

	Subject: North America Customer Negotiated Pricing Policy	Effective Date: March 1, 2025
	Owner: Manager, National Account Pricing	Supersedes Policy Dated: June 28, 2018
	Type: Complete Revision () Partial Revision (x) New ()	Approved By: Manager, National Account Pricing

North American Customer Negotiated Pricing Policy

A GFS customer may negotiate a contract with a Supplier that provides a specific price on one or more Products (“**Supplier Contract**”) that permit GFS to purchase the Product(s) at the negotiated price (“**Deviated Cost**”) and may also include a negotiated rate for freight (“**Deviated Freight**”). GFS can only honor a Deviated Cost or Deviated Freight when GFS has entered into a distribution agreement with the customer agreeing to accept Supplier Contracts from the customer.

A Supplier Contract may include a Deviated Cost that’s lower than the actual price of the same product to GFS (“**Actual Cost**”), a Deviated Freight rate (inclusive of pick-up allowances) that’s lower than the actual freight rate for the same product to GFS (“**Actual Freight**”), or both a Deviated Cost and Deviated Freight on the same Product. GFS will use the Deviated Cost and/or Deviated Freight to calculate the final price of the Product to the customer in accordance with the distribution contract between GFS and the customer.

Reconciliation

The difference between Deviated Cost and Actual Cost will be collected from the Supplier as a billback and automatically deducted from amounts GFS owes the Supplier. Likewise, the difference between Deviated Freight and Actual Freight will be collected from the Supplier as a billback and automatically deducted from amounts GFS owes the Supplier.

Price Change Notification Requirements

GFS requires changes to Deviated Cost and Deviated Freight are to be received by the customer’s contractual due date for next month’s pricing. All Deviated Cost and Deviated Freight arrangements must be communicated on an agreed upon template. In instances where a final Deviated Cost or Deviated Freight has not been established, the Supplier may elect to communicate a temporary extension via email on Supplier letterhead with the customer approval. The extension must be sent by Supplier’s normal Supplier Contract communication process with GFS.

Price Change Notification Fees

GFS is not responsible for errors or omissions of the Supplier or the customer in providing Deviated Cost and/or Deviated Freight information. If GFS corrects any such error or omission by issuing credit memos, debit memos, or similar adjustments, GFS reserves the right to assess an administrative fee per credit or debit memo (or similar adjustment) issued and the Supplier or customer agrees to pay all such fees for their respective errors or omissions.