

Billerud Americas Corporation 8540 Gander Creek Drive Miamisburg, Ohio 45342 800 258 8852 billerud.com

#### SALES POLICIES

# **Sheet Products**

This sheet sales policy provides our customers with important information on various topics relating to the purchase of sheet and sheeter roll products from Billerud Americas Corporation. Additional information can be found in the Terms and Conditions of Sale, Resolution Handbook, Freight Policy and Stocking Guide, which are located on Billerud's website (billerud.com).

#### ORDER PLACEMENT

Customers can place orders by calling their Billerud Customer Service Representative (800-258-8852) Monday through Friday, excluding public holidays, between 8:00 a.m. and 5:30 p.m. EST. Customers can also place orders with Billerud 24-hours a day, seven days a week by EDI/XML, email, fax (877-358-3776).

#### **ORDER ACCEPTANCE**

Orders are subject to acceptance by Billerud. Billerud will issue an acknowledgment confirming its acceptance of an order and setting forth the product specifications and delivery information for the order. Customers are responsible for reviewing Billerud's acknowledgments for accuracy and must notify Billerud immediately of any requested changes to the information in any acknowledgment.

#### Quick-Turn and Stock Orders

Customers may not change or cancel a stock order or making order after Billerud issues an order acknowledgment.

# Folio Skid Packing Overview - Mini Pack

Folio Sheet Sizes 17	'.5 x 22.5 or greater.	For small size sheets.	contact customer service.

Sterling® Premium Mini Pack Grades Anthem Plus®

Sheet Size(s)

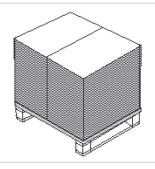
SMALL

MEDIUM-SMALL

MEDIUM

Two Tier Mini Skid

Typical Sizes Include: 17.5 x <u>22.5</u> 18 x <u>23</u> 20 x 28



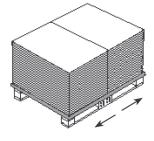
Both Sheet Directions (Width & Length) are less than 29 inches. The shipping package is 1 skid with 2 tiers of paper.

This is not a Press Ready Skid Design

### Breakaway Press Ready Two Tier Skid

Typical Sizes Include:

19 x <u>25</u> 20 x 26 23 x 29 24 x 29



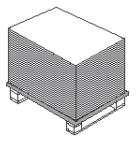
One Sheet Direction is less than 29 inches while the other direction is 29 inches or more, but less than 35 inches. The shipping package is 2 skids each with a single tier of paper. The 2 skids are joined together so that they can be separated.

This is a Press Ready Skid Design

## Press Ready Mini Skid

Typical Sizes Include:

23 x <u>35</u> 24 x <u>36</u> 25 x <u>38</u> 26 x 40 28 x 40



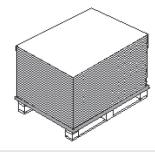
One Sheet Direction is less than 29 inches but greater than 23 inches, and the other direction is 35 inches or more. This shipping package is a single skid with one tier of paper.

This is a Press Ready Skid Design

## Press Ready Skid

Typical Sizes Include:

38 x <u>50</u> LARGE 44 x <u>64</u> 54 x <u>77</u>



Both Sheet Directions (Width & Length) are 29 inches or greater. The shipping package is 1 skid with a single tier of

This is a Press Ready Skid Design

# Folio Skid Packing Overview - Standard Pack

Folio Sheet Sizes 17.5 x 22.5 or greater. For small	all size sheets, contact customer service.
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Standard Pack Grades Sterling® Ultra C1S

Productolith® Pts. C2S Productolith® Pts. C1S

Sheet Size(s)

SMALL

**MEDIUM** 

LARGE

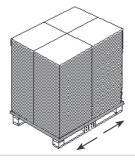
Breakaway Four Tier Skid

Typical Sizes Include:

17.5 x <u>22.5</u>

19 x <u>25</u> 20 x 26

20 x 28



Both Sheet Directions (Width & Length) are less than 29 inches. The shipping package is 2 skids with 2 tiers of paper for a total of 4 tiers of paper. The two skids are joined together to allow them to be separated.

