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Royal Paper Commercial Customer-

There has been unprecedented stock up by consumers within the US of many household essentials including paper products due to the Coronavirus and implications of the virus on everyday life. As a result, we have had an unprecedented increase in orders that has outstripped our production capacity. Currently for commercial paper the only category that has surged is bath tissue and therefore Royal Paper's allocation will be on bath tissue only at this point.

Effective immediately, Royal Paper is announcing an Allocation on all commercial supplied Bath Tissue products.

Royal Paper has increased production capacity on Bath Tissue and Paper Towels to maximum output levels, however even at maximum production demand from all customers exceeds supply capacity.

Each customer will be receiving allocation buckets for March, April and May 2020 across Bath Tissue in a separate communication. These buckets will be based on historic average monthly shipments. For all commercial customers we will also be requiring a 14-day order lead time to enable superior customer service including securing transportation during this unprecedented time.

For the remaining two weeks in March, orders currently placed will be moved out to April after the monthly allocation amount has been reached. Royal Paper's Order Management and Sales departments will work closely with each customer to prioritize specific shipments within the allocated quantities.

Royal Paper has taken steps at our Manufacturing sites to help prevent spread of virus:

- Established a Coronavirus lead team, assessing the situation on a daily basis
- Actively encouraging sick employees to stay home and to be tested per CDC guidelines
- Implementation of strict cleaning and safety measures at all sites
- Following CDC and World Health Organization and local authority best practices and recommendations to prevent spread of the virus

We have seen unprecedented consumer purchasing behavior within the paper category that is driving our partners inventories to be depleted and we appreciate your partnership in working through this challenging time.

Thank you,

Steve G. Schoembs  
Royal Paper - Vice President of Sales and Marketing