



Distribution Requirements

Shipping on Pallets:

Pallets used by supplier/shipper shall conform to these specifications:

For pallet weighing less than 2,000 lbs.:

1. All pallets used shall be, at the minimum, a grade A GMA four-way pallet in good condition and measuring 48" x 40". They shall comply with the standards, including board thickness, of the Grocery Manufacturers' Association.
2. Each pallet shall have three single stringers (runners). One stringer shall be on each side and one in the center running the length of the pallet.
3. The pallet shall not have any missing, broken or split boards. Each pallet shall have five boards in good condition securely fastened on the bottom and seven boards in good condition securely fastened on the top.

For pallets weighing greater than or equal to 2,000 lbs.:

1. All pallets used shall be, at the minimum, a block type four-way pallet in good condition and measuring 48" x 40". They shall be of the same robust hardwood or solid plastic construction as program pallets such as CHEP (Blue), PECO (red) or IGPS (4 Way Solid Plastic Pallets).
2. Each pallet shall have three single stringers on both the top and bottom. One stringer shall be on each side and one in the center of both top and bottom running the length of the pallet as shown in the diagram below.
3. The pallet shall not have any missing, broken, or split boards. Each pallet shall have nine boards in good condition securely fastened to the top as shown in the diagram below.

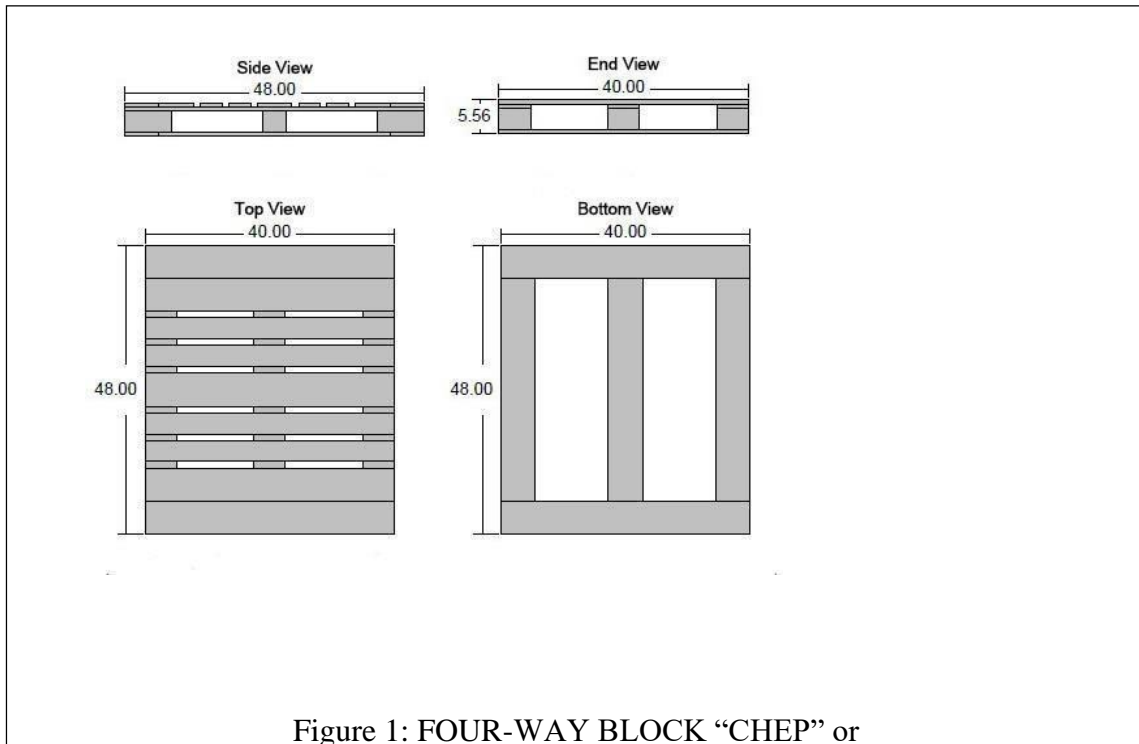


Figure 1: FOUR-WAY BLOCK “CHEP” or “PECO” type pallet

1. Wood, non-program, pallets are preferred. Family Dollar, however, does accept pallets from the following pallet program manufacturers:
 - a. CHEP – Blue Pallets
 - b. PECO – Red Pallets
 - c. IGPS – 4 Way Solid Plastic Pallets
2. Each pallet shall have a clean appearance-no dirt, grease or other foreign material on it.
3. If goods are on an unacceptable pallet, the carrier will have the responsibility for off-loading the merchandise onto an acceptable pallet provided by Family Dollar. Any expenses incurred by the carrier should be charged to the shipper.
4. Merchandise stacked on pallets or slip sheets shall be stacked in a manner that maximizes the trailer cube but does not damage the product or crush the master case. The Shipper is responsible for ensuring the freight is blocked or braced at loading to ensure product does not shift during transit.
5. Pallets or slip-sheets shall not exceed a maximum weight of 2,500 pounds (1,136 kilograms). To maximize trailer or container space, two pallets may be stacked on top of each other; however, the supplier/shipper shall be liable for any damage to the merchandise shipped to Family Dollar in this configuration.
6. The supplier/shipper shall use the same tie to stack the same merchandise (same item SKU) on all pallets sent.
7. No overhanging product—merchandise shall be stacked on a pallet in such a manner so as not to overhang any edge of the pallet. Approval must be obtained for special circumstances.