This is not a Press Ready Skid Design

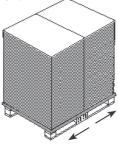
Breakaway Press Ready Two Tier Skid

Typical Sizes Include:

19 x 25 20 x 26 23 x <u>29</u>

23 x <u>35</u> 24 x <u>36</u> 25 x 38

26 x <u>40</u> 28 x 40



One Sheet Direction is 29 inches or greater while the other is less than 29 inches. The shipping package is 2 skids, each with a single tier of paper. The 2 skids are joined together so that they can be separated.

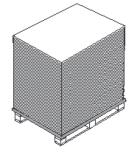
This is a Press Ready Skid Design

Press Ready Skid

Typical Sizes Include:

38 x <u>50</u> 44 x <u>64</u>

54 x <u>77</u>



Both Sheet Directions (Width & Length) are 29 inches or greater. The shipping package is 1 skid with a single tier of

This is a Press Ready Skid Design

# **Definitions** Stocking and Making Products

#### **Stocking Products**

### Stocking Items

A complete listing is shown in the Billerud Stocking Guide.

#### **Making Products**

#### **Standard Making Items**

 $A\,grade,\,basis\,weight,\,finish\,or\,size\,that\,is\,routinely\,manufactured\,by\,the\,mill\,\,but\,not\,inventoried.$ 

#### One Item

One size, basis weight, grain, and finish in one grade and packing.

#### Minimum Acceptable Standard Making Order Quantity per Item

	3		
Sheets:	Text	Cover	
Sterling® Premium	20,000 lbs.	20,000 lbs.	
Productolith® Pts. C1S	20,000 lbs.	20,000 lbs.	
Productolith® Pts. C2S	20,000 lbs.	20,000 lbs.	
Anthem Plus®	See outside sales repre	sentative	
Sterling® Ultra C1S	20,000 lbs.	_	
Rolls:	All grades	All grades	
sheeter rolls*	5,000 lbs.	5,000 lbs.	
Digital:	Premium Digital	Premium Digital	
text, cover, caliper	20,000 lbs. bulk packed	20,000 lbs. skid packed** 20,000 lbs. bulk packed in junior cartons*** 20,000 lbs. wrapped packages in junior cartons***	
Blazer Digital®	See outside sales representative		

Making sizes of Graphic Paper sheets are subject to a \$3.50/cwt. making upcharge. Excludes Sterling® Ultra C1S. Small and large sheet sizes are subject to alternative minimum quantities, see page 7-8 or contact Customer Service for additional details.

### Standard Making Sheet Size Ranges:

		PREMIUM & CALIPER	ECONOMY	C1S
		Sterling® Premium Productolith® Pts. C1S Productolith® Pts. C2S	Anthem Plus®	Sterling <sup>®</sup> Ultra C1S
Parameter	Units			
Minimum	Inches	17½" x <u>22½</u> "	17½" x <u>22½</u> "	17½" x <u>22½</u> "
Maximum	Inches	54" x <u>58</u> "	38" x <u>50</u> "	64" x <u>64</u> "

#### Non-Standard Making Items

Consult Billerud Customer Service for permissible overrun/underrun variation for non-standard making items, both in terms of sheet size or product. Non-standard making items are subject to approval and are subject to minimum run and trim requirements.

<sup>\*</sup>Sheeter roll orders are subject to minimum run and trim if requested OD is not a standard 50" OD and 6" core. Sheeter roll orders are subject to approval.

<sup>\*\*</sup>Yielded quantity of master rolls for skid packed digital and folio items will be shipped.

<sup>\*\*\*</sup>Making size orders packaged in junior cartons and making size orders packaged in wrapped packages placed in junior cartons, are subject to Billerud capability review and acceptance.

# Definitions Stocking and Making Products (cont.)

#### **Selling Practices**

#### **Grain Direction**

All orders must specify grain direction, otherwise the mill will default to grain long. Exceptions to this rule are stocking items where grains are specified.

## **Short Grain-Offset Printing**

Billerud will not guarantee against wrinkling and register control problems resulting from lithography on short grain papers.

#### Minimum Acceptable Stocking Item Order

Minimum order quantity is 5,000 lbs. and may be comprised of multiple stocking items from a single shipping point (mill, warehouse, etc.) to a single destination on the same requested delivery date.

#### Billing

Sheets: Billed at nominal basis weight.
Sheeter Rolls: Billed at gross weight.

