

CELLMARK PAPER CANADA INC.

**TERMS AND CONDITIONS**

1. **SALE AND PURCHASE:** SELLER agrees to sell and BUYER agrees to purchase from SELLER the goods described on the face of this Order Acknowledgment (and in any schedules attached and hereto) (hereinafter collectively referred to as the "Goods"), in accordance with the terms and conditions specified therein and herein (this Order Acknowledgment, including these Terms and Conditions of Sale, and hereinafter collectively referred to as the "Agreement").
2. **EXISTING CONTRACTS:** IF GOODS COVERED BY THIS ORDER ACKNOWLEDGMENT ARE THE SUBJECT OF ANOTHER WRITTEN CONTRACT BETWEEN THE PARTIES HERETO, SUCH CONTRACT SHALL SUPERSEDE TERMS OF BUYER'S PURCHASE ORDER, IF ANY, OR OF THIS ORDER ACKNOWLEDGMENT, WHICH CONFLICT IN ANY WAY WITH SUCH CONTRACT.
3. **PRODUCT WARRANTY:** UNLESS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT TO THE CONTRARY, SELLER MAKES NO WARRANTY, EXPRESSED OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING WITHOUT LIMITATION THE CONDITION OF THE GOODS, ITS FITNESS OR CAPACITY OR DURABILITY FOR ANY PARTICULAR PURPOSE, THE QUALITY OF THE GOODS OR CONFORMITY OF THE GOODS TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE ORDER OR ORDERS RELATED THERETO. BUYER PURCHASES THE GOODS "AS IS".
4. **DELIVERY:** Delivery to carrier f.o.b. at manufacturer's point of origin shall constitute delivery to Buyer, and thereafter the shipment shall be at Buyer's risk. All claims for loss or damage in transit must be filed against the carrier by Buyer. All shipments hereunder shall be routed by Seller. Buyer shall pay freight, unless prepaid, and shall unload shipments promptly. Any increase in freight rates for shipment whether prepaid or not and all demurrage shall be borne by Buyer. Buyer is responsible to empty the container, truck, Isotank, tanker truck, and Buyer shall be responsible for the cost of disposal and destruction of any remaining product liquid or solid that maybe left over in the container, truck, Isotank or tank truck.
5. **PAYMENT TERMS:** Payment terms are shown on the face of this Order Acknowledgment, however, if not otherwise stated, Buyer shall make full payment of the amounts due under this Agreement upon shipment of the Goods. Invoices shall be payable in lawful currency of U.S.A. Payment is due and should be made at the direction of and to the location specified by Seller on the face of this Order Acknowledgment. Prices shown on the face hereof are based upon current market prices which are subject to change without notice and Seller's prices in effect on the date of shipment shall prevail if different from those shown on the face hereof. Terms of payment shall be subject to change by Seller in the same manner as changes in price. Buyer shall not be entitled to deduct from the price the amount of any claim asserted by Buyer against Seller unless such claim previously shall have been allowed by Seller in writing.
6. **TITLE, LATE PAYMENT AND SECURITY INTEREST:** Title at the Goods shall be free of all liens, claims, and encumbrances of any kind and shall vest in BUYER at such time as BUYER'S obligations hereunder are satisfied in full. If the balance due SELLER from BUYER hereunder is not paid, there shall be added to the amount due to SELLER hereunder a service charge of 1 ½ % for each month or fraction thereof on all monies past due, and the amount of a reasonable attorney fees and expenses actually and responsibly incurred by SELLER in collecting such amounts or in repossessing the Goods. As collateral security for BUYER'S payment and performance obligations hereunder, SELLER hereby reserves and BUYER hereby grants to SELLER a security interest in all of BUYER'S right, title and interest in and to the Goods. BUYER shall execute and deliver to SELLER immediately upon SELLER'S request, such financing statements, instruments and other assurances as SELLER deems necessary or advisable for the confirmation or perfection of this security interest. BUYER hereby authorizes SELLER, at BUYER'S expense, to file one or more financing statements and amendments thereto to perfect the security interests granted herein, without the BUYER'S signature thereon if necessary, and to take all other actions necessary to perfect its security interest in the Goods under any applicable law or regulation.
7. **OVERRUNS AND UNDERRUNS:** Seller shall be permitted an overrun or underrun of up to five percent (5%) of the order. Buyer shall pay for the product actually shipped.
8. **CONTINGENCIES:** In case Seller shall be unable to or fail to make or supply the Goods ordered because of: (a) fire, explosions, earthquake, windstorm, accident, breakdown, strike, lockout, labor trouble, inadequate supply of labor, flood, drought, embargo, war, riot, insurrection, act of God or the public enemy; (b) Seller's compliance with any requisition, demand or request or any priority policy of any government agency or authority, any other action of any governmental authority, or delay or failure of carriers or contractors; (c) Seller's inability to obtain from its regular sources an adequate supply of materials at prevailing prices (meaning less than or equal to the contract price), or any other contingency or delay or failure or cause beyond the control of Seller, whether or not of the kind herein before specified; (d) the imposition of tariffs or taxes, Seller shall not be liable to Buyer for failure to supply such Goods during the period of such disability, provided that, if in consequence of any such contingency, Seller's disability is only partial, Seller shall use its best efforts to limit its reduction of shipments hereunder to the same percentage

of the total shipment otherwise called for hereunder as that by which shipments of such grade or grades to other customers of the Seller are

reduced. Any reduction or suspension of delivery or takings under this Order Acknowledgment for any cause above mentioned shall not in any way invalidate this Order Acknowledgment and on the removal or termination of the causes therefore during the term of this Order Acknowledgment, delivery shall be made and taken as the case may be at Seller's prevailing prices at the date of shipment, but deliveries or takings omitted during the period of suspension may be canceled at the discretion of Seller without liability.

