



November 10, 2014

Subject: Transportation Notification Letter to PMC Supply Base

Dear Valued Suppliers,

In efforts to manage our transportation cost, Product Manufacturing Company will now require preapproval for all next day air / priority shipments being made against Product Manufacturing Company billing accounts. Please contact your Buyer to obtain this authorization unless it is already called out on the face of your Purchase Order. Any shipments invoiced against Product Manufacturing Company's shipping account without authorization will result in a sundry debit against your account. Any next day air / priority shipments required to perform to Buyers Purchase Order requirements, due to Seller's delinquent performance, shall become the Seller's liability as stated in the purchase order Terms and Conditions.

Product Manufacturing Company's preferred mode of transportation for standard shipments is Fed-X for small packages and UPS for freight shipments. Fed-X is our preferred mode of transportation for next day air / priority shipments.

In addition, it is Product Manufacturing Company policy not to place a "Declared Value" on shipments utilizing Product Manufacturing Company's shipping accounts that are valued under \$5,000.00. Insuring shipments under this value is an additional cost absorbed by Product Manufacturing Company which is unnecessary cost. It is only necessary to declare a value on the shipper with a total value greater than \$5,000.00.

We appreciate your continued support as we work to mitigate excessive transportation charges in the future. Please contact your Buyer should you have any questions concerning this notification.

Best Regards,

Curtis Sullivan V.P. Supply Chain The Atlas Croup