



# Doing Business With Consolidated Gypsum

*Our Policies – Your Procedures*

**REVISED NOVEMBER 2009**

## FORWARD

Before any individual or corporation can have a business relationship with Consolidated Gypsum, they must first of all become what we call an “APPROVED VENDOR”. This is a prerequisite. This policy applies to all suppliers, regardless of whether they provide support services, non-inventory related products or merchandise for re-sale.

## APPROVED VENDORS

If business activity already exists, then you are already an “approved vendor” and are established in our system. This means you can by-pass the next section which outlines the procedures for making application to become an approved vendor.

How to become an approved vendor...

### Step #1

- Introduce yourself to our Head Office in Edmonton, Alberta. This needs to be done in writing only. **NO FAX TRANSMISSIONS ARE ALLOWED.**
- Submit a profile/history of your company, along with all available data including years in business, ownership and references.
- Outline the services and/or products you wish to offer Consolidated Gypsum.
- Your presentation package must include...
  - a) pricing or quotation
  - b) expected payment terms
  - c) freight policies (if applicable)
  - d) a credit application form

Deliver this package to: Consolidated Gypsum  
Head Office  
11660 – 170 Street  
Edmonton, AB T5S 1J7  
**Attention:** Purchasing Department

**DO NOT FORWARD THIS PRESENTATION TO ANY OF OUR BRANCHES**

Step #2

It can take up to several weeks to review new submissions. If our company is interested, we will contact you to arrange for a meeting at our Head Office.

Step #3

If both parties reach an agreement on issues that arise out of conversation or negotiations, we then establish your company as an “approved vendor”.

Step #4

Once agreement is reached and your company is set up in our accounting system as a vendor, we then notify/direct our Purchasing office and applicable branches accordingly. Business transactions can then commence by mail or email at:

[purchasing@consolidatedgypsum.ca](mailto:purchasing@consolidatedgypsum.ca)

Accounts Payable Enquiries:

1. **Phone**  
1-877-452-7786 (ask for Accounts Payable Supervisor)
2. **Fax**  
If you fax us, please ensure that a cover page is attached “**Attention - Accounts Payable Supervisor**”.
3. **Email**  
[accountspayable@consolidatedgypsum.ca](mailto:accountspayable@consolidatedgypsum.ca)  
Attention – Accounts Payable Supervisor - in email “subject” line

## Communication with our Company:

Our company does not acknowledge general “form letters” that are mailed out industry-wide whether they pertain to price increases or whatever.

When communicating with Consolidated Gypsum, documents must be addressed specifically to our company, furthermore they must be addressed to the applicable person or department. Matters relating to change of account personnel, or pricing changes, must be addressed to the attention of the Purchasing Department. Accounting related matters must be addressed attention “Accounts Payable”.

## Vendor Price Lists/Quotations:

Vendor price lists/quotations must be sent to our company’s Head Office. It is very important that you do not forward these to any of our branches.

Our Head Office **does not accept** “facsimile” transmissions (for legality reasons). You may use either mail, email or courier services. To process these, we must receive two (2) hard copies on your company letterhead.

Please submit these to: Consolidated Gypsum  
Head Office  
11660 – 170 Street  
Edmonton, AB T5S 1J7  
**Attention:** Purchasing Department

Our company will not process nor acknowledge any vendor price lists or quotations if they do not:

- a) Clearly indicate “an effective date”.
- b) Contain a clause that states, “**30 days notice in writing on any price increases.**”
- c) Appears on company letterhead.

Furthermore, our company will not process nor acknowledge any vendor price lists or quotations **if they contain ...**

- a) An “expiry” date.
- b) “Floating” fuel/energy surcharges that can vary from time to time without notice, or  
are not built into the price of the goods/services offered.

Your pricing structure must always be inclusive of all applicable charges. Our accounting systems cannot process separate “additional cost” line charges.

### Price Increases:

If a vendor wishes to raise its pricing for any goods or services provided to Consolidated Gypsum, then it must provide a mandatory 30 days notice. This must be provided in writing on your company letterhead and addressed to:

Consolidated Gypsum  
11660 – 170 Street  
Edmonton, AB T5S 1J7  
**Attention:** Purchasing Department

General price increase “form letters” are not acceptable.

