

A vendor applicant that does not meet the minimum inventory requirements (Appendix B) and competitive pricing criteria will not be authorized, even if such denial of authorization would result in inadequate participant access.

The vendor may be monitored for compliance with program requirements. In addition to claims collection (Appendix E), the vendor may be sanctioned for vendor violations in accordance with the WIC Program's sanction schedule (Appendix F). Sanctions may include warnings, administrative fines, disqualification, and civil money penalties in lieu of disqualification.

Disqualification from the WIC Program may result in disqualification as a retailer in SNAP. Such disqualification may not be subject to administrative or judicial review under SNAP.

Adverse actions against a vendor associated with Federal mandatory sanction number one (1) (Appendix F) and denials of authorizations shall be effective on the date of receipt of the WIC Program's written notice. All other adverse actions taken by the WIC Program against a vendor shall be effective 15 days from the date of the written notice.

A vendor who commits fraud or abuse in the Program is liable to prosecution under applicable Federal, State or local laws. Those who have willfully misapplied, stolen or fraudulently obtained program funds will be subject to a fine of not more than \$25,000 or imprisonment for not more than five years or both, if the value of the funds is \$100 or more. If the value is less than \$100, the penalties are a fine of not more than \$1,000 or imprisonment for not more than one year or both.

The agreement will be terminated if the WIC Program determines that the vendor has provided significant false information in connection with its application for authorization.

The agreement will be terminated if the WIC Program identifies a conflict of interest, as defined by applicable State laws, regulations, and policies, between the vendor and the WIC Program or its local agencies.

The agreement will be terminated if the vendor accepts and/or transacts WIC checks anywhere other than the fixed location of the store as covered by this agreement.

There can be no unauthorized use of the WIC logo or acronym in promoting the store's business. The logo and acronym may only be displayed on official WIC Program materials.

THE WIC VENDOR AGREES TO:

Only accept the types of checks that each type of vendor is allowed to accept. Pharmacy vendors are only allowed to accept checks for formula and medical foods, farmers are only allowed to accept checks for fruits and vegetables and food stores are allowed to accept all types of WIC checks.

Comply with the WIC Vendor Agreement and Federal and State statutes, regulations, policies, and procedures governing the Program, including any changes or amendments made during the agreement period.

Comply with, and be subject to, all the vendor selection criteria listed in Appendix A, including the minimum inventory requirements in Appendix B at the time of authorization and throughout the Agreement period, including any changes made during the Agreement period.

Stock those items that are in good condition, undamaged, unspoiled and are not beyond the expiration date or has exceeded its "sell by," "best if used by," manufacturer suggested, or other date limiting the sale or use of the food item.

Comply with all the procedures for accepting and transacting WIC checks included in Appendix C.

Comply with all the procedures for pricing and redeeming WIC checks included in Appendix D.

Allow reasonable monitoring & inspection of the store premises, procedures, records and WIC checks on hand.

Make available to representatives of the WIC Program, the United States Department of Agriculture (USDA), and the Comptroller General of the United States, at any reasonable time and place for inspection and audit, all WIC checks in the vendor's possession and all program-related records, upon request.

Comply with the nondiscrimination provisions of USDA regulations (7 CFR Parts 15, 15a and 15b of this title).