8. All pallets shall be taped, strapped or shrink-wrapped to prevent the merchandise from shifting during transit. Family Dollar Stores, LLC. strongly discourages the gluing of



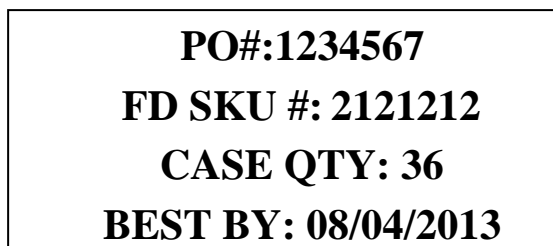
cartons together to form pallet stacks and may charge back for lost efficiencies in receiving.

- 9. Pallets can be placed in a “pinwheel” formation (one lengthwise and one side ways) in the trailer and proper blocking and bracing should be used to ensure merchandise is delivered without damage on 4- way pallets.
- 10. The Supplier/Shipper shall ensure that the last pallet loaded shall have a freight bill and/or packing list attached and is facing the door of the trailer.
- 11. Failure to follow the above procedures may result in Family Dollar assessing the supplier a handling charge in accordance with Transportation Noncompliance Charges section.

Pallet Tags (Labels) Requirements – For Full Pallet Shipments

- 1. Pallet Tags (Labels) are required for all pallets of same product (Full or Partial).
- 2. Pallets of mixed product need to be marked “MIXED PALLET.”
- 3. See **Receiving Requirements** section (page 6) for product level requirements per pallet.
- 4. Adhesive Labels are preferred.
- 5. The cases will be shrink/stretch-wrapped on the pallet, then a pallet tag secured to the wrapping.
- 6. Clearly printed handwritten labels are acceptable.
- 7. Non-adhesive tags are not preferred but need to be clearly visible and placed under the wrapping if used.
- 8. Pallet tags may include unique supplier information (i.e., tracking bar codes, lot codes, quality check, etc.) Bar codes on pallet labels will not mimic Family Dollar Stores, LLC. bar codes.
- 9. Family Dollar requires that a pallet stack does not contain mixed expiration dates.
- 10. If multiple expiration dates are represented on a full pallet, record the date with the LEAST amount of freshness remaining.
- 11. The pallet tag must have the Family Dollar Purchase Order Number, the Family Dollar SKU Number, the number of cartons per pallet and Date of Expiration (if applicable). (example):

PALLET LABEL EXAMPLE



Pallet Configurations

- 1. All deliveries that are driver unload or lumper services will be charged if Family Dollar Stores, LLC. must unload trailer. There is no charge for un-stacking double stacked pallets.
- 2. Product may arrive floor-loaded but may also be subject to lumper or palletizing fees.
- 3. Family Dollar Stores, LLC. will leave it up to the supplier to select the most cost-efficient orientation. Utilizing all space on a container is the choice of the supplier.
- 4. DCs require that pallets are stacked to their maximum load height as noted for each DC



below. Stack up or stack down fees may be applied to pallets that do not meet maximum height standards.

5. See chart for stack heights to avoid lumper fees. There may be additional charges for leaning or fallen pallet stacks.
6. This height may satisfy load requirements for all DCs if the DC decides not to stack up or stack down.

