determining an appropriate pickup date and suppliers shipping less than truckload should also factor in *at least four days* for freight consolidation at the carrier’s consolidation terminal.
- CVS requires notification within 24 hours whenever a carrier cannot keep a scheduled appointment. The supplier will be assessed a financial penalty whenever their carrier fails to provide the appropriate notification. See Section VII – Vendor Compliance Deductions for further reference.

B. Preferred Carriers

- For all prepaid shipments “less than truckload” (LTL), “under-utilized truckload” (UTL) or “truckload” (TL), CVS has a Preferred Carrier Program to assist suppliers in selecting a reliable carrier. Carriers in this program have provided consistently higher levels of service and operating efficiency when moving freight into the CVS DC network.

The following carriers have been included in the Preferred Carrier Program. Please note CVS has *National LTL Preferred Carriers*, who service the entire CVS distribution as preferred carriers, and *Regional LTL Preferred Carriers*, who service specific regions within the CVS DC network. The details of which regions each carrier will service can be found below and within Attachment II.

TL	
AFN LLC	cvcs@afnww.com
CB Transportation (WBENC Certified) 	cvssuppliers@cbtransportation.com
CH Robinson	cvsparmacy@chrobinson.com
J.B. Hunt	cvcs_team@jbhunt.com
Koch Logistics	klogcvcs@kochlogistics.com
Matson	milcvsgroup@matson.com
LTL & UTL (Refer to Section C)	
C.H. Robinson Consolidation Program	cvcs@chrobinson.com
NATIONAL LTL (NOTE 1)	
ABF Freight	retail@freight.abf.com
FedEx Freight Priority & Economy	fedexfreight.fedex.com/locations.jsp
YRC	customer.service@yrcfreight.com
REGIONAL LTL* (NOTE 1)	
Tony’s Express (West Coast)	tjacob@tony-express.com
SAIA (Southeast, Midwest, Gulf Coast)	naecustomerservice@saia.com
New England Motor Freight (Northeast)	corpcustserv@nemf.com

**Details regarding which distribution centers each carrier services can be found in Attachment II herein.*

Note 1: These carriers are also exempt from any requirements to allow at least 48 hours prior to the requested delivery appointment. Any excess expense CVS incurs due to noncompliance with the routing guide by the carrier will be charged to the supplier.

In addition to the benefits of higher levels of service, CVS also provides suppliers with additional incentive to utilize a preferred carrier. Suppliers utilizing a preferred carrier will be exempt from OnTime Compliance Charges (On-Time to Appointment). (NOTE - Exemption does not apply for the STA or future On Time and In Full (**effective July 1, 2018**) compliance programs). See Section VII – Vendor Compliance Deductions for reference to CVS vendor compliance programs.

C. C.H. Robinson Consolidation Program

CVS and C.H. Robinson have joined resources to focus on improving efficiency and service levels within the inbound supply chain. This new inbound consolidation program focuses on LTL and UTL (under-utilized TL) shipments. The program is designed to consolidate freight through a network of strategically located consolidation centers while managing the product delivery to CVS Distribution Centers based on common STA dates.

The primary focus points of the program also include:

- Expedited receiving of product within the CVS DC network
- Improved compliance with CVS on time delivery requirements
- Full visibility of CVS goods through the transportation supply chain
- Reduced PO cycle time (Order date to DC receipt date)

Using C.H. Robinson qualifies as use of a preferred CVS transportation supplier (CVS assumes the expenses associated with sorting and segregating and supplier is not responsible for on-time delivery exceptions). For information regarding rollout timeline and additional program details, please contact the C.H. Robinson “CVS Customer Center” at cvs@chrobinson.com or 855-202-0006.

D. Small Package Shipments

Note: *Collect Suppliers* **MUST** contact The Inbound Team at CVSOrders@CVSCaremark.com for the CVS UPS Ground Collect Freight Account Number prior to shipping.

All packages tendered to small package delivery carriers (UPS, Federal Express, etc) **must** reference CVS’ PO Number in the first reference field and the destination address should match exactly to addresses disclosed in Attachment I. Small parcel delivery signatures verify **CASE COUNT ONLY** and do not serve as confirmation of receipt of all goods.

E. Assessorial Charges

Assessorial charges are the responsibility of the supplier and include but, are not limited to, sort and segregate, inside delivery, detention, storage fees, COD fees, pick-up attempt, lift gate, Saturday delivery, and appointment request.

CVS Distribution Centers do not allow Drivers to remain on the docks for the purpose of sort and segregation. CVS has a lumper service on site for purpose of breaking down and sorting product.

IV. Deliveries

A. Bill of Lading & Packing List Documentation

CVS requires a legible bill of lading with each shipment and a packing list with each purchase order.

Provide a copy of the Bill of Lading(s) to the driver

Provide a Packing List for each PO

- All pallets must contain a Packing List
- To avoid penalties related to missing Packing Lists review the below requirements and ensure your paperwork is secured as follows:
 - Place a copy of the Packing List(s) in a shipping envelope(s)
 - Secure the sealed envelope(s) directly on one of the cartons
 - Do not secure envelopes or paperwork directly to the shrink wrap

DOCUMENTATION	INCLUDE ON BILL OF LADING	INCLUDE ON PACKING LIST
1. SHIP FROM: Complete Name of shipper and address (origin/shipping location, city, state, zip code)	X	X
2. SHIP TO: Refer to complete Distribution Center address as noted in Attachment I. If shipping to a Store – complete name, address and telephone number.	X	X
3. DATE SHIPPED:	X	X
4. PURCHASE ORDER NUMBER(S): Include <u>ALL</u> Purchase Order numbers	X	X
5. PURCHASE ORDER INFORMATION: a. Packages: Quantity & Type (e.g., Cartons) b. Handling Unit: Quantity & Type (e.g., Pallet, etc.) c. Weight d. Purchase Order Ship to Arrive Date noted as “PO STA MM/DD/YY” Applies to each PO and the entire shipment Note: If density is required to properly describe merchandise, show accurate density.	X	
6. CVS ITEM NUMBER(S):		X
7. ITEM INFORMATION: Per item number a. Packages: Quantity & Type (Cases and Pieces) b. Case Pack c. Item Description		X
8. CARRIER NAME:	X	
9. SHIPPING INFORMATION: a. Shipment Cube b. Commodity Description [Reference: National Motor Freight Classification (NMFC) tariff] c. NMFC Commodity Class	X	

DOCUMENTATION	INCLUDE ON BILL OF LADING	INCLUDE ON PACKING LIST
<p><u>Note:</u> If applicable, include the density and value of product.</p>		
<p>10. FREIGHT PAYMENT TERMS: Prepaid or Collect <u>ONLY</u> <u>DO NOT USE:</u> “prepaid & add” or any such verbiage</p>	X	
<p>11. FREIGHT BILLING INSTRUCTIONS: <u>Collect ONLY</u> The following instructions are to be noted: <u>Send Freight Bills for Payment To:</u> Freight Payment Coordinator Logistics Dept – Supply Chain Logistics Support Center CVS Health MC 5035 One CVS Drive Woonsocket, Rhode Island 02895</p> <p>Note: Every freight bill submitted for payment via paper invoice must have a signed copy of the delivery receipt attached as a proof of delivery.</p>	X	
<p>12. FREIGHT BILLING INSTRUCTIONS: <u>Prepaid ONLY</u> The following instructions are to be noted: “SHIPPER RESPONSIBLE FOR ALL ASSESSORIAL FEES.”</p>	X	
<p>13. SPECIAL DELIVERY INSTRUCTIONS: Indicate any delivery instructions received including the name of the authorizing individual</p>	X	
<p>14. AIR FREIGHT INSTRUCTIONS: <u>Collect ONLY</u> When the supplier is verbally requested to ship via air freight using collect freight terms, the supplier must record the CVS person authorizing air freight, department and the purchase order number.</p>	X	
<p>15. EXCLUSIVE USE/RUSH/EXPEDITED SERVICE: <u>Collect ONLY</u> When an “exclusive use”, “expedited service”, or “rush” shipment is requested, the supplier must obtain and record the CVS individual name, department and the purchase order number.</p>	X	

B. Delivery Location

All shipments must be delivered to the location specified on the purchase order unless otherwise instructed by the Receiving Department or an authorized written exception. See Attachment I for current CVS Distribution Center locations, addresses, and hours of operation.

C. Scheduling

1. Appointment Requests:

- a. The process for appointing CVS deliveries is facilitated through an online scheduling portal known as the CVS eAppointment system. Carriers needing access to the eAppointment **must contact the destination Distribution Center's Receiving Department** (found in Attachment I).
- b. All appointment requests will be addressed within 24 hours of the request. If you do not receive a confirmation within **24 hours of submission, contact the DC directly** utilizing the phone number disclosed in Attachment I. The appointment status can be accessed in eAppointment. Submitting another request could result in a duplicate and OnTime Compliance charges (refer to section VII Freight Handling Deduction).
- c. Any missed appointments should be rescheduled using the same appointment in the web based scheduling tool. **DO NOT SUBMIT A NEW REQUEST.** Contact the DC if utilizing the fax appointment request form.
- d. Any further questions regarding appointment requests or approved appointments can be addressed to Tammy Beauparlant at Tammy.Beauparlant@cvshealth.com.

