

**CONTRACT AMENDMENT #1**

This agreement constitutes an Amendment to the Contract to Provide Water Treatment Chemicals between **FAIRFAX WATER** ("FW") and **SUFFOLK SOLUTIONS, INC.** (the "Contractor") (collectively, the "parties").

In consideration of the mutual covenants set forth herein, the parties agree to amend and modify the Contract effective June 1, 2020 as follows:

**Contract Amount:**

Effective June 1, 2020 through July 31, 2020, unit pricing shall be amended as follows:

3A – Caustic Soda, Dry, 25%, Bulk	\$663.97/ DST
3B – Caustic Soda, Dry, 50%, Bulk	\$611.00/ DST

Effective August 1, 2020 through January 31, 2021, unit pricing shall return to the original contract rate, as follows:

3A – Caustic Soda, Dry, 25%, Bulk	\$493.97/ DST
3B – Caustic Soda, Dry, 50%, Bulk	\$441.00/ DST

Further requests to amend the contract amount shall be submitted to FW by the Contractor no later than July 1, 2020, with an effective date no earlier than August 1, 2020, and all such amendments shall be made at FW's sole discretion. Annual economic price adjustments for the first renewal term shall be based on the original contract rate, as defined above.

In all other respects not specifically mentioned or altered by Amendment, the original Contract shall remain in full force and effect.

**FAIRFAX WATER**

Procurement Department  
8570 Executive Park Avenue  
Fairfax, VA 22031  
Phone: (703) 289-6261  
Fax: (703) 289-6262

By: 

Name: Steven Edgemon

Title: General Manager

Date: \_\_\_\_\_

**SUFFOLK SOLUTIONS, INC.**

1881 Governors Pointe Drive  
P.O. Box 6140  
Suffolk, VA 23433-0140  
Phone: (800) 628-5185  
Fax: (757) 238-8745

By: 

Name: Jeff Moran

Title: VP of Sales

Date: 5/29/20



**Suffolk Solutions**  
Quality, Integrity & Service

Dear Caustic Soda Customers,

The global supply and availability of caustic soda has been significantly impacted by the sharp downturn in global economies. Chlorine demand has fallen drastically since mid-March far outstripping any reduction in caustic demand. We are now in a marketplace where caustic demand is greater than supply, leading to rapidly increasing caustic soda costs. Some important market data points for reference:

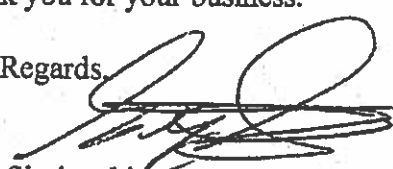
- Chloro-vinyl exports plunged in mid-March globally.
- India, a large PVC importer, closed to imported products March 25.
- All domestic producers are on order control even limiting contract customers off-take in some cases.
- Europe does not have any spot material for export as two producers have recently issued Force Majeure.
- April spot export average price is up \$85 / DMT April versus March 2020.
- Producers have announced increases of \$130 to \$140 / DST for April and May alone.
- Q2 demand expected to out strip supply with June being tighter than May.

Given these difficult market conditions we are continuing to supply our customers at normal rates but are not in a position to take on extra volume at this time. Effective June 1, 2020 we are increasing pricing of all grades of caustic soda and your sales representative will be contacting you.

We appreciate your continued support for Suffolk Solutions, Inc. as we navigate these uncharted waters. As the global economies recover this should provide some future mitigation but it is simply impossible to predict when that will occur. Should you have any questions please contact your Sales Representative.

Thank you for your business.

Best Regards,



Greg Siminoski  
(740) 616-9155  
Suffolk Solutions, Inc.