

At Walmart, we are committed to responsible sales of adult beverages.

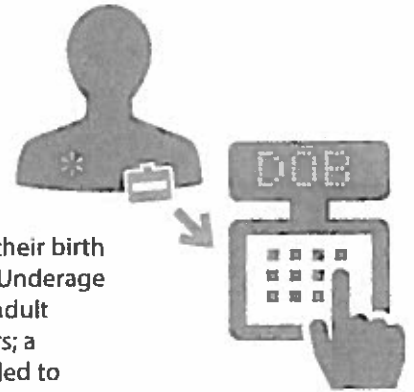
We have stringent, continuous policies, and we also play an active role in the Responsible Retailing Forum to help establish industry best practices for the sale of adult beverages and tobacco products. All Walmart associates are trained upon hiring regarding adult beverages policies and undergo annual refresher courses.

The following demonstrates a typical transaction involving the sale of an adult beverage and the safeguards that are in place along the way to ensure a responsible sale.

STEP 1

Cashier Signs into Register

When cashiers come on duty, they are required to sign into the register and enter their birth date, if it is not on file. Underage associates cannot sell adult beverages to customers; a supervisor must be called to complete the transaction.

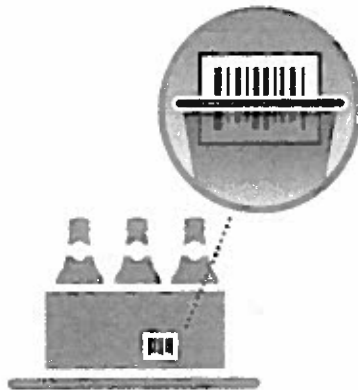


STEP 2

Cashier Scans the Item

If cashier is of-age to sell adult beverages, the register will prompt him/her to enter the customer's birth date if the customer appears under the age of 40.

(If cashier is not of-age, a supervisor override will be prompted.)



STEP 3

Cashier Verifies ID

The cashier must enter the customer's birth date after visually verifying it on one of the following forms of identification:

- Driver's License
- State-Issued Identification Card
- U.S. Passport
- Military Identification Card
- U.S. Immigration Card
- Tribal ID (in states where recognized)

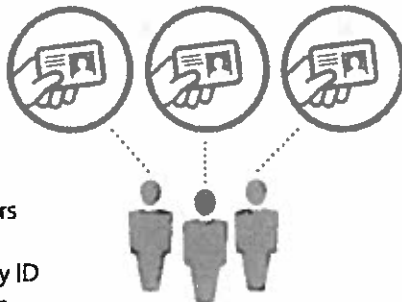


STEP 4

Cashier IDs Members of a Group

When a group of customers seeks to purchase adult beverages, the cashier may ID all members, within reason.

The cashier may make this judgment based on the customers' ages (for example, if all appear younger than 40) or their actions (for example, money is exchanged and some members leave the line). Guardians with children are excluded from this situation.

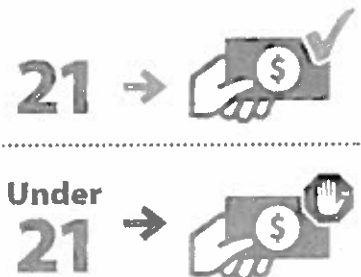


STEP 5

Sale is Approved or Denied

If the customer is 21 years of age and presents valid identification, the transaction will continue and can be completed.

If the customer is under 21 or does not have identification, the sale will be denied. Once the sale is denied, the register cannot be overridden. Any customer becoming hostile following this outcome will be asked to leave.



Walmart is committed to keeping adult beverages out of the hands of minors. The best way to curb underage drinking is to enforce the rules and regulations that have successfully kept adult beverages out of the hands of minors. Every Walmart store that sells adult beverages must adhere to strict rules that prevent minors from purchasing adult beverages, and we will continue to enforce these measures to the fullest extent.

Training

Walmart associates are given extensive training in the policies governing the sale of adult beverages, and underage associates are strictly banned from selling adult beverages. All Walmart associates who are responsible for selling adult beverages must complete an Adult Beverage Sales Compliance course. This includes a review of all laws related to the sale of adult beverages; instructions on how and when to ask for proper identification from customers; acceptable forms of identification; and an explanation of potential disciplinary measures for failing to comply with Walmart's adult beverage sales policies.

Underage cashier associates cannot sell any adult beverages to customers, and all cash registers at Walmart stores are equipped with advanced technology to prevent an underage associate from selling an adult beverage to any customer for any reason.

Disciplinary Action

Associates face disciplinary action for violating adult beverage sales policies, even when illegal sale does not occur, and any associate who sells an adult beverage to a minor faces termination. Any cashier associate who fails to properly follow all adult beverage sales policies faces disciplinary action up to and including termination, even in cases in which an illegal sale did not take place.

Any cashier associate found to have sold an adult beverage product to a minor will face immediate termination.

Evaluation

Compliance with adult beverage sales policies is an essential part of an associate's performance evaluation. An associate cashier's compliance with Walmart's adult beverage sales policies is an important component of the associate's overall performance evaluation. Supervisors will use all available data to evaluate an associate's performance in following corporate policies, including internal performance checks, external performance checks, law enforcement compliance checks, supervisory reports and customer complaints.

High Standards

Supervisors are held to high standards for ensuring sales of adult beverages follow all established rules, adding an extra layer of protection. All Walmart store managers and other supervisory personnel are responsible for monitoring and supervising staff to make sure they comply with all rules on the sale of adult beverages. Supervisors overseeing adult beverage sales must be of-age themselves. The rate of noncompliance in any supervisor's group of employees will be considered in the supervisor's future employment prospects.

Reporting

Managers must immediately report any alleged violations of adult beverage policies. Store managers must electronically report instances of alleged adult beverage sales violations to corporate headquarters within 24 hours. The Vice President of Operations Compliance maintains a record of all reported alleged violations and the results of investigations for at least three years from the date of occurrence.

Compliance

All Walmart stores are subject to random compliance checks. All stores are randomly checked for compliance of adult beverage sales policies, including "secret shopper" checks by external companies that are contracted with Walmart.