2. Appointment Requirements:

- a. CVS Distribution Centers have different hours of operation for receiving product. The carrier/supplier must schedule deliveries within the hours of operation of the CVS Distribution Center specified on the purchase order. CVS Distribution Center current hours of operation appear in Attachment I of this document.
- b. Some distribution centers require a delivery appointment for every shipment while other distribution centers may allow non-appointed deliveries through the express door. Express Door deliveries will be received on a first come first serve basis. See Attachment I, Distribution Center Information, for distribution center appointment requirements.
- c. Appointments will not be issued without a valid purchase order.
- d. Appointment requests should be made based on the purchase order "Ship To Arrive" date (STA). Appointment requests must adhere to STA compliance guidelines otherwise may be subject to deductions. Refer to Section VII – Vendor Compliance Deductions for details (PO STA Date Program).
- e. Separate delivery appointments must be made for each truckload subject to these requirements.
- f. Appointment requests must include all purchase orders being delivered on the truck. The Distribution Center can refuse the entire truck and/or purchase orders not listed on the appointment request. Additionally, when adding purchase orders to an existing appointment, the appointment request must be resubmitted no later than 10:00 am local time the day before the appointment.
- g. CVS will not be responsible for any costs incurred by the carrier or the supplier resulting from these requirements
- h. Drivers may request a Check-In/Check-Out confirmation form from the Receiving Clerk.

3. Pharmacy (Rx) Appointments – Additional Requirements:

- a. All Rx deliveries are considered LIVE unloads. Carriers are not permitted to drop Rx products in CVS trailer yards. Rx product discovered while unloading a drop trailer will be refused and placed back on the trailer.
- b. Each DC has a separate address designated for Rx receiving and all Rx purchase orders must be requested for the correct location. Appointment requests with Rx purchase orders made for the wrong address will be refused.
- c. Trailers containing both Rx and Front Store product must have two appointments. (Refer to the DC addresses and hours at Attachment I)

V. Packaging

A. Carton Labeling Requirements

- ✓ Label can be any size and placed anywhere on any 1 side (excluding top/bottom)
- ✓ The information can be provided in any format (on label or imprinted on carton) as long as all required pieces of information are provided
- ✓ The size and placement of the identification label is not mandated.
- ✓ The below required information can be provided both on a label and/or imprinted on the carton.
- ✓ CVS does not provide case labels.

Required information for identification labels:

1. Supplier Name
2. CVS Item Number
3. Product Description
4. Case Pack
5. Weight (total weight of carton with product)
6. UPC Numbers and Barcodes:
 - Each carton must contain a scannable barcode with either the ITEM UPC numbers and/or CASE UPC numbers
 - If you presently have CASE UPC numbers and Barcode on the cartons, ensure the CASE UPC numbers were provided to the CVS Merchants when the New Item Form was submitted
 - If you DO NOT have a CASE UPC the ITEM UPC numbers and barcode must be provided on the outer carton
7. Purchase Order Number
 - The CVS PO number can be provided either on the individual cartons or on each pallet
 - If provided on the pallet
 - Each pallet must contain some type of signage with the 7 digit CVS PO #
 - If the pallet contains multiple orders each PO # must be listed
 - Secure the signage directly to one of the cases inside the shrink wrap (do not secure to the shrink wrap)
8. Expiration Date - as applicable
 - Expiration Dates must be in a readable date format (ie. MM/DD/YYYY)

The next page contains a sample of a generic identification label. This is only a sample and is not intended to be used as a template. The formatting is not a requirement.

Questions about Carton Labeling Requirements should be forwarded to:

- Sue Lussier [401] 770-3084 [suzanne.lussier@cvshealth.com]
- Mike Tavares [401] 770-7879 [michael.tavares@cvshealth.com]

Case Label Sample

*Case UPC ITF-14
Use 12 digit item UPC if a Case
UPC is not applicable*

From Supplier Name Address City, ST Zip	PO Number 1234567
Product Desc: Case Pack: Weight: Exp. Date:	Product Description 6 pieces per case 12.5 lbs 01/01/2011
 0 00 12345 60001 2	CVS Item Number 123456
(00) 0 0028028 00000034 2 	

*UCC-128
Required only for suppliers
designated for ASN receiving
Note: All vendors required to
provide ASNs beginning
July 1, 2018*

B. Seasonal Case Labeling Requirements

SEASONAL CASE LABEL (In addition to above / four labels required / one on each side of carton)

- ✓ Label size must be 8” long x 5” wide (or as large as possible for smaller cartons)
- ✓ Each label must contain:
 - Seasonal Event Code, Event Category and Setup Date as indicated in the EDI “PO Comment” field
 - If the setup date is not indicated in the PO comment use the setup dates on the Seasonal Label grid
 - Refer to the Seasonal Label grid for the designated label coloring
- ✓ The information can be provided on a label or imprinted on the carton

SAMPLE – below is an example of a seasonal label for Summer merchandise retailing in an even numbered year. This does not represent the actual size or PMS color code.



SEASONAL CASE LABELING TABLE*

*The PMS # (Pantone Matching System) refers to the unique color that CVS requires for the label.

SEASON (EVENT) ****	LETTERING for ODD numbered years	LETTERING for EVEN numbered years	Store Set Up Date	LABEL COLOR - PMS #
Valentine	VA	VA	1/7/18	Pink - PMS #232
Jan PGM	GP	GJ	12/31/17	No Fill
Spring / Lawn & Garden	SP	LG	2/15/18 3/11/18	Yellow - PMS Process Yellow
Easter	EA	EA	2/15/18	Yellow - PMS Process Yellow
Summer	SM	SU	2/15/18 3/25/18 4/2/18	Blue - PMS #2935
Back to School	BS/GB	BT/GT	7/8/18 8/5/18	Orange -PMS #021
Fall Décor / Thanksgiving	TK	FD	9/9/18	Brown - PMS #463
Halloween	HA	HW	9/9/18	Black - PMS Process Black
Fall and Winter	FL	FW	9/9/18 10/8/18 12/3/18	No Fill
Christmas Toys, Plush, Books & Accessories	XM	XC	9/23/18 10/7/18 11/1/18	Green - PMS #7482
PGM	GX	GC	9/9/18 11/1/18	Red - PMS #198
Christmas	XM	XC	11/1/18	Red - PMS #199
Christmas - Wrap, Boxes, Bows, Ribbon, Bags	XM	XC	11/11/18 12/2/18	Red - PMS #199

**** All seasonal events are not listed. For seasonal events not listed - label color is "No Fill". Events shown above may have more set dates than noted, review the EDI "po comment" field for correct seasonal event code, event category and set date per order.

NOTE: If you currently do not receive the po comment from your EDI provider - you must contact them to fulfill this requirement.

Questions about Seasonal Case Labeling Requirements should be forwarded to:

- Sue Lussier [401] 770-3084 [Suzanne.Lussier@CVSHealth.com]
- Mike Tavares [401] 770-7879 [Michael.Tavares@CVSHealth.com]

E. Pallet Requirements (See Ennis DC & Vero Beach DC Pallet Requirements below)

1. Suppliers must use 48" X 40" four-way hardwood pallets.
2. The pallet slats/boards must be 5/8" thick.
3. No pallets with broken boards will be accepted.
4. Extra cases on top layer must be secured with shrink wrap (do not place loose cases on top of pallets).
5. Pallet overhang is not accepted. If merchandise is oversized you must call the individual distribution centers for direction. See Attachment I for Distribution Center Information.
6. Pallets must be secured with shrink wrap or tape. Wrapping/tape is to be secured to both the cases and pallet.
7. Corner posts are required on product not shipped in corrugated cartons.
8. The merchandise must be sorted by stock keeping unit (SKU), style and color.
9. If a pallet has multiple SKUs, each SKU must be grouped together on the pallet.
10. CVS does not participate in a Pallet Exchange Program.

Ennis DC & Vero Beach DC Pallet Requirements:

1. When shipping to the Ennis DC or the Vero Beach DC, suppliers are required to ship on pallets that have bottom deck boards and are in **GOOD** condition.
2. Also note that the **Ennis DC & Vero Beach DC have zero tolerance for pallet overhang.**

Failure to follow these important directives may result in the shipment being refused and a financial penalty.

Questions about Pallet Requirements should be forwarded to:

- Sue Lussier [401] 770-3084 [Suzanne.Lussier@CVSHealth.com]
- Mike Tavares [401] 770-7879 [Michael.Tavares@CVSHealth.com]

F. Ti-Hi Requirements

Each distribution center has different Ti-Hi requirements however all DCs accept 48" pallet stacks. For approval to stack higher than 48" please contact the respective distribution centers for their Ti-Hi tolerances based on their facility and your product type. See Attachment I for Distribution Center Information.

For Collect Freight please be sure to read Cubic Feet Requirements within *Section II - Collect Freight Routing Instructions*.

G. Item and Case Requirements:

The following is a summary of CVS Health, Inc. item and case packaging criteria. A supplier's ability to supply items within these criteria will help ensure safe and successful distribution throughout the CVS supply chain. Adherence to this information is critical to the overall success of the item(s) life cycle.

1. Item Dimension Accuracy:

- The Supplier is responsible for communicating Item/Case/Pallet configuration changes during the products' life at CVS. Changes should be communicated to the Supplier's inventory planner.

- Item quantities and manufacturers' case pack quantities must conform in all respects to the item quantities and case pack quantities specified on the purchase order (multiple items cannot be mixed in a single case). The supplier cannot change item quantity or case pack quantity after the purchase order has been issued. Moreover, CVS may, at its option, refuse to accept delivery if item quantities or case pack quantities do not conform with purchase order requirements.

