



Effective 01/01/2023

STANDARD TERMS & CONDITIONS OF SALE

USA AND CANADA

NOTE: Sale of products by Anchor Packaging, LLC shall be under the conditions and terms stated herein. The Terms & Conditions set forth below shall supersede any contradiction or inconsistency with Terms of the Buyer’s order, and no agreement, term, condition, or trade custom at variance herewith shall be binding on Anchor Packaging, LLC. Submission of any order and/or acceptance of any delivery of product hereunder shall constitute acceptance of Anchor’s Terms & Conditions.

PURCHASE ORDERS

1) MINIMUM PURCHASE ORDER QUANTITY

- a) STANDARD ORDER – order ships to Anchor’s direct billed account’s warehouse location.
- b) DROP SHIP ORDER – order ships to Anchor’s direct billed account’s customer’s location, and the following apply:
 - Drop ship orders are not accepted to International locations.
 - Repeat Drop ship orders must be pre-approved by Anchor Regional and/or District Sales Managers.
 - Up to 48 hours of additional lead time may be required due to system setup requirements.
- c) See the table below for minimum order quantities. All exceptions must be pre-approved by an Anchor Sales Manager.

Ship-to Location	Order Type	Order Case/ Roll Qty	Additional Fees	Freight Terms
US	Standard/Drop Ship	400 or more	N/A	Prepaid/ Prepay & Add/CPU
US	Standard/Drop Ship	<400 Cases	\$200 Small Order Fee	Pre-Pay & Add/ CPU
International	Standard	400 or more	N/A	Prepaid/ CPU
International	Standard	<400 Cases	\$200 Small Order Fee	Pre-Pay & Add/ CPU

2) PURCHASE ORDER DUE DATE - MINIMUM LEAD TIME

- a) Lead Time calculations begin the day after the Order Confirmation is sent and all holds are released.
- b) Minimum Lead Time will be accepted on Purchase Orders received at Anchor Packaging by 3:00 PM CST. Orders received after 3:00 PM CST will be treated as if they were received the next business day.
- c) Holidays, weekends, and Anchor Inventory days do not count towards order lead time
- d) Minimum Lead Times:

PO Due Date Type	# Days Lead Time		Location ID’d by PO Due Date Type
	Less than 24 Skid Spots	Truckload (24-30 Skid Spots)	
Deliver By	9 Business	7 Business	USA - AL, AR, LA, MO, MS, OK, TN
Deliver By	10 Business	8 Business	USA - DE, GA, IA, IL, IN, KS, KY, MD, MI, MN, NC, NE, NJ, OH, PA, SC, TX, VA, WI, WV
Deliver By	11 Business	9 Business	USA - CO, CT, FL, MA, ME, ND, NH, NM, NY, RI, SD, VT, WY
Deliver By	12 Business	10 Business	USA - AK, AZ, CA, HI, ID, MT, NV, OR, UT, WA
Deliver By	14 Calendar	14 Calendar	CANADA - All provinces; however, due to variability in customs and other transportation requirements (e.g. ferry), actual lead time may differ
Ship By	6 Business	6 Business	AR (Anchor Distribution Center)

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CPU (Pick Up)	6 Business	6 Business	AR (Anchor Distribution Center)
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3) "PERFECT MATCH" REQUIREMENTS

- a) All purchase orders must have current/correct item pricing, invoice terms, freight terms, lead time, etc.
- b) All rigid Anchor items must be ordered in even Layer (Ti) and/or even Pallet quantities.
- c) All film SKUs, except for perforated film, must be ordered in FULL PALLET quantities.
- d) If a purchase order is rejected (e.g., for incorrect Pricing, Invoice Terms, Minimum Lead Time, etc.), a corrected PO must be submitted to Anchor with the following:
 - The identified issue(s) corrected, AND
 - A new Order Due Date based on the date the corrected order is submitted

4) ORDER ACKNOWLEDGMENT

Order acknowledgements will be sent or discrepancies identified within 1 business day of submission of the purchase orders for customer accounts not on Credit Hold.

5) PRICING

- a) All invoice and special pricing are subject to change without notice or inventory protection.
- b) All invoice and special pricing are subject to industry wide manufacturers' increases with 30 days written notice. Any exceptions to our pricing policy must be presented in writing with the expressed written consent of Anchor Packaging.
- c) All Pricing is quoted in U.S. Dollars only (USD) unless specifically noted otherwise.
- d) Pre-Price Increase Buy-ins, regardless of requested delivery date, will not be accepted. Pre-Price Increase Buy-Ins are defined as quantities above the monthly average for 6 months prior to the Price Increase Announcement date.
- e) **Bill-Backs for inventory purchased, or orders placed, prior to the effective date of a price decrease will not be accepted.**

6) INVOICE TERMS/PAYMENTS

- a) Standard terms are Net 30 Days, unless otherwise defined in the current sales contract.
- b) Anchor reserves the right to add a service charge of 1.5% per month to invoices not paid within 30 days.
- c) Credit Card Payments will not be accepted.

