

### Kroger Our Brands Non-Compliance Fee Schedule

Corporate Brand Packaging		
Base Fee		
\$100.00	Per incident	Note: The Base Fee is waived when Flat Fees are charged.
Hourly Fee		
\$45.00	Per hour	
Flat Fee*		
\$150.00	Per violation	Packaging color/image correction
\$1,000.00	Per violation	Packaging Data Integrity Violation
\$1,000.00	Per violation	Proofing process not being followed
\$5,000.00	Per violation	Merchandise shipped without passing third-party testing report or company override
\$5,000.00	Per violation	Failure to report a food or health/beauty aid merchandise recall prior to public press release
<p>* This may be in addition to an hourly fee and may be administered on a per Kroger Purchase Order basis applicable to multiple Kroger Purchase Order shipments.</p>		
<p><b>Fee Collection</b></p> <p>Kroger will deduct the amount due from any outstanding invoice. If there are monies due Kroger that have not been deducted within sixty (60) days, Vendor must pay by check. <b>These amounts are in addition to, and not in lieu of, Vendor's indemnification and other obligations to Kroger. Vendor agrees that all amounts set forth in this fee schedule are reasonable liquidated damages and do not constitute a penalty.</b></p>		