9. **SUBSTITUTION:** The Goods to be furnished under this Order Acknowledgment shall be the product of the producer nominated by Seller, but in case at any time Seller shall not have such Goods available for delivery hereunder, Seller shall have option of furnishing at the same cost to Buyer hereunder other goods of quality conforming to this Order Acknowledgment. Should any price ceiling or maximum prices be imposed by a competent governmental authority covering the grade or g herein provided for and should the producer, as a result thereof, find it undesirable to continue the manufacture of such grade or grades, Seller may offer Buyer an alternative grade or grades for which the price ceiling or maximum prices were so imposed.
10. **LIABILITY:**
- (a) Buyer shall examine the Goods for non-conformity promptly upon receipt. Claims for shortage will not be allowed unless made at the time of delivery. Claims for damage incurred during transit must be made in writing within seven (7) days of receipt of shipment. Quality claims and all other claims of whatever nature shall be deemed waived unless stated with particularity in writing within ninety (90) days of Buyer's receipt of shipment. In the event of any complaint, the portion of the shipment subject to complaint shall be held intact and specifications of objections, accompanied by tally of objectionable Goods, shall be submitted directly to Seller. Seller shall have the right within thirty (30) days after receipt of such notice to inspect the Goods complained of by Buyer. Seller reserves the right to replace any non-conforming Goods within a reasonable time after its receipt of notice of defectiveness. If the non-conforming Goods are not replaced, Seller's liability and Buyer's exclusive remedy for any cause of action arising out of this transaction and its performance, including negligence and breach of warranty, is expressly limited to payments in an amount not to exceed the purchase price of the specific Good for which damages are claimed. Upon replacement or reimbursement as provided in this paragraph, title to the non-conforming Goods shall revert to Seller, and Buyer shall use its best efforts to assist Seller in disposing of such Goods in the most economical manner. Under no circumstances are Goods to be returned to Seller unless Buyer has written permission from Seller to do so. A claim that Goods are non-conforming shall not entitle Buyer to deduct any sum from any invoice unless claim has been allowed by Seller in writing. Invoices shall be paid in full in accordance with the terms of sale and, in the event of subsequent allowance of any claim, Seller shall promptly make payment to Buyer for the amount so allowed.
- (b) Any action for a breach of this transaction based in whole or in part upon the non-conformity of the Goods must be commenced within one (1) year after the cause of action has accrued. Use or disposition of any portion of such Goods by Buyer shall waive all claims relative to that portion. In no event shall any claim be allowed for any indirect, incidental, special, punitive, or consequential damages.
- (c) Buyer's failure to accept delivery of an installment or shipment of Goods on the terms specified herein or to fulfill any other provisions hereof, or Buyer's deduction from the price invoiced to it by Seller of the amount of any claim asserted by Buyer without Seller's written permission thereof, shall constitute material breach of the entire transaction in response to which, in addition to any other remedies hereunder or as provided by law, Seller may in its discretion, upon written notice to Buy (i) declare the entire transaction terminated as of the date of the breach, or reduce the installments during the remainder of the term hereof to that quantity last ordered by Buyer and(ii) retain all money paid hereunder as liquidated damages for such breach.
11. **MODIFICATION AND MERGER:** This Order Acknowledgment may be modified or revised only by a writing signed by authorized agents of both parties. Unless the Goods covered by this Order Acknowledgment are the subject of a written co between the parties, this Order Acknowledgment shall constitute the entire agreement between the parties in relation to the sale by Seller and purchase by Buyer of Goods, and no representations or agreements, oral or written, made by either part by any representative of either party, and none of the negotiations leading to this Agreement, or otherwise, which are not expressly reserved herein, shall be binding on such party.
12. **TAXES:** All taxes, fees or charges of any nature now or hereafter imposed by any governmental authority (including interest and penalties thereon, if any), which shall become payable by reason of the manufacture, sale, transportation, delivery and use of the Goods covered by this Order Acknowledgment are to be added to the prices provided for hereunder, and Seller may either bill the same to Buyer separately or add the same to the price of the Goods shipped hereunder, provided, however Buyer shall have the right to contest the validity of any taxes assessed by any governmental authority. In the event Buyer is buying for resale, a duly executed resale certificate shall be delivered to Seller prior to delivery for the State where delivery takes place.

