

From: James_green@rcchem.com

Subject: Reminder on revenue accrual

Date: Oct 1, 2017 at 9:37 am

To: controller_staff@rcchem.com

Cc: sr_staff@rcchem.com

Dear Staff,

There have been incidents in recent quarters in which we accepted revenue within the quarter for sales that would not result in delivery until after the quarter. Some of you may have thought this was accepted practice if you ordered shipment of materials to a third party warehouse for later shipment to the customer. This practice is costly at best and potentially in violation of financial reporting requirements at worst. To be clear, WE WILL NO LONGER ACCEPT REVENUE IN A QUARTER FOR SHIPMENTS THAT DO NOT OCCUR IN THE QUARTER. This policy is effective immediately. As you gather data for the Q4 report (ending Dec 31) be sure that you adhere to this policy.

Best regards,

James

James Green
Controller – Rock Climb Chemical



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