2. *Item Criteria:*

- Items distributed in pieces/eaches or pre-approved inner packs must safely fit into a CVS tote.
- The standard size of a CVS tote is: 19”L x 13.5”W x 8.5”H
- Items distributed in pieces/eaches or pre-approved inner packs must be packaged to avoid damage/leakage for tote travel. Items presenting known challenges include: flip top lids, trigger bottles, glass/porcelain and/or excessive weight
- The supplier is responsible to ensure the items are appropriately packaged to ship in a CVS tote, to include safety seals under caps, proper torque on lids, etc
- Suppliers must be aware that CVS retail locations receive 96+% of their orders in single selling units. All exterior master case and inner packaging is removed prior to shipping to the store.

3. *Inner Pack Criteria:*

- With regards to new items and/or packaging changes on existing items, when the item is distributed in pieces/eaches; ***CVS accepts no Inner Packs without prior approval from Lisa Tomasetti or Jen DiSumma (contact information is below)***
- When Inner Packs are approved the previously agreed upon style of inner must be used. The inner pack style includes those where the selling unit is readily accessible for piece picking and unit pricing.
- In **all** inner pack criteria, when the selling unit is piece/each picked, **the selling unit must be immediately accessible once the master case is cut open for order selection.** Six sided inner pack styles or styles with product surrounded in plastic, cardboard, or bound together in any way are NOT acceptable.
- For more details about Inner Pack criteria refer to the CVS Domestic Warehouse New Item Form / Quantity of Children Example tab <http://cvssuppliers.com/distribution-center-suppliers>

4. *Case Criteria:*

- Maximum Case Dimensions: 28”H x 20”W x 30”L
- Minimum Case Dimensions: 3”H x 8”W x 8”L
- Cases/Displays should be a minimum of 3 pounds and not exceed 50 pounds
- Exceptions to this criteria should be requested through Lisa Tomasetti or Jen DiSumma (contact information below)

Questions about Item and Case Requirements should be forwarded to:

- Lisa Tomasetti [401] 770-5595 [Alisa.Tomasetti@CVSHealth.com]
- Jen DiSumma [401] 770-4124 [Jennifer.Disumma@CVSHealth.com]

VI. Backorders/Overages/Shortages/MisShipments/ Damages

A. Backorders

Suppliers are expected to ship each purchase order complete by the “Ship To Arrive” date. Failure to ship a purchase order complete may result in a financial penalty from CVS’ Supplier Compliance Program. See Section VII – Vendor Compliance Deductions for reference to CVS supplier compliance programs.

1. If CVS cancels a purchase order and a subsequent delivery is made against the purchase order (back order), CVS reserves the right to accept or reject the delivery.
 - If CVS accepts the backorder on product after the purchase order has been cancelled, a financial penalty may result.
 - If CVS rejects the backorder, CVS will immediately return the backorder to the supplier at the supplier’s expense.
2. When an allowance is set-up with a supplier and a backorder occurs, CVS will deduct the full allowance based on the original purchase order and the supplier will be responsible to ship the remaining product at the supplier’s expense.

B. Overages

1. CVS has the option of accepting or rejecting delivery of overages from suppliers.
2. If CVS rejects the overage at the time of delivery and the carrier will not accept or retain possession of the merchandise, CVS will treat the merchandise as follows:
 - CVS will notify the supplier of such overages within two business days of the rejection and CVS will request written instructions regarding the disposition of such merchandise within two business days.
 - If the supplier does not provide disposition instructions to CVS within two business days, CVS reserves the right to immediately return the merchandise to the supplier at the supplier’s expense.
3. CVS will not be responsible for any cost, liability or damage to merchandise in its possession that it has determined is overages regardless of the method used by CVS to store or handle the merchandise.

C. Shortages

1. Visible shortages detected by CVS at the time of delivery will be noted on the carrier delivery receipt and will be deducted from the supplier’s invoice.
2. Concealed shortages discovered after the carrier has been released will be documented by CVS during the check-in process. CVS will notify the supplier within a reasonable time period after discovering concealed shortages. Concealed shortages will be deducted from the supplier’s invoice.

D. Mis-Shipments

1. CVS reserves the right to refuse delivery of items that CVS does not carry when detected at the time of delivery. CVS will return the merchandise to the supplier at the supplier's expense and take full credit against the supplier's invoice for mis-shipped items.
2. If the carrier will not accept or retain possession of the merchandise, CVS will treat the merchandise as follows:
 - CVS will notify the supplier of the mis-shipment within two business days of the rejection and request that written disposition instructions be provided within two business days.
 - If the supplier does not provide written disposition instructions within two business days, CVS will return the merchandise to the supplier at the supplier's expense or dispose of the merchandise in any manner it deems appropriate.
3. Mis-shipments detected by CVS during the detailed check-in process will be treated in the same manner stated in Paragraph D.2 above.
4. CVS will not be responsible for any cost, liability or damage to merchandise in its possession that it has determined as mis-shipped regardless of the method used by CVS to store or handle the merchandise.

E. Damages

1. Unless otherwise agreed upon, CVS will refuse to accept delivery of damaged or defective merchandise discovered by CVS at the time of delivery.
2. Damaged or defective goods detected by CVS during its detailed check-in process will be documented on the carrier delivery receipt and/or the packing list. Such damages or defective merchandise will be deducted from the supplier's invoice. CVS will not be obligated to return such damaged or defective merchandise to the supplier.

VII. Vendor Compliance Deductions

IMPORTANT NOTE: In January 2018, CVS announced important changes to the CVS Vendor Compliance Program (*effective July 1, 2018*) including the introduction of the On Time and In Full (“OTIF”) metric, a new incentive based program designed to reward vendors who exhibit extended periods of exceptional compliance, updates to the penalty offset structure and vendor requirements for sending electronic advanced ship notices. These changes are explained in depth within Attachment III herein. The remainder of this sections discusses the current state of CVS vendor compliance.

Logistics (LOG) and Vendor Compliance Deductions result when a Carrier or Supplier fails to comply with CVS Health’s routing instructions or freight handling requirements. Be advised that financial penalties will be deducted from the supplier’s invoice and appear on the remittance advice.

A. Logistics Deductions (LOG):

COMPLIANCE ATTRIBUTE	DEFINITION	FINANCIAL PENALTIES	
		ADMINISTRATIVE FEE	ADDITIONAL FEE
Collect & Prepaid shipments	Failure to follow CVS Routing Guide instructions.	\$100	Excess Freight Charges

B. Vendor Compliance Deductions:

COMPLIANCE ATTRIBUTE	DEFINITION	PENALTY
Monthly On-Time Compliance*	Failure to arrive within one hour of scheduled appointment or failure to cancel/reschedule more than 24 hours prior to delivery <i>(does not include weekends & holidays)</i>	Monthly/variable \$275 per chargeable penalty/no max
Bill of Lading	Missing or Inaccurate Bill of Lading	\$100
Packing List	Missing or inaccurate Packing List	\$100
PO Ship-to-Arrive (STA) Date Failure** (Prepaid Freight Terms)	<ul style="list-style-type: none"> - Failure to maintain a compliance level of 95% or greater (monthly) - Compliant POs meet the following criteria: <ol style="list-style-type: none"> 1) A requested delivery date that falls within the 5 day compliance window: on the PO STA date and 4 business days prior to the STA date, and 2) An appointment submit date greater than 48 hrs or 2 business days from the appointment request date <p><u>Note: Applicable to all POs</u></p>	Monthly/variable \$250 increments Max of \$3,500

COMPLIANCE ATTRIBUTE	DEFINITION	PENALTY
PO STA Date Failure (Collect Freight Terms)	<ul style="list-style-type: none"> - Failure to maintain a compliance level of 95% or greater (monthly) - Compliant POs meet the following criteria: <ol style="list-style-type: none"> 1) Shipping information is submitted in the CVS transportation system at least 72 hours or 3 business days prior to available pickup date, and 2) The available pickup date must meet the minimum required business days prior to the STA date (see section II, subsection B for collect STA Program requirements). <p><u>Note: Applicable to all POs</u></p>	Monthly/variable \$250 increments Max of \$3,500

**Preferred carrier exemptions will apply only if the correct carrier name is noted in the CVS Web Scheduling tool.*

***Preferred LTL Carriers are exempt from 48 appointment submit requirement. All other rules are applicable. See section III. Prepaid Freight Routing Instructions for more details.*

Questions about Supplier Compliance Deductions should be forwarded to:

- Sue Lussier [401] 770-3084 [suzanne.lussier@cvshealth.com]
- Mike Tavares [401] 770-7879 [michael.tavares@cvshealth.com]

C. UCC128/Advance Shipping Notice (ASN) Compliance Deductions (effective 7/1/14)

- a. **IMPORTANT** – Program is ONLY applicable for CVS On-Boarded ASN Vendors (notified via formal communication post successful on-boarding procedures and testing).
- b. Program requirements and deduction information is available by contacting Michael Grenon at michael.grenon@cvshealth.com.
- c. **Refer to Attachment III for ASN requirements effective July 1, 2018.**

D. Supplier Disputes:

- Refer to the “Logistics Deductions Dispute Instructions” and On Time and STA Dispute Templates which can be obtained from: <http://www.cvssuppliers.com/logistics>
- Disputes dating back more than 6 months past the check posted date &/or submitted without the required information will be automatically dismissed.

