

Terms and Conditions of Sale

THESE TERMS AND CONDITIONS OF SALE ("TERMS") APPLY TO ALL SALES OF "PRODUCTS" REFERENCED BELOW BY THE RESPECTIVE "SELLER" TO ITS CUSTOMER ("BUYER"):

PRODUCTS	SELLER
CONTAINERBOARD AND KRAFT PULP	GEORGIA-PACIFIC CONTAINERBOARD LLC GEORGIA-PACIFIC TRADING (SHANGHAI) CO. LTD.
KRAFT PAPER AND KRAFT PULP	GEORGIA-PACIFIC KRAFT LLC
BLEACHED BOARD AND KRAFT PULP	GEORGIA-PACIFIC BLEACHED BOARD LLC
CORRUGATED BOXES AND SHEETS	GEORGIA-PACIFIC CORRUGATED LLC GEORGIA-PACIFIC CORRUGATED III LLC AND GP CORRUGATED LLC

- 1. <u>PURCHASE AND SALE OF PRODUCTS: TERMS</u>. Buyer may submit to Seller purchase-related documentation ("Order(s)") which include the details of Products requested by Buyer (e.g., type, grade, quantities, delivery and pricing terms). Such Orders shall be subject to these Terms, as modified by Seller's acceptance documentation for the applicable Order or by other written agreement between the parties. Seller may substitute Products, in its sole discretion, with third party products of like quality. Nothing in these Terms shall require Seller to continue to produce any specific grade, type, or basis weight of Products The current version of the Terms supersedes all prior versions upon posting to Seller's "Website" at www.gppackaging.com/terms and conditions. Seller reserves the right to change the Terms at any time without notice, provided that the Terms applicable to an Order shall be those posted on Seller's Website as of the date such Order is submitted to Seller. Unless expressly agreed by the Seller is Seller's acceptance documentation or otherwise in writing, these Terms shall govern any written supply agreements between the parties with respect to the sale of Products and all Orders submitted by Buyer, and any additional or conflicting provisions contained in, attached to or referenced by Buyer's Order, shall have no effect on the purchase of any Products by Buyer from Seller and are expressly rejected by Seller.
- 2. PRICING; PAYMENT TERMS. Unless otherwise agreed by the parties in writing, prices shall:
 - 2.1. be the Seller's prevailing prices in effect at the time of shipment,
 - 2.2. apply to one Order and one billing, and
 - 2.3. be exclusive of taxes, customs duties, charges for transportation, handling, storage, insurance and other similar charges. Any and all current or future tax or other governmental charge applicable to the sale, delivery, shipment or storage of the Products that Seller is required to pay or permitted to collect shall be added to the price, and shall not be subject to any reduction.
- 3. <u>DELIVERY: TITLE AND RISK OF LOSS</u>. All shipping dates are approximate and not guaranteed. Seller reserves the right to make partial shipments. Notwithstanding anything to the contrary in these Terms, Seller may refuse to load/unload, transfer or handle any Products under any conditions that it deems, in its sole discretion, unsafe, including (without limitation) conditions caused by drivers, personnel, equipment, procedures or weather conditions. Unless otherwise agreed by the parties in writing, title and risk of loss/damage shall transfer to Buyer upon the loading of the Products on the common carrier at Seller's facility.
- 4. <u>LIMITED WARRANTY</u>. Seller warrants that Seller has good title to the Products and that Products will conform to Seller's then current specifications at the time of production. EXCEPT AS PROVIDED IN THIS SECTION, SELLER DISCLAIMS ANY AND ALL OTHER WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING (WITHOUT LIMITATION) WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT OR ANY TRADE USAGE OR DEALING. ALL TECHNICAL ADVICE AND SERVICES PROVIDED BY SELLER AND ITS AFFILIATES ARE PROVIDED "AS IS" AND ARE ACCEPTED BY BUYER AT ITS OWN RISK, AND SELLER SHALL HAVE NO LIABILITY FOR RESULTS OBTAINED OR DAMAGES INCURRED FROM THEIR USE.
- 5. <u>INSPECTION AND CLAIMS PROCEDURE</u>. Buyer shall inspect the Products, at its sole cost and expense, for compliance with specifications and for in transit loss or damage. If the Products are found to be deficient, defective or short in quantity, Buyer shall notify Seller in writing and shall follow Seller's claims procedures posted at <u>www.gppackaging.com/Claims</u> or otherwise instructed by Seller.
- 6. <u>EXCLUSIVE REMEDY</u>. Buyer's exclusive remedy for any cause of action arising out of Buyer's purchase of Products from Seller shall be limited, at Seller's option, to: (a) replacement of the nonconforming portion of the Products, or (b) refund of the portion of the purchase price attributable to such nonconforming Products. Any residual value in such Products shall be the property of Seller. THE FOREGOING SHALL BE BUYER'S EXCLUSIVE REMEDY FOR ANY CLAIMS AGAINST SELLER RELATED TO THE SALE OF PRODUCTS UNDER ANY THEORY, INCLUDING (WITHOUT LIMITATION) PERFORMANCE, WARRANTY, QUANTITY, PRICE, IN TRANSIT LOSS OR DAMAGE. FAILURE BY BUYER TO FOLLOW SELLER'S CLAIMS PROCEDURES IN ANY RESPECT SHALL CONSTITUTE AN UNQUALIFIED ACCEPTANCE OF THE PRODUCTS AND A WAIVER BY BUYER OF ALL CLAIMS.
- 7. <u>LIMITATION OF LIABILITY</u>. IN NO EVENT SHALL SELLER BE LIABLE TO BUYER FOR ANY INDIRECT, CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES, INCLUDING (WITHOUT LIMITATION) LOST PROFITS, LOSS OF PRODUCTION, BUSINESS INTERRUPTION OR GOODWILL. SELLER'S TOTAL LIABILITY TO BUYER SHALL BE LIMITED TO THE LESSER OF: (A) DIRECT DAMAGES PROVEN BY BUYER; OR (B) THE AMOUNT PAID BY BUYER TO SELLER FOR THE SPECIFIC PRODUCTS GIVING RISE TO THE CAUSE OF ACTION. THE FOREGOING LIMITATION SHALL APPLY, TO THE EXTENT PERMITTED BY APPLICABLE LAW, TO ALL CAUSES OF ACTION AND CLAIMS INCLUDING (WITHOUT LIMITATION) BREACH OF CONTRACT, WARRANTY, INFRINGEMENT, NEGLIGENCE, STRICT LIABILITY AND OTHER TORTS. WITHOUT LIMITING THE APPLICABILITY OF THE FOREGOING, SELLER SHALL NOT BE LIABLE FOR ANY DAMAGES THAT COULD HAVE BEEN AVOIDED BY BUYER'S USE OF REASONABLE DILIGENCE.
- 8. <u>BUYER'S DEFAULT</u>. If: (a) Buyer fails to make any payment when due; (b) Seller determines, in its sole discretion, that the credit of Buyer or of any person or entity providing credit support for Buyer's obligations hereunder is or becomes impaired, or there is any reason to doubt the enforceability or sufficiency of any document supporting Buyer's obligations to Seller; or (c) Buyer breaches any other material provision of these Terms, then Seller may, immediately upon notice, in its sole discretion and without liability:
 - 8.1. declare immediately due and payable any amounts owed by Buyer,
 - 8.2. set-off against any amount that Seller and/or its affiliates owes to Buyer and/or its affiliates under any agreement between such parties,
 - 8.3. cancel any Orders then pending,
 - 8.4. suspend further production, shipment and delivery to Buyer of any Order, and/or
 - 8.5. pursue any other rights or remedies to which Seller may be entitled at law or in equity.