7) ORDER CHANGES, CANCELLATION & DELIVERY DELAYS

- a) No order changes (item additions, quantity additions, Order Due Date changes, etc.) will be accepted after 1 business day less than the Minimum Order Lead Time (specified in Section 2) from the Requested Delivery or Pickup Date, or 4 Business days prior to shipment.
- b) Any item added or quantity changed on an existing PO after a price change is effective will be priced at the higher price.
- c) **Cancellations (full or partial order)** that occur after product has been picked and staged for shipment will incur a restocking fee of 20% of the Order Total plus any freight charges that Anchor incurs related to the order.
- d) All charges resulting from a customer request (e.g., delayed delivery, reconsignment, etc.) after the order has been staged for shipment must be paid by the customer. Charges include, but are not limited to, TONUs (Truck Ordered Not Used), reschedule and dock storage fees as listed under Customer Paid Freight, CPU Charges (section 11-c-ii and 11-c-iii), and any storage fees incurred by the carrier.

8) NON-STOCK & SPECIAL ORDERS

- a) Customized lead times and minimum order quantities apply to non-stock and special-order items.

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- b) Over-runs or under-runs not to exceed 10% of quantity ordered shall constitute acceptable delivery.
- c) Order cancellations may not be allowed on non-stock or special-order items. Notification will be provided on any affected items.
- d) Stock status on all items is subject to change without notice. Contact your Anchor Representative for further details.

9) BACKORDERS

Any ordered item that does not ship with the original shipment is defined as a backorder. When a backorder occurs:

- a) The buyer will be notified that a backorder has/will occur and provided an earliest estimated available date.
- b) The backorder will be cancelled from the Sales Order.
- c) Backordered items should be added to stock Purchase Order that meets the Terms and Conditions of Sales as specified in this document.

SHIPPING INFORMATION

10) Anchor Paid Freight Charges

- a) Anchor Packaging, LLC reserves the right to select the carrier, method of transportation, and shipment routing for all prepaid freight orders.
- b) Anchor will prepay freight & fuel charges for an order that meets the following conditions:
 - One shipment to the one address specified as “Ship-To Address” on the Purchase Order.
 - Agreed upon Freight Terms for that Ship-To Address/Item mix are “Freight Prepaid”.
 - Purchase Order complies with all requirements in this document pertaining to minimum order quantity, lead time, perfect-match, and order changes.
- c) If a customer requested change would result in higher freight costs (e.g., to freight method or carrier, an earlier delivery date, or customer has delivery/dock requirements that are outside Anchor’s carrier standard of operation), the customer may opt to either:
 - Coordinate pick-up of the order with their own contracted carrier and assume all related freight and delivery charges. (Reference Terms & Conditions for Customer Pick-Up shipments below.)
 - Issue a new or revised Purchase Order that authorizes Anchor to invoice the difference between the original freight cost and the new higher cost.
- d) Lumper or Sort and Seg fees will be paid by Anchor only if a written schedule of those fees has been provided to Anchor Packaging in advance and the terms have been agreed upon.

11) Customer Paid Freight and CPU Charges

- a) Customer will be responsible for all freight and delivery related charges on any order that does not comply with all sections of Section 10 – Anchor Paid Freight Charges.
- b) Customer will be responsible for reimbursing Anchor all fees incurred on Anchor Prepaid Freight orders due to detention, storage, or redelivery, if the carrier arrived on or before the scheduled appointment time.
- c) Customer Pickup Orders (CPUs):
 - The customer is responsible for all carrier charges.
 - A Reschedule Fee of \$75 per occurrence will be added to the invoice or billed separately at Anchor’s discretion for each load requiring a dock appointment change within 1 business day of the originally scheduled pickup.
 - A Dock Storage Fee of \$100/day will apply to all orders not picked up at the appointed time.

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- A Wrong Equipment Fee of \$100 will be charged for carriers arriving with a trailer that does not accommodate the order size.

12) CUSTOMER PICK-UP (CPU) SHIPMENTS

- a) Dock appointments are issued M-F 8:00 AM to 3:00 PM CST. Customers/Carriers must email customer.pickup@anchorpac.com to schedule a dock appointment a minimum of 48 hours in advance of the requested pick up date.
- b) Drivers that will miss their scheduled appointment must notify Anchor Packaging by emailing customer.pickup@anchorpac.com prior to the Pickup appointment.
- c) A standard 53-foot dry van trailer is required for full truckload orders of 24-30 skid spots of pallet loaded product (gaylords, slip sheeted SKUs, and some film SKUs can be double stacked).
- d) Customer requests to convert an order from Customer Pick-Up to Anchor Paid Freight may be denied at Anchor's discretion. In the rare event that Anchor Management approves a conversion, a PO with a revised due date will be required. The revised due date will be calculated based on the date the request was approved, the revised PO is received, and the Minimum Lead Time specified in Section 2 – PURCHASE ORDER DUE DATE – MINIMUM LEAD TIME.
- e) Damage Claims – All claims for damage must be made with the customer's Carrier. Anchor will not be responsible for damage claims on CPU orders.
- f) Shortage Claims – Anchor will not assume responsibility for any shortage claims unless the trailer seal has been applied by Anchor personnel and is verified intact at the final receiving location.