E. Requests for Information:

- Requests are handled in the order in which they are received
- If following up on a previous request **please note “2nd request”** in the email subject line
 - Allow a **minimum of 96 hours or 4 business days** after initial request
- Supporting documentation **may NOT be available for deductions posted to checks dating back more than 12months.**

PRIOR to forwarding requests for deduction backup:

- Refer to the information and instructions on the following pages
- Requests not containing the correct information will be dismissed
- Please note this section covers the deductions outlined below. Consult the *Vendor Contact List for Finance Deductions* located within the [CVS Suppliers Website](#) for additional deductions.

- Packing List and Bill of Lading deductions ending in *PL* or *BL*
- Supplier On-Time deductions beginning with *On-Time*
- STA Compliance deductions beginning with *STA*
- Logistics deductions beginning with *LOG*
- Advance Ship Notice (ASN) deductions beginning with *ASN*

1. DEDUCTIONS ENDING WITH “PL” or “BL”:

- Shipping Document Compliance—packing list and/or bill of lading was missing, incomplete or incorrect
- **Examples as seen on check remittance:**
 - **CHEM 17 12345 1234567 PL** (packing list)
 - **CHEM 17 12345 1234567 BL** (bill of lading)
- The letters represent the DC location code (see below chart)
- The first set of numbers relates to the delivery week (per CVS fiscal calendar)
- The second set of numbers is the reporting ticket number
- The last set of numbers is the PO number

DC Codes	Distribution Center Locations	DC Codes	Distribution Center Locations
BESS	Bessemer, AL	LUMB	Lumberton, NJ
CHEM	Chemung (Waverly), NY	NAUG	Beech Island, SC (formerly N. Augusta)
CONR	Conroe, TX	NOVI	Novi, MI
ENNI	Ennis, TX	ONTR	Ontario, CA
FRED	Fredericksburg, VA	PATT	Patterson, CA
HAWI	Honolulu, HI	PNIX	Phoenix, AZ
INDY	Indianapolis, IN	SOME	Somerset, PA
KNOX	Knoxville, TN	VERO	Vero Beach, FL
LHBR	La Habra, CA	WOON	Woonsocket, RI (also includes N. Smithfield, RI)

- **Obtaining Back Up:**
 - Contact Sue Lussier suzanne.lussier@cvshealth.com
- Paperwork is filed at the individual DCs. Backup is provided upon request. Requests are forwarded to the DCs on your behalf and paperwork will be faxed or emailed to you by the DC.
- Address the subject line of your email as **“request for backup PL/BL”**
- The body of the email must provide the following:
 - **The deduction invoice(s)** as it appears on the check remittance
 - **And / or the check number(s)** in which you found the deduction(s)
 - **And / or a copy of the check remittance(s)**
 - NOTE - The Distribution Centers will need the entire deduction as shown in the examples above. If you do not have visibility to this and you do not have the CVS check number contact your CVS AP rep for access to the Vendor Portal. If you do not know

who your rep is call 401-770-2620 and follow the prompts to find out who handles your account.

2. DEDUCTION INVOICES BEGINNING WITH “ON-TIME”:

- Monthly Carrier On-Time Compliance – monthly accumulation of individual penalties against appointment dates/times within a given month.
- **Example as seen on check remittance:**
 - **ON-TIME JULY 2015 12345** (last 5 digits represent your CVS pay vendor #)
- **Report Details:**
 - **Chargeable Exceptions** – infraction without exemptions resulting in a penalty (shipped with non-CVS preferred carrier &/or prepaid shipment)
 - **Non-Chargeable Exceptions** – infraction that did not generate a penalty due to applicable exemptions (shipped with a CVS preferred carrier &/or collect shipment)
- A single appointment number and / or PO number can generate multiple penalties within the same month as well as across multiple months (depending on the appointment date)
- A single PO can generate penalties for both On-Time and STA compliance. These are two different programs with unrelated compliance metrics.
- **Obtaining Back Up:**
 - The On-Time Reports are distributed monthly via email. Contact Sue Lussier to be added to the monthly distribution list suzanne.lussier@cvshealth.com
 - CVS Compliance Portal – backup for individual penalties are available within the CVS Compliance Portal in the form of appointment details obtained directly from the CVS Scheduling system. Contact Sue Lussier for account access suzanne.lussier@cvshealth.com

3. DEDUCTION INVOICES BEGINNING WITH “STA”:

- Refer to Section G for complete program requirements
- **Example as seen on check remittance:**
 - **STA JULY 2015 12345** (last 5 digits represent your CVS pay vendor #)
- **Report Details:**
 - **Non-Compliant PO Detail** – all POs deemed non-compliant (did not meet program requirements).
- A single PO number can appear more than once within the same month as well as across multiple months depending on the number of appointments (with different approval #s) associated with the PO
- A single PO can generate penalties for both STA and On-Time compliance. These are two different programs with unrelated compliance metrics.
- STA Compliance for Collect Shippers; refer to Section B. Collect, Backhaul, and CPU Suppliers.
- **Obtaining Back Up:**
 - The STA Reports are distributed monthly via email. Contact Sue Lussier to be added to the monthly distribution list suzanne.lussier@cvshealth.com
 - CVS Compliance Portal - reviewing the appointment details obtained from the CVS Compliance Portal can be helpful in determining why a requested delivery date fell outside the 7 day compliance window. Contact Sue Lussier for account access suzanne.lussier@cvshealth.com

4. DEDUCTION INVOICES BEGINNING WITH “LOG”:

- Logistics Compliance – associated with excessive shipping costs due to failure to follow routing instructions as noted in CVS Routing Guide and Supplier Compliance Instructions (primarily collect shipments). The Guide is regularly updated so you’ll want to check the link often to download revised copies. <http://www.cvssuppliers.com/logistics>
- **Example as seen on check remittance:**
 - LOG 12345 (numbers are automatically generated during processing)
- **Obtaining Back Up:**
 - Available upon request; contact Sue Lussier suzanne.lussier@cvshealth.com
 - Address the subject line of your email as “**request for backup LOG**”
 - The body of the email must provide the following:
 - **The deduction invoice(s)** as it appears on the check remittance
 - **And / or the check number(s)** in which you found the deduction(s)
 - **And / or a copy of the check remittance(s)**
 - **NOTE** - If you do not have visibility to the entire deduction invoice as shown in the example above and you do not have the CVS check number contact your CVS AP rep for access to the Vendor Portal. If you do not know who your rep is call 401-770-2620 and follow the prompts to find out who handles your account.

5. DEDUCTION INVOICES INCLUDING “ASN”:

- Compliance associated with our ASN/UCC128 Program (on boarded suppliers only)
- **Obtaining Back Up:** Available upon request; contact Mike Grenon michael.grenon@cvshealth.com

C. Appointment Times:

- Appointment date and times utilized to calculate supplier compliance deductions are systemically generated within the CVS web based scheduling tool. This appointment data is considered complete and final. Date and times include, but not limited to:
 - i) Status Code (submitted, approved, refused/canceled)
 - ii) Transaction Date/Time
 - iii) Requested Time
 - iv) Appointment Time
 - v) Check-In and Check-Out Times

G. PO Ship to Arrive (STA) Program:

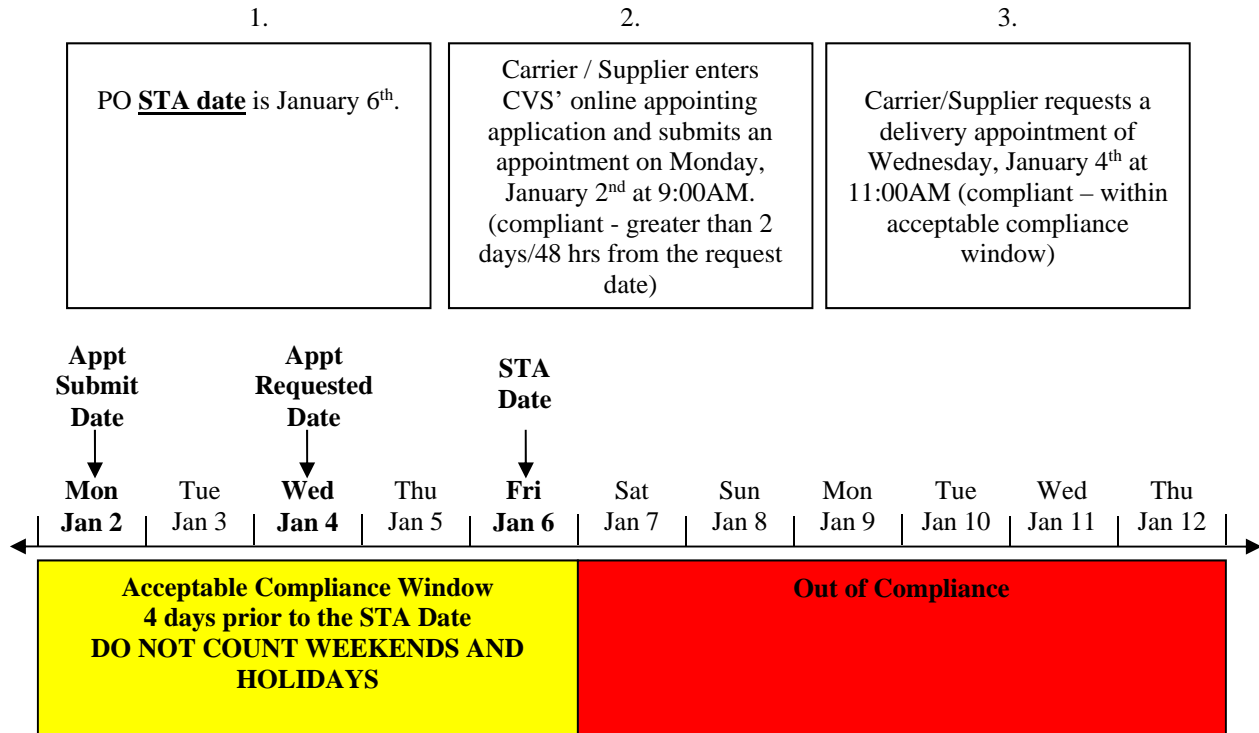
- STA Program Details (Prepaid Freight Terms):
 - a. Suppliers are required to maintain a monthly compliance level of 95% or greater.
 - i. A compliant PO must meet the following criteria:
 - (1) Has a Requested Delivery Appointment that falls on or four days before the STA date.
 - (a) Suppliers will not be penalized for an instance in which the DC does not have capacity to accommodate a requested appointment and the appointment is approved for a later date as long as the Requested Delivery Appointment falls within the compliance window (on or four days prior to the STA date).
 - (b) **Compliance Guidelines for POs Prior to 3/1/16** – Has a Requested Delivery Date that falls within a plus (+) or minus (-) 3 day window from the STA date.

