

# INTERNATIONAL PAPER

## Corporate Policy Guide Abstract

<b>Title:</b> Charitable, Education, Government Relations and Political Contributions	<b>Number:</b> 407
<b>Effective:</b> January 1, 2006	<b>Supersedes:</b> September 1, 1999

**1.0 Objective:** To establish the Company's policy with respect to Charitable, Education, Government Relations and Political Contributions.

**2.0 Scope:** This policy applies to all International Paper Company locations and its subsidiaries.

### **3.0 Policy:**

#### **Charitable and Educational Contributions:**

The Company supports contributions to 501c3 tax-exempt organizations whose objectives are to improve the general welfare, education and health in the communities where the Company operates and where its employees live. The Company Foundation also supports charitable agencies; to the greatest extent possible, the Foundation should be the source for contributions to charities and educational institutions.

#### **Charitable and educational organizations which the Company supports are:**

Primary, secondary and post-graduate educational institutions and organizations that will help educate and train our workforce, inform the community about issues of concern to the Company and improve opportunities for residents of the communities where the Company operates.

Civic groups that provide necessary and beneficial services to the community.

#### **Government Relations and Political Contributions:**

The Company supports contributions to tax-exempt organizations whose objectives and principles are consistent with the Company's commitment to a healthy, competitive national and international business environment. Organizations which the Company supports are those related to industries where the Company does business.

All government relations and political contributions must be made in accordance with applicable local, state and federal law and in accordance with the approval policy established below.

Corporate contributions to federal candidates and federal PACs are prohibited by law.

**Examples of Government Relations organizations which the Company supports are:**

Those that work to promote positive regulatory or legislative action, to avoid or prevent adverse actions, or to impact public policy.

Local or national interest groups that seek to preserve competitive and fair business practices.

**Purpose of Contributions:**

To provide assistance to communities where the Company operates;

When an educational institution or charity, increase educational opportunities, especially for youth and disadvantaged persons and for studies directly related to the Company (i.e., engineering, manufacturing, forestry, environment, business);

To provide assistance to a civic or governmental entity that provides services in a community where the Company operates (i.e., local fire or police department, local arts organization).

To promote positive regulatory action

To avoid or prevent adverse regulatory actions

To provide assistance in accomplishing objectives which the Company supports, and which can be better accomplished through membership or contribution.

**Designated Liaison:**

In on-going programs, at least one employee must monitor and work with the association/organization.

**Payment Review:**

Payment approval must be granted only after ensuring compliance with this policy.

When a facility or division is closed or sold, connected memberships and contributions must be canceled and/or stopped.

**Payment Approval:**

**Amount Approval Required**

Up to \$2,500	Facility or General Manager
Up to \$10,000	International Paper Vice President
Up to \$25,000	International Paper Senior Vice President or Executive Vice President
Above \$25,000	Chairman and Chief Executive Officer

Instructions for obtaining reimbursement for the aforementioned contributions are contained in Financial Policy Manual.

**Political-Related Contributions:**

In addition to the above-required approval level, contributions to any political candidate, political organization or public office holder and dues and assessments for any political organization require the approval of the Vice President – Government Relations.

**4.0 Contact:** Any questions or interpretations regarding this policy should be directed to the Senior Vice President, General Counsel and Secretary in Memphis, Tennessee.

**5.0 Procedures:** None