If Buyer fails to make any payment when due, then, in addition to the remedies set forth above, such unpaid amount shall bear interest at the rate equal to the lesser of one and one half percent (1.5%) per month compounded monthly (19.6% per annum) or the highest rate permitted by applicable law, from the date on which it is due until it is paid in full. Buyer shall be liable for all expenses related to collection of past due amounts, including attorneys' fees. Additionally, Seller makes no assurance or guarantee on any amount or continuation of credit, and Seller may at any time, and for any reason, amend, decrease, or terminate any credit provided to Buyer.

9. EXCUSE OF PERFORMANCE. Any delay in or failure of performance by Seller shall not be deemed a breach by Seller if and to the extent such performance is prevented or delayed due to insufficient production capacity or events beyond the Seller's reasonable control, including (without limitation) compliance with law or government authority, military action, terrorism, riots, civil disorders, fires, severe weather conditions, accidents, labor strikes, lockouts and shortages, computer system failures, loss of electronic data, unavailability of materials, fuel products or components, facility shutdowns, any necessity to not operate or reduce operation of equipment for the safety of people or protection of the environment, or delays in transportation. Seller's obligations shall be suspended, without liability, for so long as such event continues. Seller may allocate and distribute Products among its customers and affiliates in such proportion as Seller determines in its sole discretion. Under



no circumstances will Seller be obligated to ship Products from alternate facilities or obtain goods for delivery other than from its designated sources of supply, or if none is so designated by Seller, from its usual, customary and/or most recent sources of supply. If Seller elects to shut down or sell assets that Seller uses to manufacture Products, and Seller deems it economically unattractive to manufacture and deliver Products from an alternative location, then Seller may, in its sole discretion, stop supplying such Products to Buyer by providing sixty (60) days prior written notice of Seller's intent. Seller shall continue to supply Products to Buyer in accordance with the terms of the parties' agreement during such notice period.