- (2) Has a minimum of a 48 hour/2 business day timeframe between the appointment submit date and request date.
 - (a) Example: a request date for a delivery appoint. on 9/25 at 8:00 AM EST must have an appoint. submit date no later than 9/23 at 8:00 AM EST)
 - (b) Applicable to full truck and LTL live unload shipments (excluding CH Robinson Consolidated and dropped trailers). LTL drop trailers (preferred LTL carriers and approved drop trailer carriers) are excluded due to LTL network operational processes.
 - (c) Requirement is also applicable to standing appointments.
 - (d) Requirement is only applicable for the first appointment request date. Reschedules are not applicable to the 48hr/2 business day requirement.
 - ii. STA compliance is applicable to all purchase order including Store Replenishment (Code 01), New Items (Code NI), Code 98, Promotional and Seasonal POs only. Rx POs are not included in the program.

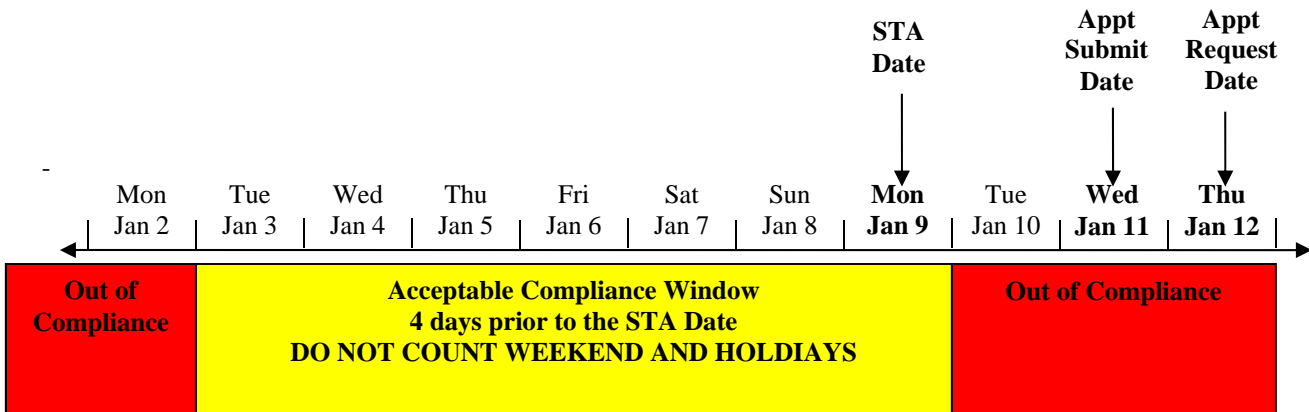
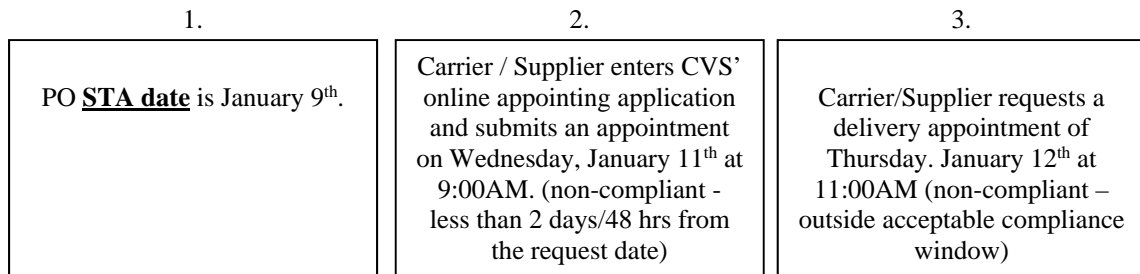
See Section II – Collect Freight Shipping Instructions for STA Compliance details for collect freight terms
STA Compliance Examples on following pages...

• **STA Program Prepaid Example:**

Compliant PO Example:



Non-Compliant PO Example:



Revision 00.1, updated May 7, 2018

IX. International Shipments

Contact CVS' Import Department by telephone at (401) 770-4263 or (401) 770-2556 for guidance and direction on international shipments. Please use the following link to access the Import Guide:

- <http://www.cvssuppliers.com/import-suppliers>

Attachment I

Distribution Center Information

NOTE: For applicable Distribution Codes and DEA numbers, please refer to the “Distribution Center ID Table” at www.cvssuppliers.com.

Front Store/Bulk/Store Supply Facilities:

DISTRIBUTION CENTER ADDRESS/PHONE NUMBERS	CONTACT PERSON EXTENSION	RECEIVING HOURS	APPOINTMENT REQUIREMENTS
Beech Island, SC 111 Revco Road North Augusta, SC 29841 (803) 442-5256	Vera Robinson Vera.Robinson@cvshealth.com Ext 1350034 Stephen Hucks Stephen.Hucks@cvshealth.com (803) 442.5256	6:00am-3:30pm M-F Express Door: 7:00am-12:30pm M-F	Delivery Appt. Required. Express Door: 250 cases or less.
Bessemer, AL 2600 Morgan Road Bessemer, AL 35023 Phone - (205) 230-4300 Fax - (205) 230-4306	Evonne Aaron Evonne.Aaron@cvshealth.com (205) 230-4320	6:00 am – 5:00 pm M-F Express Door: 9:00 am – 3:00 pm M-F	250 cases or more requires delivery appointment. Express Door: less than 250 cases
Chemung, NY 1 CVS Drive Waverly, NY 14892 Phone - (607) 249-0100 Fax - (607) 249-0103	Denise Brown Denise.Brown3@cvshealth.com ext. 249-0140	7:00 am – 3:30 pm M-F (1:30 – last appointment) <u>NO EXPRESS DOOR</u>	Delivery Appointment Required
Conroe, TX Main Building & OTC 100 South Trade Center Pkwy Conroe, TX 77385 Phone - (936) 271-5825 Fax - (936) 271-5804	Veronica Clark Veronica.Clark@cvshealth.com Ext. 125-5101 Paula Kizzie Paula.Kizzie@cvshealth.com (936) 271-5813	3:00 pm - 11:00 pm M-F Express Door: 3:00 pm - 11:00 pm M-F	Delivery Appt. Required for shipments of more than 100 cases. Express Door: less than 100 cases / will be unloaded at the next available dock door.
Davenport, FL 245 Deen Street Davenport, FL 33897 Phone – 407 858 4000 Ext. 1320004	Bianca Acevedo Blanca.Ardon@CVSHealth.com (407)-858-4100 x4144	4:00 am-11:00 am M-F	Delivery Appointment Required

DISTRIBUTION CENTER ADDRESS/PHONE NUMBERS	CONTACT PERSON EXTENSION	RECEIVING HOURS	APPOINTMENT REQUIREMENTS
Ennis, TX 700 CVS Drive Ennis, TX 75119 Phone - (214) 241-5000 Fax - (401) 652-0542	Charika Russell Charika.Russell-Johnson@cvshealth.com (214) 241-5061	6:00 am - 2:30 pm M-F 3:00 pm - 11:00 am M-F	Delivery Appointment Required
Fredericksburg, VA 500 Lansdowne Road Fredericksburg, VA 22408 Phone - (540) 834-5600 Fax - (540) 834-5610	Marie Wilson Marie.Wilson@cvshealth.com (540) 834-5635 Ellen Kane Ellen.Kane@cvshealth.com	6:00 am - 12:30 pm M-F	Delivery Appointment Required
Fredericksburg, VA Bulk Storage Building 501 Lansdowne Road Fredericksburg, VA 22408 Phone - (540) 834-5600 Fax - (540) 834-5610	Marie Wilson Marie.Wilson@cvshealth.com (540) 834-5635 Ellen Kane Ellen.Kane@cvshealth.com	6:00 am - 12:30 pm M-F	Delivery Appointment Required
Hainesport, NJ Lumberton Cosmetics 8 Berry Drive Hainesport, NJ 08036 Phone - (609) 267-6700 Fax - (609) 518-5786	Deb Gilbert Deborah.Gilbert@cvshealth.com ext 5185612 Honica Honsby Honica.Honsby@cvshealth.com ext 1325047	7:00 am - 3:00 pm M-F Express Door: 7:00 am - 2:00 pm M-F	250 cases or more requires delivery appointment. Express Door: less than 250 cases representing 10 items or less / 6 pallets or less
Houston, TX Conroe Bulk Building 19802 Imperial Drive 100 Houston, TX 77073	Veronica Clark Veronica.Clark@cvshealth.com Ext. 125-5101 Linda Duhe Linda.Duhe@cvshealth.com (936) 271-5844	6:00 am - 1:00 pm M-F	Delivery Appt. Required for shipments of more than 100 cases. Express Door: less than 100 cases / will be unloaded at the next available dock door.
Indianapolis, IN 2800 Enterprise Street Indianapolis, IN 46219 Phone - (317) 610-4300 Fax - (317) 610-4301	Sherry Washington Sherry.Washington@cvshealth.com Ext 1355164 Jeff Hoover Jeffrey.Hoover@cvshealth.com ext 6104340	<u>1st Shift</u> 6:00 am - 2:00 pm M-F <u>2nd Shift</u> 3:00 pm - 11:00 pm M-F <u>NO EXPRESS DOOR</u>	Delivery Appointment Required.

