

# CLAIM PROCESS AND PROCEDURES

<p><b>OVERVIEW:</b></p>	<p>This document establishes the procedures and processes our customer (hereafter, “You, Your or the Customer”), will need to follow in order to properly assess damages and report and get paid for Product claims.</p> <p>While rare, there is always a possibility that damages occur to paper rolls, palletized paper, corrugated boxes, or other paper-based products (collectively, the “Paper Products or Goods”) during the transport between the mills, the shipping carriers and to the customer’s plant. Additionally, damages can occur to or be caused by transit equipment including ocean and truck containers, (“Containers”). In this regard, King Paper Limited Corp (“King Paper, We, Us or Our”) has set forth the following coordinated procedures to handle all damages and complaints an expeditious manner.</p>
<p><b>DEFINITIONS:</b></p>	<p><b>Total Loss.</b> A Total Loss means Paper Products are unusable most likely due to severe water damage and You will need to make a claim for the Claimable Value.</p> <p><b>Reparable Damage.</b> Paper Products with Reparable Damage can still be used after making repairs or other remedies, such as cutting off damages or setting rolls aside to dry, but You will need to make a claim for loss at the Claimable Value.</p> <p><b>Claimable Value.</b> Claimable Value is the value any weight lost due to damages less the salvage value of the Paper Products. For the avoidance of any doubt, the following is an example of calculating Claimable Value. A paper roll with an invoiced value of US\$500 is damaged during transport. The roll is repaired by cutting off the damage which weighs 10 pounds or 10% of the total weight of the roll (US\$50). The waste can be baled and sold for \$5. Thus, the Claimable Value is US\$50 less US\$5 or US\$45.</p>
<p><b>CUSTOMER RESPONSIBILITIES</b></p> <p><i>Failure to follow the following procedures and/or to provide the required documentation could invalidate any claim.</i></p>	<p><b><u>Total Loss Procedures:</u></b></p> <p>If You are making a claim for a Total Loss, You are required to:</p> <ol style="list-style-type: none"> <li>1. Stop the unloading operation immediately. Contact your King Paper sales representatives and notify the carrier. <ul style="list-style-type: none"> <li>○ Timely notification is critical to comply with the carrier’s timeframe damage notification requirement, which can be found in the back of its Bill of Lading and for Us to help in processing any claims. We will not assist with claims sent by Customers if King Paper and the carrier/steamship line is not informed immediately upon discovery of a Total Loss before or during the unloading operation.</li> </ul> </li> <li>2. Take pictures of the damaged Paper Products inside the container if possible. If this is not possible, place the Paper Products in front of the container and take pictures in a manner that demonstrates the damages that occurred during the transport process.</li> <li>3. Submit a claim for the Claimable Value to your King Paper salesperson. By submitting a claim, You agree to help mitigate the potential loss by recovering any salvageable value of the Paper Products.</li> </ol>

	<p><b><u>Reparable Damage Procedures:</u></b>  If You are making a Claim for a Reparable Damage, You are required to:</p> <ol style="list-style-type: none"> <li>1. Contact Your King Paper sales representatives immediately. <ul style="list-style-type: none"> <li>o We will not assist with claims sent by Customers if King Paper is not informed immediately upon discovery of damages before or during the unloading operation.</li> </ul> </li> <li>2. Take pictures of the damaged Paper Products inside the container if possible. If this is not possible, place the Paper Products in front of the container and take pictures in a manner that demonstrates the damages that occurred during the transport process.</li> <li>3. Submit a claim for the Claimable Value to your King Paper salesperson. By submitting a claim, You agree to help mitigate the potential loss by recovering any salvageable value of the Paper Products.</li> </ol> <p><b><u>Damage Is Caused By The Container:</u></b></p> <ol style="list-style-type: none"> <li>1. If you suspect the Total Loss or Reparable Damage are due to the conditions of the Container or if the Container itself is damaged (i.e., broken floor) or would incur damage during unloading (i.e. cracked floor), stop unloading immediately and contact the carrier to request a surveyor for an inspection of the Paper Products and the Container. We recommend that you request that the Surveyor to remain on site until all unloading is complete.</li> </ol>
<p><b>DOCUMENTATION:</b></p>	<p>You need to submit a formal claim for any damages to your King Paper salesman by email and include the information below.</p> <ol style="list-style-type: none"> <li>a. The bill of lading number which will be used as the file or case number.</li> <li>b. Our invoice and Order number(s).</li> <li>c. Total number of rolls that sustained damage.</li> <li>d. Roll identification numbers for each damaged roll.</li> <li>e. Detailed description specifying the type of damage to each roll.</li> <li>f. And photographs showing: <ol style="list-style-type: none"> <li>i. The Container number</li> <li>ii. The roll identification number</li> <li>iii. The damage, if possible taken inside the container</li> </ol> </li> </ol>
<p><b>CLAIMS FOR MANUFACTURER OR PRODUCT DEFECTS</b></p>	<p>As set forth in the terms and conditions on Our website, You are required to visually inspect Paper Product upon arrival and provide notice in the event the Paper Products do not conform with Your order or are defective. For Paper Products containing defects that are not visually obvious at the time of receipt, You are required to follow the procedures set forth below.</p> <p>Claim procedures.</p> <ol style="list-style-type: none"> <li>1. Contact your KP sales rep.</li> <li>2. Set all effected Paper Products aside.</li> <li>3. Take photos of the manufacturing and/or product defects as well as the</li> </ol>

product identification numbers

4. Submit a written claim for the Claimable Value to your KP sales representative
5. Provide the following documentation.

**Timeliness.** Buyer needs to contact its King Paper sales representative immediately in writing upon learning of any manufacturer defects in Paper Products but no later than 30 days after arrival at Buyers facilities. Failure to give this notice shall constitute an unqualified acceptance and waiver by Buyer of all claims for shortages or damaged or incorrect items. All defective Goods must be set aside until your KP salesperson provides further instruction as the manufacturer has the right to inspect the Goods prior to any claim resolution.