- 10. COMPLIANCE WITH LAWS.
 - 10.1. Each party will comply, and will cause any person or entity acting on its behalf to comply, with all applicable legal, governmental and regulatory requirements, including but not limited to export, import, tax, money laundering, anti-boycott, anti-money laundering, and anti-corruption laws (including, without limitation, the U.S. Foreign Corrupt Practices Act and the anti-bribery laws of any country in or through which the Products are sold, purchased, marketed, delivered or transported (collectively, "Laws"). Each party represents and warrants that it has not and will not: (a) use any funds for any unlawful contribution, gift, entertainment or other expense relating to political activity or to influence of the unlawful payment; and has instituted and maintains policies and procedures designed to ensure compliance therewith. Buyer will notify Seller promptly if a current or former government official: (i) has or will have any direct or indirect ownership interest in Buyer, (ii) exercises control over Buyer, or (iii) is employed by Buyer.
 - 10.2. Except as permitted by applicable Laws, Buyer will not export or re-export Products outside the U.S., directly or indirectly, to any party or destination that is declared an embargoed/restricted party or destination by the U.S. government or by the United Nations. Further, if Products are transferred by Buyer outside the U.S., Buyer shall: (a) be responsible for determining U.S. export control classification and licensing requirements and obtaining any required licenses, (b) ensure that the Products comply with the Laws of the country of destination, including any health, safety, registration, environmental or other requirements, and (c) upon Seller's request, provide documentation sufficient to verify the final destination of Products.
 - 10.3. To the extent applicable, Buyer will comply with the employee notice requirements set forth in 29 CFR Part 471, Appendix A to Subpart A and any applicable equal opportunity laws, including 41 CFR § 60-1.4(a) (1) (7), 41 CFR § 60-741.5(a), 41 CFR § 60-250.5 and 41 CFR § 60300.5.
 - 10.4. Buyer will notify Seller promptly if: (a) a violation of any Laws occurs with respect to the Products, (b) Buyer receives any notice, demand, summons or complaint from any governmental or regulatory authority, agency or other body relating to the Products, and/or (c) Buyer or any officer, owner or principal of Buyer is suspended from doing business, charged with or convicted of being engaged in fraud, bribery, misrepresentation or any criminal act affecting the Products or Buyer's relationship with Seller.
- 11. <u>DISTRIBUTION</u>. Buyer shall indemnify, defend and hold harmless Seller, its affiliates, subsidiaries, subcontractors and their respective officers, directors, members, employees, representatives and agents (collectively, the "Indemnitees") from and against, any and all claims, suits, damages, losses, liabilities, costs and expenses, including court costs and attorneys' fees ("Claims") arising out of or relating to Buyer's handling, use, processing, alteration, distribution, sale or marketing of the Products after delivery thereof by Seller. To the extent permitted by applicable Laws, Buyer may resell Products to its customers and Seller's warranty shall be extended in connection with such resale of Products; provided, however, that Buyer shall not in any way alter the Products, nor extend any warranty or representation regarding the Products other than Seller's warranty as set forth in these Terms. Any warranty given with respect to Products that have been altered without Seller's prior authorization or any such additional warranty or representation shall be void. Buyer shall not appoint or use any sub-distributor, agent or other person or entity to distribute Seller's Products without Seller's prior written consent.
- 12. <u>INTELLECTUAL PROPERTY</u>. If Buyer provides to Seller or requests Seller to make Products using any trademarks, service marks, logos and/or functional or aesthetic designs ("IP Asset"), then Buyer represents and warrants that it either owns or has the license rights to reproduce such IP Asset in connection with the Products. Buyer agrees to defend, indemnify and hold harmless Indemnitees against any Claims incurred by Indemnitees for alleged infringement or misappropriation of a third party's intellectual property right based on the IP Asset.
- 13. <u>GOVERNMENT CONTRACTS</u>. Unless otherwise agreed by Seller in writing, Seller does not accept government contract or grant related clauses or requirements through flow down, incorporation by reference or otherwise, including pricing and domestic preference requirements and makes no representations or certifications regarding compliance with any such government requirements, regulations or statutes.