DISTRIBUTION CENTER ADDRESS/PHONE NUMBERS	CONTACT PERSON EXTENSION	RECEIVING HOURS	APPOINTMENT REQUIREMENTS
Indianapolis, IN Mt. Comfort (Satellite DC) 6887 West 350 North Greenfield, IN 46140 Phone - (317) 610-4300 Fax - (317) 351-3019	Sherry Washington Sherry.Washington@cvshealth.com ext 1355164	6:00 am - 12:30 pm M-F <u>NO EXPRESS DOOR</u>	
Kapolei, HI 1025 Opakapaka St. Kapolei, HI 96707 Phone - (808) 690-8722 Fax - (808) 690-8702	Reynolds Kim Reynolds.Kim@cvshealth.com Sean Augustine Sean.Augustine@CVSHealth.com (808) 690-8722	6:00 am - 12:00 pm M-F <u>NO EXPRESS DOOR</u>	Delivery Appointment Required Accepted Trailers: 24', 45', 48' and 53'
Knoxville, TN 10008 Parkside Drive Knoxville, TN 37922 Phone - (865) 231-9900 Fax - (865) 231-9901	Pokey Mullins Pokey.Mullins@cvshealth.com (865) 231-9940 Shannon Miller Shannon.Miller@cvshealth.com ext 2319941	6:00 am - 2:00 pm M-F <u>NO EXPRESS DOOR</u>	Delivery Appointment Required
La Habra, CA Front Store - General Merchandise (L1 Building) 777 South Harbor Blvd. La Habra, CA 90631 Phone - (714) 578-4600 Receiving Office ext 1340516 Fax - (714) 578-4691	Mary Murphy Mary.Murphy2@cvshealth.com Vicki Sloat – 1st Shift Supervisor Victoria.Sloat@cvshealth.com (714) 578-4600 ext 1340513 Rolando Laurel – 2nd Shift Supervisor Rolando.Laurel@CVSHealth.com (714) 578-4600 ext 1340513	Main Dock 4:30 am – 1:00 pm M-F 6:30 pm - 2:30 am M-Th 4:00 pm – 12:30 am F Express Door: 6:00 am – 11:00 am	Over 200 cases and/or 5 items and/or 4 pallets requires delivery appointment Express Door: No more than 200 cases, 5 items and 4 pallets
La Habra, CA Full-Case Seasonal & Promotional (L3 Building) 1111 South Harbor Blvd. La Habra, CA 90631 Phone - (714) 578-4670 Receiving Office (714) 578-5406 Fax - (714) 578-4691	Mary Murphy Mary.Murphy2@cvshealth.com Vicki Sloat – 1st Shift Supervisor Victoria.Sloat@cvshealth.com (714) 578-4600 ext 1340513 Rolando Laurel – 2nd Shift Supervisor Rolando.Laurel@CVSHealth.com (714) 578-4600 ext 1340513	Main Dock 4:30 am – 1:00 pm M-F 6:30 pm - 2:30 am M-Th 4:00 pm – 12:30 am F	Delivery Appointment Required No Express Door
Loudon, TN 3400 Huntington Park Dr. Loudon, TN 37774 Phone - (865) 657-2212 Fax - (865) 231-9901	1st contact Pokey Mullins PokeyMullins@cvshealth.com (865) 231-9940 Doug Hill / Shane Woods Douglas.Hill@cvshealth.com Donavon.Woods@cvshealth.com (865) 657-2200 ext 1280001	6:00 am – 2:30 pm M-F <u>NO EXPRESS DOOR</u>	Delivery Appointment Required

DISTRIBUTION CENTER ADDRESS/PHONE NUMBERS	CONTACT PERSON EXTENSION	RECEIVING HOURS	APPOINTMENT REQUIREMENTS
Lumberton, NJ 1 Berry Drive Lumberton, NJ 08048 Phone - (609) 267-6700 Fax - (609) 518-5779	Deb Gilbert Deborah.Gilbert@cvshealth.com ext 5185612 Honica Honsby Honica.Honsby@cvshealth.com ext 1325047	7:00 am - 8:30 pm M-F Express Door: 7:00 am - 2:00 pm M-F	250 cases or more requires delivery appointment. Express Door: less than 250 cases representing 10 items or less / 6 pallets or less
Lumberton, NJ (Cosmetic Building) See Hainesport, NJ			
Medley, FL See Orlando, FL			
Midwest DC 10711 North Congress Ave. Kansas City, MO 64153	Darryl Selleck Darryl.Selleck@CVSHealth.com	6:00 am – 1:00 pm M-F	TBD
Murfreesboro, TN Store Fixtures 606 Butler Street Murfreesboro, TN 37127 Phone - (615) 494-9226	Receiving Office 615-494-9226	7:00 am - 2:30 pm M-F <u>NO EXPRESS DOOR</u>	Delivery appointment required. Call for delivery appointment.
North Augusta, SC 111 Revco Road Beech Island, SC 29842 Phone – (888) 378-7336 Fax - (401) 652-1026	Vera Robinson Vera.Robinson@cvshealth.com Ext 1350034 Stephen Hucks Stephen.Hucks@cvshealth.com (803) 442-5256	6:00am-3:30pm M-F Express Door: 7:00am- 12:30pm M-F	Delivery Appt. Required. Express Door: 250 cases or less.
North Augusta, SC (Lovers Lane – Satellite DC) 1413 Lovers Lane Augusta, GA 30901 Phone – (888) 378-7336 Fax - (401) 652-1026	Vera Robinson Vera.Robinson@cvshealth.com Ext 1350034 Stephen Hucks Stephen.Hucks@cvshealth.com (803) 442-5256	6:00 am – 1:00 pm M-F	Delivery Appointment Required
North Smithfield, RI 150 Industrial Drive North Smithfield, RI 02896 Phone - (401) 235-5000 Fax - (401) 235-5255	Carl Gravel Carl.Gravel@cvshealth.com (401) 235-5042 Lorraine Languirand Lorraine.Languirand@cvshealth.com (401) 235-5045	3 Shifts M-F 7:00am – 12:00pm 3:00pm – 8:00pm 1:00am – 3:00am Express Door: 7:00 am - 2:00 pm M-F	Delivery Appointment Required

DISTRIBUTION CENTER ADDRESS/PHONE NUMBERS	CONTACT PERSON EXTENSION	RECEIVING HOURS	APPOINTMENT REQUIREMENTS
Novi, MI 43800 Genmar Drive Novi, MI 48375 Phone – (248) 675-2100 Fax - (248) 675-2109	Laurie Beth Gruich Laurie.Gruich@cvshealth.com x1295018 John Budner John.Budneriii@cvshealth.com (248) 675-2138 Emilie Coffey Emilie.Coffey@CVSHealth.com (248) 675-2127	6:00 am - 11:30 am M-F Express Door: 7:00 am - 12:00 pm M-F	Delivery Appointment Required Appointment required for all deliveries (including Express Door).
Orlando, FL 8525 Exchange Drive Orlando, FL 32809 Phone - (407) 858-4000 Fax - (407) 858-4122	Bianca Acevedo Blanca.Ardon@cvshealth.com x1320004 Alisha Roberts Alisha.Roberts@cvshealth.com x1320010	6:30 am -6:00 pm M-Th 6:30 am – 5:00 pm F Express Door: 6:30 am - 1:00 pm M-Th 6:30 am - 11:00 am F	Express Door: Less than 100 cases
Patterson, CA 2400 Keystone Pacific Pkwy Patterson, CA 95363 Phone - (209) 895-8500 Fax - (401) 733-0763	Tonie Aguilera-Thompson Antonia.Aguilera@cvshealth.com (209) 895-8500 ext. 126-0042	5:00 am – 1:00 pm M-F Express Door: 6:00 am – 1:00 pm M-F (M-F)	250 cases or more requires delivery appointment. Express Door: less than 250 cases & 6 pallets or less
Phoenix, AZ See Tolleson, AZ			
Somerset, PA 322 Revco Road Somerset, PA 15501 Phone - (814) 289-2200 Fax - (814) 289-2202	Annette Saylor Annette.Saylor@cvshealth.com Ext 131-0014 Bob Christner Robert.Christner@cvshealth.com Ext 131-0017 Justice Custer Justice.Custer@cvshealth.com Ext 131-0018	6:00 am - 8:30 pm M-F Express Door: NO EXPRESS DOOR	Delivery Appointment Required Appointment required for all deliveries.
Tolleson, AZ (Beverages) 8585 W Buckeye Road, Suite A Tolleson, AZ 85353 Phone – (480) 420-5022 Fax - (480) 420-5015	Ryan Lincul Ryan.Lincul@cvshealth.com	6:00 am - 1:00 pm M-F Express Door: 6:00 am - 12:00 pm M-F	Delivery appointment required for delivery of more than 250 cases. Express Door: less than 250 cases
Twinsburg, OH Business Integration Center 1940 Enterprise Parkway Twinsburg, OH 44087 Phone - (330) 487-6916 Fax - (330) 963-0760	Dale Petrino (330) 487-6912 Jennifer Ayers (330) 487-6916	8 :00 am - 3:30 pm M-F NO EXPRESS DOOR	No delivery appointment required

