



## General Contract Policy

- We currently enter contracts with duration of up to one year with a select group of our partners
- Contracts are renewed or canceled by us on the annual basis with a 30-day notice but can be canceled by our partners at any time
- We look to supplement contracts with standard business with all of our partners to allow us to accommodate contract requirements to the best of our ability
- We reserve the right to decline entering contracts based on multitude of reasons including but not limited to:
  - Credit standing
  - Conflicts of interest
  - Lack of sufficient volume of standard business with the partner
  - Special contractual requirements and terms that we may not be able to accommodate
- Our contracts usually guarantee volume of paper products including dispensers. Dispenser products should be accompanied by compatible paper products to be included in the contract
- We currently guarantee price for a period of up to three months and cannot guarantee the price beyond this period. The guaranteed price applies to products shipped to your customer through the end of the contract period, and is limited to the guaranteed contract volume
- All contracts, especially large and/or state-wide contracts have deviated prices and/or terms
- To determine deviated price, we consider and take into account contract and standard volume with our partner
- Contract price is for a specific contract only. As a result, one partner may have different prices for the same products listed in different contracts
- Products sold under contract with deviated prices are not subject to other discounts, rebates and allowance programs. The units sold under contracts with deviated prices are not included for purposes of determining eligibility for growth incentive programs
- We will drop-ship full truck loads to our partners' customers but expect smaller order quantities to be distributed by our partners from their warehouses
- We believe in partnerships based on trust; we do not require PODs for rebate requests. Please include the following information in your request (Excel format is provided and preferred):
  - Contract name (your customer's name)
  - Product number, description and quantity shipped
  - Our invoice date and number
  - Date shipped to your customer
  - Amount of rebate as a difference of standard list price and contract price
- Please send all rebate requests to Mollie Fowler at [mollie.fowler@ctcpaper.com](mailto:mollie.fowler@ctcpaper.com)
- Credits are applied to the account within the same month the rebate request is received
- We prefer monthly rebate process, but will accommodate other frequencies as well. Absent special agreement, we consider all rebates submitted six (6) months from date of shipment to your customer obsolete and invalid
- In an unusual scenario when rebate is requested for the volume that exceeds contract volume by 10% we may decline to issue a credit for the rebate on the excess volume requested
- We keep a ledger of contracts that are won by our partners and enter contracts with one partner only. Upon renewal or bidding process we will support the incumbent partner
- Shall our partners compete at the same time for a new contract, we will bid with the larger volume (contract + standard) partner and politely decline to bid with others
- We guarantee bid on contracts for a period of 30 days. Absent communication from you, we consider bids outstanding for longer than 30 days as lost and invalid
- Any changes and/or modifications to any provisions in the contract including but not limited to price and volume adjustments have to be agreed to by us in writing
- Due to unprecedented economic situation and impact on our industry, starting in 2020 we reserve the right to cancel any contract, shall the price of raw material increase by more than 3 percent since the contract inception
- We remain flexible and partner-centered organization, as such, we reserve the right to deviate from our policy time to time as we review all contracts for all of our partners on the individual basis