- 14. <u>CONFIDENTIALITY</u>. "Confidential Information" includes (without limitation) the pricing, terms, specifications, force majeure allocations and other technical, business and sales information provided in connection with the purchase and sale of the Products. Except as permitted by the disclosing party in writing, the recipient shall: (a) use no less than reasonable care to protect the Confidential Information from disclosure; (b) use the disclosing party's Confidential Information only for the purpose of performing its obligations hereunder, and (c) limit disclosure of Confidential Information received for three (3) years after disclosure, provided that such obligations shall apply to all Confidential Information received for three (3) years after disclosure, provided that such obligations shall not apply to information that the recipient can demonstrate: (i) was rightfully in its possession prior to initial disclosure by the disclosing party; (ii) is or later becomes part of the public domain through no act or omission of the recipient in violation of this provision; (iii) was obtained by the recipient from a third party who had a bona fide right to disclose such information; or (iv) was independently developed by the recipient without use of or resort to the Confidential Information. Upon request, the recipient promptly shall return all Confidential Information previously supplied by the disclosing party, destroy any and all copies and provide written confirmation certifying such destruction.
- 15. <u>DISPUTE RESOLUTION AND GOVERNING LAW</u>. The parties will attempt in good faith to resolve any controversy or dispute arising out of, relating to or in connection with the sale of Products (including any question regarding existence validity or termination of a contract and any controversy or claim sounding in tort) promptly. Within ten (10) business days after delivery of the disputing party's notice, the parties shall meet at a mutually acceptable time and place to attempt to resolve the dispute through their respective executive level representatives. If the parties are unable to resolve the dispute, the parties shall submit the matter to non-binding mediation in accordance with the current model procedural rules of the Center for Public Resources Institute for Dispute Resolution. If any of the following events occur: (a) either party refuses to participate in dispute resolution process outlined above, (b) any unresolved issues remain after the conclusion of such mediation, or (c) the passage of sixty (60) days after delivery of disputing party's notice, then either party may initiate litigation in the State of Georgia, USA. These Terms shall be governed by the laws of the State of Georgia, USA, without regard to its conflict of laws principles. The UN Convention on Contracts for the International Sale of Goods, or any subsequently enacted treaty or convention, shall not apply to these Terms.
- 16. <u>RESPONSIBILITIES</u>. In connection with Buyer's purchase of Products pursuant to these Terms: (a) Buyer shall look solely to the respective Seller of the specific Products purchased by Buyer for acts, omissions and obligations of such Seller; (ii) the Sellers listed in these Terms shall not be jointly liable under any circumstances; and (iii) for the purposes of clarity and the avoidance of doubt, there shall be no cross representations, warranties, covenants, obligations or terms and conditions of any kind between the Sellers.
- 17. <u>MISCELLANEOUS</u>. These Terms shall be binding on and inure to the benefit of the respective successors and permitted assigns of the parties; provided, however, that Buyer shall not assign its rights or delegate the performance of its obligations under these Terms without Seller's prior written consent. No waiver of any provisions hereof by either party will be valid unless the same is in writing and signed by such party. The invalidity or unenforceability of any provision of these Terms shall not affect the validity or enforceability of its other provisions. No course of dealing, course of performance or usage of trade shall be considered in the interpretation or enforcement of these Terms. The following Sections shall survive the expiration or termination of any Order or these Terms for any reason: 4-8, 10-12 and 14-17. Except as otherwise expressly agreed by the parties in writing, these Terms shall govern each Order and shall supersede all prior agreements, proposals and discussions between the parties with respect to the purchase and sale of Products. If these Terms are translated into a version other than this English language version, this English language version of these Terms will be the official version of these Terms and these provisions hereof shall control in the event of any inconsistency with the provisions of any translated version.