DISTRIBUTION CENTER ADDRESS/PHONE NUMBERS	CONTACT PERSON EXTENSION	RECEIVING HOURS	APPOINTMENT REQUIREMENTS
Vero Beach, FL 2577 98 th Ave Vero Beach, FL 32966 Phone - (772) 774-2131 Fax - (401) 652-0596	Heather Harris Heather.Harris@cvshealth.com	1 st shift 6am -2pm M-F 2 nd shift 2pm-10pm M-F <u>NO EXPRESS DOOR</u>	Delivery Appointment Required
Woonsocket, RI 400 Founders Drive Woonsocket, RI 02895 Phone - (401) 235-5000 Fax - (401) 235-5255	Carl Gravel Carl.Gravel@cvshealth.com (401) 235-5042 Lorraine Languirand Lorraine.Languirand@cvshealth.com (401) 235-5045	5:00am – 12:30pm M-F <u>NO EXPRESS DOOR</u>	Delivery Appointment Required
Woonsocket, RI CVS Print Department 50 Fortin Drive Woonsocket, RI 02895 Phone - (401) 770-2993 Fax - (401) 767-2234	Mike Cote Michael.Cote@cvshealth.com (401) 770-2993 Dennis Wiggins Dennis.Wiggins@CVSHealth.com (401) 770-6669	8:00 am - 4:00 pm M-F	Delivery Appointment Required
Store Supplies 221 Founders Drive Woonsocket, RI 02895 Phone - (401) 235-5803 Fax - (401) 235-5855	Gary Capparella – Gary.Capparella@cvshealth.com (401) 235-5156 for anything other than appt. scheduling	8:00 am - 1:30pm M-F	Delivery Appointment Required . CALL for an appt. DO NOT send a fax.

Pharmacy (Rx) locations listed on next page...

Pharmacy (Rx) Facilities:

DISTRIBUTION CENTER ADDRESS/PHONE NUMBERS	CONTACT PERSON EXTENSION	RECEIVING HOURS	APPOINTMENT REQUIREMENTS
Chemung, NY 150 White Wagon Rd Chemung, NY 14825 Phone - (607) 249-0100 Fax - (607) 249-0103	Lisa Green Lisa.Green@cvshealth.com (607) 249-0140	7:00 am – 3:30 pm M-F <u>NO EXPRESS DOOR</u>	Delivery Appointment Required
Conroe, TX 225 Harpers Landing Blvd. Conroe, TX 77385 Phone - (936) 364-2849 Fax - (936) 271-5804	Veronica Clark Veronica.Clark@cvshealth.com Ext. 125-5101 Paula Kizzie Paula.Kizzie@cvshealth.com (936) 271-5813	7:00 am - 3:00 pm M-F Express Door: 6:30 am -1:30 pm M-F	Delivery Appt. Required for shipments of more than 100 cases. Express Door: less than 100 cases / will be unloaded at the next available dock door.
Ennis, TX 800 CVS Drive Ennis, TX 75119 Phone - (214) 241-5000 Fax - (401) 652-0542	Charika Russell Charika.Russell-Johnson@cvshealth.com (214) 241-5061	6:00 am - 2:30 pm M-F <u>NO EXPRESS DOOR</u>	Delivery Appointment Required
Indianapolis, IN 7590 Empire Drive Doors 116-123 Indianapolis, IN 46219 Phone - (317) 610-4374 Fax - (317) 610-4308	Patty Paul Patricia.Paul2@cvshealth.com ext 3055 Gary Lamberth Gary.Lamberth@cvshealth.com ext 3051	7:00 am - 2:00 pm M-F <u>NO EXPRESS DOOR</u>	Delivery Appointment Required.
Knoxville, TN 10017 Kingston Pike Knoxville, TN 37922 Phone - (865) 231-9900 Fax - (865) 231-9902	Pat Jessie Patricia.Jessie@cvshealth.com 865-231-9941 <div style="border: 1px solid black; padding: 5px; width: fit-content;"> Entry at the following address. Please set GPS accordingly. 10008 Parkside Drive </div>	7:00 am - 2:30 pm M-F <u>NO EXPRESS DOOR</u>	Appointment required for all deliveries except small package deliveries made by UPS, Federal Express, Airborne, etc. Drivers must enter through the 10008 Parkside Drive Entrance.
La Habra, CA Pharmacy 777 South Harbor Blvd. Suite D-152 La Habra, CA 90631 Phone - (714) 578-4600 Receiving Office ext 1340516 Fax - (714) 578-4691	Genet Habte Genet.Habte@cvshealth.com (714) 578-4600 ext 1340512 Vicky Sloom Victoria.Sloom@cvshealth.com (714) 578-4600 ext 1340513	Main Dock 4:30 am – 1:00 pm M-F 6:30 pm - 1:00 am M-F NO EXPRESS DOOR	Delivery Appointment Required No Express Door

DISTRIBUTION CENTER ADDRESS/PHONE NUMBERS	CONTACT PERSON EXTENSION	RECEIVING HOURS	APPOINTMENT REQUIREMENTS
Lumberton, NJ 3 Berry Drive Lumberton, NJ 08048 Phone - (609) 267-6700 Fax - (609) 518-5779	Deb Gilbert Deborah.Gilbert@cvshealth.com ext 5185612 Honica Honsby Honica.Honsby@cvshealth.com ext 1325047	7:00 am - 3:00 pm M-F Express Door: 7:00 am - 2:00 pm M-F	250 cases or more requires delivery appointment. Express Door: less than 250 cases representing 10 items or less / 6 pallets or less
Midwest DC 10651 North Congress Ave. Kansas City, MO 64153	Darryl Selleck Darryl.Selleck@CVSHealth.com	6:00 am – 1:00 pm M-F	TBD
North Smithfield, RI 150 Industrial Drive Pharmacy-WHSE 2 North Smithfield, RI 02896 Phone - (401) 235-5000 Fax - (401) 235-5255	Carl Gravel Carl.Gravel@cvshealth.com (401) 235-5042 Lorraine Languirand Lorraine.Languirand@cvshealth.com (401) 235-5045	3 Shifts 7:00am – 12:00pm M-F 3:00pm – 8:00pm M-F 1:00am – 3:00am M-F Express Door: 7:00 am - 2:00 pm M-F <i>(Pharmacy Only)</i>	250 cases or more requires delivery appointment. Express Door: Less than 250 cases & no more than 6 pallets <i>(Pharmacy Only)</i>
Orlando, FL 8201 Chancellor Drive Orlando, FL 32809 Phone - (407) 858-4000 Fax - (407) 858-4122	Bianca Acevedo Blanca.Ardon@cvshealth.com x1320004 Alisha Roberts Alisha.Roberts@cvshealth.com x1320010	6:30 am - 3:00 pm M-Th 6:30 am - 10:00 am F Express Door: 6:30 am - 2:00 pm M-Th 6:30 am - 9:00 am F	Express Door: Less than 100 cases
Patterson, CA 2400 Keystone Pacific Pkwy Suite B. Patterson, CA 95363 Phone - (209) 895-8500 Fax - (401) 733-0763	Jeremiah Saleapaga Jeremiah.Saleapaga@cvshealth.com (209) 895-8528 Tonie Aguilera Antonia.Aguilera@cvshealth.com (209) 895-8528	6:00 am – 1:00 pm M-F Express Door: 6:00 am – 1:00 pm M-F	250 cases or more requires delivery appointment. Express Door: less than 250 cases & 6 pallets or less
Vero Beach, FL 2575 98 th Ave Vero Beach, FL 32966 Phone - (772) 774-2131 Fax - (401) 652-0596	Heather Harris Heather.Harris@cvshealth.com	6:00 am – 2:00 pm M-F <u>NO EXPRESS DOOR</u>	Delivery Appointment Required

Attachment II

Regional Preferred LTL Carrier Coverage Areas

NOTE: The below table details which DC each *Regional Preferred LTL Carrier* services.