Max Pallet Heights (Pallet Included)			
DC#	Center	Bulk	Repack
9510	INDC	68	45
9515	UTDC	68	45
9520	ARDC	63	42
9530	TXDC	68	45
9540	VADC	72	46
9550	FLDC	68	45
9560	OKDC	64	45
9570	NYDC	68	45
9580	KYDC	64	45
9590	IADC	68	45
9990	NCDC	63	39
*ALL	*ALL	63	39

* Bulk cartons can be shipped “as is” directly to the store.

** Repack cartons will contain store packs within a master carton.

Pallet Sheet Requirements

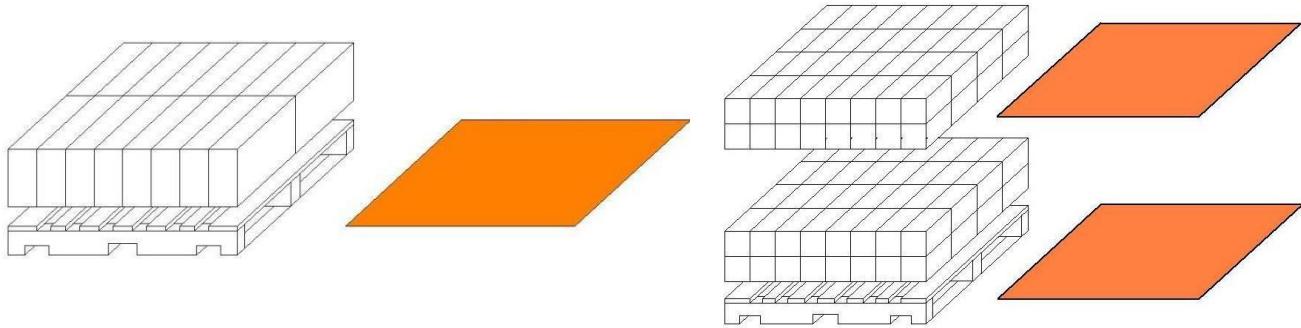
1. The requirement to use pallet sheets depend only on the size of the shipping configuration.
2. Pallet sheets need to be made from paper stock.
 - a. Corrugated - Any flute size that is “E-Flue” or greater is acceptable.
 - b. Paperboard - Stock needs to be at least 30pt or 0.030” thick.
3. Two variables define our requirement for use of pallet sheets; linear dimension (LD) of the packaging’s bottom side and a shipping carton’s shortest edge.
 - a. Linear Dimension (LD): Determine your “Linear Dimension (LD)” by adding the lengths of the 4 edges that come in contact with the pallet; the bottom side. Refer to chart below for pallet sheet requirement.

Dimensional Data	Pallet Sheet	Pallet Sheet Every "x" Layer
LD is less than 24 In.	Yes	3 Layers
LD is from 24 to 32 In.	Yes	4 Layers
LD is over 32 in.	No	N/A
Shortest Edge Requirement for Pallet Sheets		
If any edge is less than 2" long	Yes	3 Layers
If any edge is less than 4" long	Yes	4 Layers

- b. Smallest Edge: Determine the shortest edge dimension of the shipping packaging and refer to chart below for pallet sheet recommendation.
7. Placement:
 - a. If the chart below shows “yes” for Pallet Sheet, the first sheet must be between the pallet and product.



- b. The requirement “3 Layers” means that there would be a pallet sheet between the pallet and product, and then between the 3rd and 4th layer/tier of product.



Required Distribution Center Operations

1. Since Family Dollar Distribution Centers utilize conveyor systems, the following outlines Family Dollar’s carton requirements. If a carton does not meet the requirements listed below, packaging must be approved by Family Dollar prior to production. Please contact the appropriate Buyer and they will work with the Packaging Department to obtain approval for the packaging or to provide additional requirements.
 - a. Re-Pack Cartons – Cartons with inners intended to be broken out and shipped in totes from the re-pack area are not required to have shippable inners. Optimal inner packs should represent a 30–45-day supply and **are required to be minimally wrapped in cellophane, polybags or any material that will hold the selling units together when shipped with other items in a loose container.** Rubber Bands are not accepted by themselves. The inner pack packaging must be strong enough to contain the product until it reaches the store.
 - b. Break Pack Cartons – Cartons with inners that are intended to ship individually as bulk or non-conveyable **MUST** be packaged in shippable packaging. The packaging needs to meet the same recommendations requested for shipping configurations. After the master pack is “busted” out or broken down, the inner packs will be considered the master pack and must be contained in acceptable packaging; appropriate strength corrugated.
 - c. Bulk Cartons – Cartons that do not contain inners. The packaging needs to meet the same recommendations requested for shipping configurations.
2. Conveyability - the following rules are required for a carton to be conveyable.
 - a. Note: Family Dollar does accept non-conveyable products
 - b. Boxes must weigh a minimum of 3 pounds for boxes up to 15 inches in length, and 5 pounds for boxes over 15 inches.
 - c. All six sides of the boxes must be **"flat" and "smooth"** especially the side that will lie against the rollers of the conveyor.