### Price Decreases:

When vendors wish to lower their quoted prices to Consolidated Gypsum, then the 30 days notice period **is waived**. Communication must still be in writing and addressed as outlined under the section “Price Increases”.

### Purchase Orders:

Our company operates on a “**purchase order**” system. With a few exceptions (utilities, rents, Directory Advertising, etc) we issue a purchase order for all services we commission and all products we purchase.

Unless special arrangements have been made, a purchase order must always be obtained **BEFORE** providing any products or services to our company. **WE INSIST THAT THIS POLICY BE ENFORCED** – if you do not have a purchase order you do not do the work.

### Pricing Policy:

The prices our company pays for goods and services, whether they be inventory or non-inventory related, are the prices in effect at the time the purchase order is issued.

### Invoice Approval Process:

To eliminate processing delays make certain your paperwork is in order and that all pricing corresponds to what we have on file. Our Accounts Payable personnel are not allowed to follow through with any approval processes if your invoice prices do not match up to either your price lists or quotations that have previously been authorized by our Management.

## Invoicing Procedures/Policies

- Vendors must invoice at least once monthly - no later than month end.
- Our Accounts Payable department must be in receipt of your invoice(s) by the 10th day of the month following. Invoices arriving after the 10th MF are delayed for payment by a further 30 days.
- Invoice(s) should **not** be sent to any of our branches. They **must** be forwarded directly to our Accounts Payable department located in our Head Office in Edmonton.
- Do not fax invoices, as we will not process! Invoices must be mailed or emailed to [accountspayable@consolidatedgypsum.ca](mailto:accountspayable@consolidatedgypsum.ca).
- Each purchase order number must be invoiced individually. We will not process multiple purchase order numbers on one invoice.
- All invoices are to be mailed to: Consolidated Gypsum  
11660 – 170 Street  
Edmonton, AB T5S 1J7  
**Attention:** Accounts Payable
- All invoices must clearly indicate the “purchase order number” our company issued, in order for them to be processed.

## Invoice Adjustments

When Consolidated Gypsum finds the need to adjust a vendor invoice for whatever reason:

1. The vendor’s Accounts Receivable Department will first of all be notified by either telephone, fax or email.
2. Our Accounts Payable Department will provide written notification of such adjustments and the reason for them.

## Vendor Statements

We require all of our vendors (both inventory and non-inventory) to provide our Accounts Payable Department with a monthly statement. These are important to our company as we reconcile vendor accounts on a continual basis. Mail service or email transmissions are acceptable. Email to [accountspayable@consolidatedgypsum.ca](mailto:accountspayable@consolidatedgypsum.ca)

## Invoice Disputes:

When our Accounts Payable Department encounters a vendor invoice that is in dispute, or contains errors, we contact your Accounts Receivable Department by phone, email or fax to make you aware of the situation. We look for resolution and feedback in a timely manner. All communications are documented.

#### Payment Method:

We prefer to make account payments via our Corporate Mastercard. If your company accepts account payments by corporate credit cards, please ensure that our Accounts Payable Supervisor is aware, as those vendors receive some privileges. Vendors that do not accept Mastercard payments receive payment via our computerized cheque system.

#### Payment Terms:

Unless negotiated otherwise, our standard payment terms are 30th of the month following the latter of receipt of invoice and the receipt of goods/services. If you offer prompt payment discounts, please make certain that we are made aware of these discounts, as we generally take advantage of them provided they fall under the terms of our computerized payment system.

#### Payment Issuance:

Payments are issued twice monthly (either on the 15<sup>th</sup> and 30<sup>th</sup> of each month), depending on our negotiated timing of payment.

#### Outstanding Accounts

Our Accounts Payable Department works diligently with its vendors so as to ensure that aging outstanding account balances are cleared up promptly. This is why we insist on receiving monthly vendor statements. Account concerns need to be addressed to our **“Accounts Payable Supervisor”**.

#### Credit Application Updates:

Requests for “Credit Application” updates must be forwarded to our Head Office in Edmonton, Alberta, 11660 – 170 Street, Edmonton, AB T5S 1J7 - **“Attention – Accounts Payable Supervisor”**. We will accept credit application update requests via fax, email transmission, mail or courier.

*Thank you for your interest in doing business with Consolidated Gypsum.*

***PLEASE DISTRIBUTE THIS DOCUMENT INTERNALLY TO ALL DEPARTMENTS THAT MAY BE AFFECTED.***