CVS DISTRIBUTION CENTER	ADDRESS	TONY'S EXPRESS	SAIA	NEW ENGLAND MOTOR FREIGHT (NEMF)
Chemung (Waverly), NY	1 CVS Dr. Waverly, NY 14892			✓
Lumberton, NJ	1 Berry Dr. Lumberton, NJ 08048			✓
Hainesport, NJ	8 Berry Dr. Hainesport, NJ 08036			✓
Woonsocket, RI	400 Founders Dr. Woonsocket, RI 02895			✓
North Smithfield, RI	150 Industrial Dr. – Wrhse # 1 N. Smithfield, RI 02896			✓
Somerset, PA	322 Revco Rd. Somerset, PA 15501			✓
Fredericksburg, VA	500 Lansdowne Rd. Fredericksburg, VA 22408			✓
Fredericksburg, VA (Bulk Building)	501 Lansdowne Rd. Fredericksburg, VA 22408			✓
Bessemer, AL	2600 Morgan Rd. Bessemer, AL 35023		✓	
Midwest DC	10711 North Congress Ave. Kansas City, MO 64153		✓	
North Augusta, GA	111 Revco Rd. Beech Island, SC 29842		✓	
Orlando, FL	8525 Exchange Dr. Orlando, FL 32809		✓	
Vero Beach, FL	2577 98 th Ave. Vero Beach, FL 32966		✓	
Indianapolis, IN	2800 Enterprise St. Indianapolis, IN 46219		✓	
Knoxville, TN	10008 Parkside Dr. Knoxville, TN 37922		✓	
Loudon, TN	3400 Huntington Park Dr. Loudon, TN 37774		✓	
Novi, MI	43800 Genmar Dr. Novi, MI 48375		✓	
Conroe, TX	100 South Trade Center Prkwy Conroe, TX 77385		✓	

CVS DISTRIBUTION CENTER	ADDRESS	TONY'S EXPRESS	SAIA	NEW ENGLAND MOTOR FREIGHT (NEMF)
Houston, TX	19802 Imperial Valley Dr. 100 Houston, TX 77073		✓	
Ennis, TX	700 CVS Dr., Ennis, TX 75119		✓	
La Habra, CA	777 South Harbor Blvd., La Habra, CA 90631	✓		
La Habra, CA	1111 South Harbor Blvd., La Habra, CA 90631	✓		
Patterson, CA	2400 Keystone Pacific Pkwy., Patterson, CA 95363	✓		

Attachment III

Vendor Compliance Program Modifications

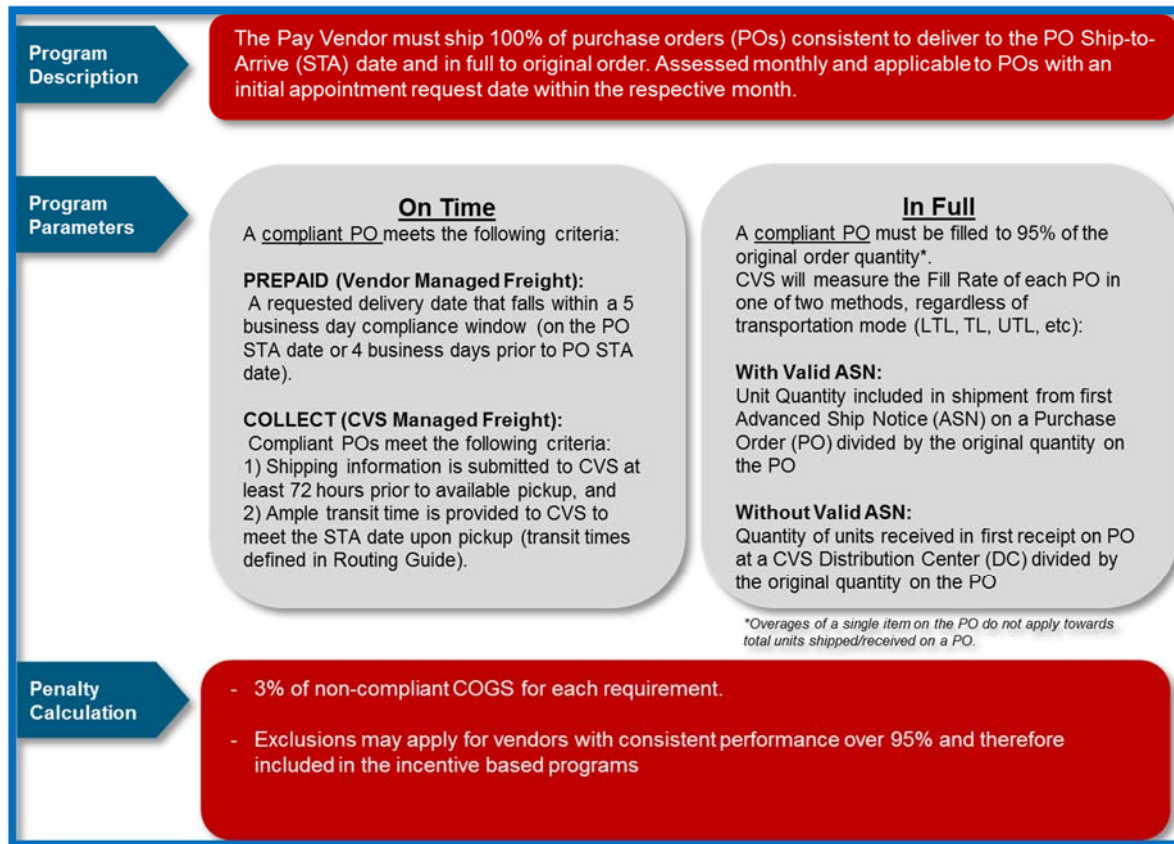
In order to achieve the goal of increased operational efficiency and excellence in supply chain execution, CVS is making a number of changes to its vendor compliance programs **effective July 1, 2018**. These changes are designed to increase the efficiency and effectiveness of the supply chain and provide customers with a superior shopping experience by improving inventory in-stock levels, decreasing product lead-times, enhancing the inventory forecasting and replenishment processes and increasing overall distribution efficiency.

- 1) The current CVS purchase order (“PO”) Ship to Arrive (STA) program will transition to an On Time and In Full (“OTIF”) program, **effective July 1, 2018**. Changes discussed here exclude Import vendors.
 - a) In addition to current STA on-time requirement, the new OTIF program will require PO first time fill of 95% to the original purchase order quantity. This is applicable for prepaid and collect loads.
 - b) Expense offset structure (price of non-compliance) will be modified to be 3% of non-compliant COGS rather than the current flat rate per non-compliance PO. Expense offsets will no longer be capped each month.
 - c) The Vendor must meet the program requirements for 100% of POs.

Compliance Program Comparison

	Current Program: Ship to Arrive (STA) Compliance	Revised Program: On Time and In Full (OTIF)
Program Description	<p>The Pay Vendor must maintain a <u>monthly</u> compliance level of 95% or greater for all purchase orders (POs) with an initial appointment request date within the respective month.</p> <p>Applicable to all POs, excluding import PO vendors.</p>	<p>All POs, with the exception of import PO vendors, must meet the program requirements are applicable to program requirements.</p>
Program Requirements	<p>A <u>compliant PO</u> meets the following criteria:</p> <p>PREPAID (Vendor Managed Freight):</p> <ul style="list-style-type: none"> - A requested delivery date that falls within a 5 business day compliance window (on the PO STA date or 4 business days prior to PO STA date), and; - The appointment submit date is greater than 48 hrs (2 business days) from the appointment request date. <p>COLLECT (CVS Managed Freight):</p> <ul style="list-style-type: none"> - Shipping information is submitted to the CVS transportation system at least 72 hours or 3 business days prior to pickup date, and - The available pickup date must meet the determined number of days as defined in CVS Routing Guide (<i>Section II. Collect Freight Routing Instructions, Subsection B</i>) 	<p>A <u>compliant PO</u> meets the following criteria:</p> <p>PREPAID (Vendor Managed Freight):</p> <ul style="list-style-type: none"> - A requested delivery date or actual delivery date that falls within a 5 business day compliance window (on the PO STA date or 4 business days prior to PO STA date), and; - First receipt must be 95% of <u>original</u> PO order quantity. <p>COLLECT (CVS Managed Freight):</p> <ul style="list-style-type: none"> - Same requirements as current STA compliance - First receipt must be 95% of <u>original</u> PO order quantity.
Expense Offset Structure	<p>\$250 per PO, max of \$3,500 per month.</p>	<p>- 3% of non-compliant COGS for each requirement.</p>

The following provides a detailed description of the OTIF program, effective **July 1, 2018**.



Questions about OTIF Vendor Compliance should be forwarded to:

- Mike Grenon [401] 770-3278 [michael.grenon@cvshealth.com]
- Mike Tavares [401] 770-7879 [michael.tavares@cvshealth.com]
- Sue Lussier [401] 770-3084 [suzanne.lussier@cvshealth.com]

- 2) Vendors will have the opportunity to take advantage of a new incentive program designed to reward vendors whom display superior and consistent vendor performance. The details of this program will be announced no later than April 1, 2018.
- 3) Vendors will be required to send accurate and timely Advanced Ship Notices (ASN) effective July 1, 2018. The goal of the ASN program is to provide CVS Health with advance notification of shipments, comprehensive visibility of product information related to each shipment and metric opportunities to gauge the overall efficiency of the supply chain process. Non-compliance with the CVS ASN program may result in compliance deductions effective July 1, 2018. The specifics of deductions related to this program are currently being assessed.
 - a) A comprehensive Supplier Implementation Guide for the CVS Health ASN program can be found within:
http://www.cvssuppliers.com/sites/default/files/CVS_HEALTH_856_ASN_2018_V03.pdf