

INFORMATION FOR SMALL BUSINESS SUPPLIERS

KapStone realizes that the relationships we forge with our suppliers are increasingly important to our success in a globally competitive marketplace. We continue to look for the best suppliers to help meet our customers' needs. KapStone knows that small businesses have proved in competition that they bring innovation, flexibility and strength to our supply base, as well as a passion for helping KapStone deliver the best solutions to our customers. As a result, we encourage small businesses that provide quality and competitive products and services to compete for KapStone procurement opportunities and to complete this Supplier Questionnaire.

KapStone's Supplier Questionnaire asks whether the potential supplier qualifies as a small business concern, SDB or WOSB. The requirements to qualify in these size and diversity categories are set forth in the SBA regulations and the Federal Acquisition Regulations. General information also is available at the SBA website at www.sba.gov. To assist small businesses in understanding these requirements, here is an overview of the size and diversity classifications and related terms.

A. Industry terms, certifications & ownership classifications

Small Business Concern - The term "small business" generally means a small business organized for profit, is independently owned and operated, is not dominant in the field of operations in which it is bidding, and meets the size standards prescribed in SBA regulations.

Large Business Concern - A business concern that exceeds the small business size code standards established by the SBA as set forth in its regulations.

B. Ownership

Small Disadvantaged Business Concern (SDB) - A "for profit" business concern:

1. that qualifies as "small" per the SBA Table of Small Business Size Standards, and
2. that is at least 51 percent unconditionally owned by one or more U.S. citizens who are socially and economically disadvantaged individuals, and
3. whose management and daily business operations are controlled by one or more U.S. citizens who are socially and economically disadvantaged individuals.
4. **Note:** There is a presumption that individuals in the following groups are socially disadvantaged: Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans and Subcontinent Asian Americans.

SBA 8(a) Small Disadvantaged Business Concern - A business certified by the SBA as a socially and economically disadvantaged small business for consideration of government set-aside contracting opportunities and business development under the Section 8(a) program.

Women Owned Small Business Concerns (WOSB) - A small business concern that is at least 51 percent owned by one or more women, or in the case of a publicly owned business, at least 51 percent of the stock is owned by one or more women, and whose management and daily business operations are controlled by one or more women.