Dimension	Minimum	Maximum
Length	9 inches	42 inches
Width	6 inches	26 inches
Height	4 inches	29 inches
Weight	3 lbs.	44 lbs.



Rule	Value	Rule Description
Max 1 side	36	1 side cannot be greater than 36 inches
Max 2 sides	24	Cannot have 2 sides greater than 24" on each side
Max shape	8	1 side cannot be greater than 8 times the length of any other side
Max weight	50	Weight cannot exceed 50 LBS (repack cannot exceed 50 LBS)
Min girth	19	The sum of length + height + width must be at least 19 inches
Min side	4	No side can be less than 4 inches
Min weight	3	must be at least 3 LBS

3. Products that are stored in repack will be configured in their original shipping carton to maximize pallet and container space yet be less than 50 lbs. Under no circumstances may product case weight exceed 50 lbs.
4. Each like item is required to be packaged in the same size carton.
5. All merchandise will be shipped in the pack and assortments (size and color) of the Style/SKU number specified on the Family Dollar Purchase Order.
6. All merchandise will be shipped in the Master and Inner pack as specified on the Family Dollar Purchase Order.

Distribution Center Carton Marking Requirements

Blank cartons are not allowed and suppliers that ship blank cartons will be charged accordingly.

Please follow the guidelines found in **Carton Marking Requirements** (Part 4 of Vendor Guide), to ensure that you are compliant with Domestic, Import and Shippable Inner marking requirements.

Receiving Requirements

1. The style number stamped or printed on the outside of the box, case or carton must match the contents of the box, case or carton. All merchandise shipped with incorrect identification will be processed at the discretion of Family Dollar. If merchandise is returned, the supplier/shipper will be assessed handling and shipping charges.
2. We prefer one FDS SKU Number to be shipped per pallet. When this is not feasible, multiple styles are to be stacked accordingly. The supplier/shipper must group the merchandise by style number and separate each style by plastic or paper on the pallet. Failure to comply will result in the supplier/shipper being assessed handling charges. It is required that mixed pallet items be rounded to the nearest layer QTY to create the safest possible pallet stack.
3. **When a trailer is floor-stacked by a supplier/shipper, the boxes, cases or cartons need to be pre-sorted by the Family Dollar Purchase Order Number and the Family Dollar SKU Number found on the Purchase Order.** The side of the box, case or carton with the style number on it must face the rear of the trailer (door). Attached to the last case loaded and facing the trailer door needs to be a packing list containing the number of cases of each different item shipped. Failure to comply will result in handling charges being assessed against the supplier/shipper.
4. Suppliers/Shippers are required to make sure the merchandise is properly shrink-wrapped, banded or taped and also blocked and braced prior to the carrier leaving the pick-up facility.



Damage as a result of failure to comply will result in the dollar amount of damages being charged back to the supplier plus handling and administrative fees.

5. Prepaid Inbound freight to Family Dollar Distribution Centers shall be "Driver Unload." Family Dollar will make every attempt to unload palletized, single item shipments without carrier/driver assistance. However, the supplier's failure to follow our shipping and packaging instructions will result in the driver having to assist in the unloading process. Supplier noncompliance could include, but is not limited to, overhang on pallets, bad pallets and mixed freight.
6. Pallet Delivery. Pallets used by the supplier/shipper to ship merchandise to Family Dollar is required conform to the specifications found in the section **Shipping on Pallets** (page 1).
7. Drivers are required to obtain a copy of the proof-of-delivery (POD) at the time of delivery. Failure to obtain a (POD) will result in an administrative charge per bill should Family Dollar have to pull and send a copy to the carrier and/or supplier.
8. **Adulterated Product received at DC** – Product that displays or contains any "poisonous or deleterious substance" which may render the merchandise injurious to health, will be returned to vendor for full disposition and a flat rate charge will be assessed for each occurrence. See pictures below for examples:



Example: Dead bird on a pallet within a trailer



Example: Rodent droppings on a pallet



Example: Rodent droppings on cardboard



**Example: Rodents
chewing through
cardboard**