#### Shipment Policy-Over/Under Delivery Specifications

Standard Making, Stocking Items and Non-Standard Making Items

The following table outlines the permissible over and underruns on an item which constitute good delivery. When orders carry a definite maximum or minimum limitation as to quantity ordered such as "not more than" or "not less than," limiting the manufacturer to a one-way variation, the percentage of one-way variation allowable for the quantity is doubled.

Less than 5,000 lbs.       + or -20%       +/- 40%         5,000 – 9,999       + or -10%       +/- 20%         10,000 – 43,999       + or -5%       +/- 10%         44,000 – 224,999       + or -3%       +/- 6%         225,000 – 449,999       + or -2%       +/- 4%
10,000 – 43,999 + or -5% +/- 10% 44,000 – 224,999 + or -3% +/- 6%
44,000 – 224,999 + or -3% +/- 6%
225 000 – 449 999 + or -2% +/- 4%
225,000 1.10,000
450,000 – 749,999 + or -1.5% +/- 3%
750,000 & over + or -1% +/- 2%

Sheeter Roll orders will be manufactured to deliver full rolls (no partial rolls).

# Definitions Stocking and Making Products (cont.)

#### Selling Practices (cont.)

#### **Broken Pallets**

Billerud policy is to ship full pallets. Request for broken pallets requires approval and upcharges.

#### **Breaking or Opening Packages**

Billerud will not ship broken or opened cartons/skids under any circumstances.

#### **Sheeter Rolls on Pallets**

Packing rolls on pallets is a non-standard configuration and is subject to approval and upcharge. Please contact your sales representative.

## Lightweight Skids

Premium and Economy:

- Press Ready Skids and Breakaway Press Ready Two Tier Skids weighing between 1,200 and 2,000 lbs.
   are subject to a \$1.50/cwt. upcharge and making upcharge.
- Minimum weight for Sterling® Premium and Anthem Plus® mini skids is 1,000 lbs.

#### Caliper and C1S:

 Skids of Sterling® Ultra C1S and Productolith® Pts. C1S & C2S weighing between 1,200 and 2,000 lbs. are subject to a \$1.50/cwt. upcharge.

### **Quotation Availability**

All quotes for standard making items are subject to availability at the time of order unless otherwise quoted. Sheet quotes for making sizes are subject to master roll availability.

#### **Manufacturing Orders**

Billerud does not provide a Last Date of Change (LDC) for making sheet orders. Making sheet orders are considered firm at order acknowledgment.

#### Quick-turn and Stock Orders

Customers may not change or cancel a quick-turn order after Billerud issues an order acknowledgment. Orders from stock or stock orders are considered firm on order acknowledgment. Changes are subject to approval.

## Reservation of Inventory

Open stock is held until close of the next business day. If a competing order is received, the initial inquiry will be given first choice of the inventory if entered in a timely manner.

# **Sheet Policies**

# **Small Sheet Capabilities**

The following policies apply to any sheet between 8.5" x 8.5" up to but not including 17.5" x 22.5"

		PREMIUM & CALIPER	ECONOMY	C1S
		Sterling® Premium Productolith® Pts. C1S Productolith® Pts. C2S	Anthem Plus®	Sterling® Ultra C1S
		All Weights	All Weights	All Weights
Parameter	Units			
Minimum Width (Cross Direction)	Inches	8.5	8.5	8.5
Minimum Length (Machine Direction)	Inches	8.5	8.5	8.5
Process		Precision Sheeted	Precision Sheeted	Precision Sheeted
Non Std. Size, Minimum Quantity	Pounds	20,000	Subject to approval	20,000
Small Size Upcharge	\$/cwt.	\$7 in addition to making upcharges	\$9 in addition to making upcharges	\$7 in addition to making upcharges
Pack types: small sheets		Mini Skids & Skids	Mini Skids & Skids	Skids
Turn Around (If Rolls Available)		28 Days*	28 Days*	28 Days*

 $<sup>^{\</sup>star}$  If inventories are available; otherwise Run + stated Turn Around days. All small sheet orders are subject to approval.

# Sheet Policies (cont.)

# Large Format Sheet Capabilities

The following policy applies to sheet sizes greater than the stated minimum width and/or length, and less than equal to the stated maximum length and width.