CUSTOMER CLAIMS AND PRODUCT RETURNS

13) Claims for Damage, Shortages, and Overages at Delivery

- a) The following must occur for a claim to be eligible:
 - Order discrepancies must be noted on the signed copy of the Bill of Lading that is given to the driver at the time of receiving to be eligible for a claim.
 - An email with the PO number, a brief description of the claim (item number, # cases and reason), and contact information must be sent within 48 hours of carrier delivery **to your Customer Service Representative.**
 - **Exceptions**
 - (1) ***Claims from customers with drop trailer programs carrying Anchor product will be denied unless Anchor Customer Service is notified of claim details within 24 hours of trailer drop***
 - (2) ***Pallet quantity claims for customers who sign the Bill of Lading as "Subject to Inspection and Count" will be denied unless the pallet count discrepancy is noted on the Bill of Lading. Partial pallet claims must be submitted within 24 hours of carrier delivery***
- b) If requested, any supplemental documentation must be supplied to Anchor Packaging within 15 days of the request so that appropriate credits can be issued and claims filed.
- c) Failure to initiate a claim and receive an RMA number will result in denial of credit/product replacement.

14) Product Returns – Return Materials Authorization (RMA)

- a) Any Product returning to Anchor as a result of the Claims process above, deadstock, quality issues, etc. must be issued a Return Materials Authorization (RMA), which includes an RMA Number and specifies items, quantity and original price.
- b) RMAs not initiated by the Claims process in Section 13a, can be initiated by contacting your Anchor Sales or Anchor Customer Service Department representative.

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- c) The Anchor issued Return Materials Authorization (RMA) Number MUST BE REFERENCED on the delivery paperwork (BOL or packing slip). A hard copy of the RMA should be included with the packing slip.
- d) Any product that arrives at our dock without referencing a valid RMA will not be eligible for credit, and may get rejected back to the carrier.
- e) Return Freight Charges:
 - Unless specifically stated otherwise on the RMA, the customer is responsible for return freight charges.
 - If the RMA specifies that Anchor will pay the return freight, the Carrier to be used will be specified. Failure to use the specified carrier will result in a deduction from any credit, if available, or bill-back of all freight charges incurred.
- f) RMAs are valid for 30 days from date of issue. After 30 days, any open lines will be cancelled and no credit issued.
- g) Product received at our facilities without a valid RMA will either be refused or, if accepted, customer will be contacted regarding product return at the customer's expense. Product not picked up within 30 days of notification of the expired RA will be dispositioned at Anchor's discretion.

15) Product Quality Returns

- a) Requests for returns due to product quality issues must be made within 180 days of product receipt.
- b) A Customer Satisfaction Form must be completed with the original Purchase Order Number(s). Please contact your Sales Broker or Anchor Sales Manager to begin this process. If product is to be returned, an RMA will also be issued (see Section 14 above).

16) Customer Error/Overstock Returns

- a) Customer Error/Overstock return items include any items that are listed on the last confirmed PO and are not damaged or defective. Items refused at delivery due to unconfirmed PO changes are considered Customer Error and will incur the restock and freight charges listed below.
- b) Requests to return product to Anchor Packaging must be made within 180 days of original receipt, and must be accompanied by a completed Customer Satisfaction Form (contact Anchor Sales).
- c) Non-stock, custom/special items, and discontinued items are not eligible for return.
- d) Returns will not be accepted and credit will not be issued on any items that have been opened, damaged, re-taped, or partially used.
- e) A 25% restock fee will apply to all returns due to Customer Error/Overstock.
- f) Return shipping cost is at the customer's expense.
- g) Carriers must request a delivery appointment at the Anchor Distribution Center at least 48 hours in advance of delivery (see Section 12 for details).

PRODUCT WARRANTY

17) Product Warranty Details

- a) Anchor Packaging, LLC warrants products shipped to any buyer will be of merchantable quality and free of defects in workmanship. The seller makes no warranty of any other kind, expressed or implied.
- b) The buyer shall assume all risks and liabilities for results obtained by the usage of Anchor Packaging, LLC's products, either singly or in combination with other products.
- c) The seller's liability for loss or damage due to the use of seller's products is limited to replacement of seller's material only. NO REPRESENTATIVE HAS THE AUTHORITY TO MAKE ANY GUARANTEE OR AGREEMENT EXCEPT AS STATED HEREIN.

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SAMPLE POLICY

18) Samples

- a) Anchor Packaging, LLC will send customer requested samples prepaid via courier based on standard lead times published herein.
- b) If samples are requested to be expedited, requestor will be required to pay all freight charges.