13. **FINANCIAL RESPONSIBILITY:** If at any time and for any reason the financial responsibility of Buyer shall become unsatisfactory to Seller or if any amount shall remain unpaid at due date, Seller may defer subsequent deliveries, or demand ca payment or satisfactory security without impairing the obligation of Buyer to take and pay for the Goods ordered. In such case, should Buyer, after demand, fail to pay cash or furnish satisfactory security or fail to take care of overdue amounts, such failure will release Seller from any further deliveries hereunder and all obligations of Buyer, plus any service charges or interest thereon, shall become due and owing immediately and must be paid immediately upon the demand of Seller.
14. **ALLOTMENTS:** Any orders accepted are subject to any allotment plan Seller has in effect in the future.
15. **GOVERNING LAW AND EXCLUSION OF U.N. CONVENTION:** This Order Acknowledgment shall be governed by the law of the State of Connecticut and the rights and obligations of the parties under this Order Acknowledgment shall not governed by the provisions of the 1980 United Nations Convention for the International Sale of Goods; rather, these rights and obligations shall be governed by the law of the State of Connecticut, including the Uniform Commercial Code as enact Connecticut.
16. **ASSIGNMENTS:** This Order Acknowledgment shall bind the successors and assigns of the parties. It may be assigned by Seller without Buyer's consent, and Buyer, at the request of the Seller, will enter into contract with any such assignee for t balance of the tonnage due under this Agreement, at the price and under the terms and conditions herein provided. This Agreement may not be assigned by Buyer without the written consent of the Seller, which consent shall not be withheld unreasonably.
17. **NOTICES:** Any notice required by this Order Acknowledgment to be served on or given to either party hereto shall be considered sufficiently served or given for all purposes if and when sent by first class United States mail, postage prepaid, addressed to it at its address set forth on the face of this Order Acknowledgment (however, for purpose of any notice to Buyer, the "Bill To" address shall be used).
18. **WAIVER:** The failure of Seller to insist in any one or more instances upon strict performance of any of the terms and conditions herein or to take advantage of any of its rights hereunder, shall not be construed as a waiver of any such terms and conditions or the relinquishment of any such rights, but the same shall continue and remain in full force and effect.
19. **SEVERABILITY:** The invalidity or unenforceability of any one or more phrases, sentences, clauses or sections contained in this Order Acknowledgment shall not affect the validity or enforceability of the remaining portions of this Order Acknowledgment or any part thereof.
20. **ATTORNEY'S FEE:** In the event that Seller brings suit or other legal action to enforce the terms of this Order Acknowledgment, it is entitled to recover reasonable attorney's fees, costs and expenses incurred therein.
21. **CANCELLATION:** Buyer may not in any event cancel this order for any delays in delivery without giving at least ten (10) days prior written notice to Seller of Buyer's intention to do so, and in no event after goods have been manufactured.
22. **TRADE CUSTOMS:** Seller's trade customs are incorporated herein by reference and made a part of these conditions of sale.
23. **CONSENT TO JURISDICTION AND WAIVER OF JURY TRIAL:** BUYER HEREBY CONSENTS AND SUBMITS TO THE JURISDICTION OF THE SUPERIOR COURT OF THE STATE OF CONNECTICUT AND THE UNITED S DISTRICT COURT FOR THE DISTRICT OF CONNECTICUT FOR THE PURPOSES OF ANY SUIT, ACTION OR OTHER PROCEEDING ARISING OUT OF ITS OBLIGATIONS HEREUNDER, AND EXPRESSLY WAIVES ANY OBJECTIONS THAT IT MAY HAVE TO THE VENUE OF SUCH COURTS. BUYER HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION BROUGHT ON OR WITH RESPECT TO THIS CONTRACT
24. **WAIVER OF NOTICE OF PREJUDGMENT REMEDY:** BUYER, WITH FULL KNOWLEDGE AND UNDERSTANGING OF ITS RIGHTS PURSUANT TO CHAPTER903a OF THE CONNECTICUT GENERAL STATUTES (AND AN SUCCESSOR CHAPTER OR PROVISION), AS NOW CONSTITUTED OR HEREAFTER AMENDED, HEREBY FREELY AND VOLUNTARILY WAIVES ITS RIGHT TO NOTICE AND A HEARING PRIOR TO THE ISSUANCE OF PREJUDGMENT REMEDY IN ANY ACTION COMMENCED BY OR ON BEHALF OF SELLER. BUYER AGREES THAT SELLER MAY INVOKE ANY PREJUDGMENT REMEDY AVAILABLE TO IT, OR ITS SUCCESSORS OR AS AGAINST BUYER, INCLUDING, BUT NOT LIMITED TO, GARNISHMENT, ATTACHMENT, FOREIGN ATTACHMENT AND REPLEVIN, WITHOUT NOTICE TO BUYER AND WITHOUT A HEARING. BUYER HEREBY ACKNOWLEDGES AND AGREES THAT THIS PURCHASE CONSTITUTES A "COMMERCIAL TRANSACTION" WITHIN THE MEANING AND FOR PURPOSES OF CONNECTICUT GENERAL STATUTES SECTION52-278a E