		PREMIUM & CALIPER	ECONOMY	C1S
		Sterling® Premium Productolith® Pts. C1S Productolith® Pts. C2S	Anthem Plus <sup>®</sup>	Sterling <sup>®</sup> Ultra C1S
		All Weights	All Weights	All Weights
Parameter	Units			
Minimum Width (Cross Direction)	Inches	54	38	64
Minimum Length (Machine Direction)	Inches	58	50	64
Maximum Width* (Cross Direction)	Inches	72	72	72
Maximum Length* (Machine Direction)	Inches	81	81	81
Process		Precision Sheeted	Precision Sheeted	Precision Sheeted
Non Std. Size, Minimum Quantity	Pounds	20,000	Subject to approval	20,000
Large Size Upcharge	\$/cwt.	\$5 in addition to making upcharges	\$7 in addition to making upcharges	\$5 in addition to making upcharges
Pack types: large sheets		Skids	Skids	Skids
Turn Around ** (If Rolls Available)		28 Days	28 Days	28 Days

<sup>\*</sup> Please inquire for capabilities and associated costs for sheets larger than stated maximums.

All large sheet orders are subject to approval.

<sup>\*\*</sup> If inventories are available; otherwise Run + stated Turn Around days.

# Manufacturing Tolerances and Small Roll Policy

#### **Sheeter Rolls**

#### **Sheeter Roll Width Tolerances**

Coated - Ordered size +1/16"

#### **Sheeter Roll Diameter**

Maximum sheeter roll diameter will be ordered diameter +0". Minimum sheeter roll diameter will be ordered diameter minus 2".

#### **Sheeter Roll Standard Configuration:**

	O.D.	Core
Sterling <sup>®</sup> Premium	50	6"
Productolith® Pts. C1S	50	6"
Productolith® Pts. C2S	50	6"
Anthem Plus®	50	6"
Sterling® Ultra C1S	50	6"

Diameter and Core: Alternate diameter and core requests subject to mill approval and capability.

## Sheeter Roll Width Policy

Billerud offers various narrow and small width, making size sheeter rolls.

- Narrow and small width sheeter rolls can be manufactured on a making basis and availability is based on product and manufacturing capabilities, subject to approval.
- Narrow and small width sheeter roll upcharges are necessary due to trim, excess roll handling, and processing required to produce the respective roll sizes.
- Upcharge amounts will be provided per policy. Any associated upcharges will be applied at the time of order entry.

#### Narrow Roll Policy (+\$8/CWT)

• Narrow rolls are defined as roll widths smaller than 23 inches and larger than 17 inches.

### Small Roll Policy (+\$11/CWT)

• Small rolls are defined as sheeter rolls widths 17 inches or less.

This narrow and small roll policy applies to all sheeter rolls brands.

#### **Roll Diameter Upcharge**

Any order for other than 50" OD is subject to approval and upcharge.

# Manufacturing Tolerances

## **Sheet Tolerances**

The following tolerances will constitute a good delivery of paper unless otherwise specified on the order:

	Bed Sheets	Folio & Digital
	Any direction ≥50"	Both directions <50"
Length Tolerance	-0" to +3/32"	-1/32" to +1/32"
Width Tolerance	-0" to +3/32"	-1/32" to +1/32"
Squareness Tolerance	-1/32" to +1/32"	-1/32" to +1/32"

## **Basis Weight** Tolerance

Billerud guarantees the basis weight to be +/- 3% of target, based on a parent reel. Other limits may be agreed to with specific customers for specific products with prior approval, on a case-by-case basis. Grades where a caliper specification is defined are controlled to meet their caliper specification and may be exempt from this basis weight guarantee.

# Additional Sales Policies

Invoicing and Payment	Billerud's invoices are generated at the time of shipment and will be delivered through Billerud's website (billerud.com), automated fax, EDI/XML, email or mail. Customers may pay Billerud's invoices by certified check, company check, ETF wire or ACH wire.
Trial Orders	Billerud understands there are times a customer may want to see a demonstration of a particular product before placing an order. Samples of most products are available through our Trial Service. Submit trial requirements to your Billerud Sales Representative for approval. Approved trial orders will be subject to the trial roll price bracket A minimum of 200 print samples, along with documentation stating association with the trial product, are sent to Billerud's Sample Center. The printed samples are reviewed by Billerud for use as a print sample. Trial credit is issued upon completion of all of the steps outlined above.
Transit Damage	Transit Damage claims are process through Billerud's Easy Claim® program. Please refer to our Transit Damage policy document.
Late Deliveries	Billerud will make every effort to deliver an order on time. Billerud will not assume responsibility for extra costs, including press downtime, incurred as a result of late delivery.
Product Returns	Defective Products - The return of defective Billerud products, whether they be manufacturing, quick-turn or stock items, is addressed in the Resolution Handbook located on Billerud's website (billerud.com).
	Non-Defective Products -  - Stock Items - Billerud will accept returns of non-defective stock items provided (1) the return is approved in advance by the customer's Billerud Customer Service Representative, (2) not more than 30 days elapse between the product's original delivery and its return to Billerud and, (3) the product and its packaging is received in pristine condition. All returned stock items will be subject to a \$25.00/cwt. restocking and handling charge as well as freight charges for both delivery and return. The minimum charge for returned product is \$250.00.
	<ul> <li>Making Items - Billerud does not accept returns of non-defective manufacturing, quick-turn or market pulp products.</li> </ul>
Additional Information	This Sales Policy, as well as the Resolution Handbook, are incorporated by reference into and supplement the Terms and Conditions of Sale. Billerud may change this Sales Policy at any time without notice. Other references available on our website (billerud.com) include the Freight Policy and Stocking Guide.
	For web products, refer to the Billerud Web Sales Policy.
Non-Standard Products	Non-standard products are subject to order acceptance. Contact your Billerud Outside Sales Representative.
Manufacturing Order Availability Quotes	All quotes for availability of standard making sheet products will be quoted subject to availability unless otherwise stated.
Reservation of Inventory	Open stock is held until the close of the next business day. If a competing order is received, the initial inventory reservation will be given first priority of that inventory.

# Paper Math – Determining Ream Weights and M Weights

M Weight	To find the M Weight, first calculate the ream weight using the rounding rules, and multiply by 2. This is the weight of 1,000 sheets.
	Note: When finding the M Weight for web products, the area of basic size is always 25" x $\underline{38}$ ".
Ream Weight Formula	<u>length x width x basis weight</u> = Ream Weight basic size
	M Weight Formula = Ream Weight x 2
Pounding Pulse	Deam weight is the weight of 500 chapts
Rounding Rules	Ream weight is the weight of 500 sheets.  1. If length x width is greater or equal to 864 inches, round to whole number
	2. If length x width is less than 864 inches, round to 0.5.
Basic Sizes	Bond 17 x <u>22</u> = 374 square inches
Dudio Oized	Text $25 \times 38 = 950$ square inches
	Tag/board 24 x 36 = 864 square inches
	Cover 20 x <u>26</u> = 520 square inches*
	C1S Label 25 x <u>38</u> = 950 square inches
	*For web cover weights use 25" x <u>38</u> ".
M Weight Example	Find the M Weight of a sheet of 31" x 45", 100 lb. C2S text.
Ream Weight Example	$\frac{(31 \times 45) \times 100}{25 \times 38} = 147 \text{ lbs.} \times 2 = 294 \text{ M}$
	Find the Ream Weight of a sheet of 35" x 46", 60 lb. C2S text.
	$\frac{(35 \times 46) \times 60}{25 \times 38} = \frac{96,600}{950} = 102 \text{ lbs. per ream}$
	20 / <u>50</u>
Weight of a Given	To determine the weight of a given number of sheets, multiply the M Weight by the number of sheets and divide
Number of Sheets	the result by 1,000.
Formula	M Weight x number of sheets = Total Weight 1,000
	1,000
Example	Find the weight of 2,100 sheets of 23" x 35", 70 lb. C2S text.
	$\frac{119M \times 2,100}{1,000} = 250 \text{ lbs.}$

# Pricing Calculations – Determining Price Per Thousand Sheets (MSH)

Formula	<pre>\$/cwt. x M Weight 100</pre> = \$/Thousand Sheets (MSH)
Example 1	Calculate the price MSH for 28" $\times$ 40", 120 lb. C2S cover. The price per cwt. is \$95.00.  \$95.00/cwt. $\times$ 516M 100  = \$490.20/MSH
For \$/cwt. Formula	<u>\$/MSH x 100</u> = \$/100 lbs. M Weight
Example 2	Calculate the price per cwt. for 120 lb. C2S cover. The price per MSH is \$490.20.  \$490.20/MSH x 100 516M = \$95.00/cwt

