

Standard Terms of Sale of North Rim Pulp and Paper Inc. ("North Rim")

1. Application of the Terms

The following terms and conditions (the "Terms") shall constitute an integral part of all agreements (each, a "Contract") between North Rim and a Customer (the "Customer") for the order, sale, and delivery of paper, paper board, pulp and chemicals, including raw and auxiliary products for the paper and pulp industry (collectively, the "Goods"). Deviating stipulations, including standard terms typically used by the Customer, even if uncontested, shall only apply upon written consent hereto by North Rim. The acceptance of an order by North Rim shall under no circumstances be deemed acknowledgement or acceptance of deviating stipulations. Any person placing an order on behalf of the Customer shall be deemed to be authorized to accept these Terms and to make reservations hereto for and on behalf of the Customer.

Besides these Terms, (i) the commonly accepted General Trade Rules for Paper and Paper Board or, as the case may be, for Woodpulp, and (ii) the Incoterms indicated on the written order confirmation from North Rim, shall apply to a Contract. Upon request by the Customer North Rim shall make available a copy of those Conditions and Rules.

2. Conclusion of contract

A Contract shall be deemed concluded final and binding on both North Rim and the Customer the issuance of a written order confirmation from North Rim to the Customer. Any information, advice or other particulars disclosed by North Rim in the course of initiating a business relation shall only constitute a non-committal suggestion for the Customer's orientation, without any obligation on the part of North Rim to enter into a particular contract. North Rim only warrants for the accuracy of prices and technical data disclosed in formal and written offers, and such prices are subject to change based on the Terms. If in the offers, order confirmations or other correspondence of North Rim trade terms are used, the interpretation of same, except otherwise agreed upon, shall be made in accordance with the Incoterms 2010 in its prevailing version. The Contract may only be modified by written consent of both parties.

3. Delivery, Packing

Unless otherwise agreed upon, any and all deliveries of the Goods shall be made ex-works of the suppliers of North Rim, not including transport whereby also all risks for detention, loss or damages of the goods shall pass to the Customer. The Customer is responsible for shipment, pick-up, and delivery as set out in the Contract or the Incoterms applicable to the Contract, and (i) North Rim expressly disclaims any liability or damages whatsoever arising from the Customer's non-performance of its obligations; and (ii) the Customer shall fully indemnify North Rim and hold North Rim harmless from any and all claims whatsoever arising from the Customer's non-performance of its obligations.

4. Date of Delivery, Delay

Notwithstanding an agreed delivery date, North Rim may postpone delivery up to four weeks by written notice to the Customer, and the Customer shall not be entitled to raise claims of any kind whatsoever in respect to such postponement. In the event of a postponement of the delivery beyond four weeks, for reasons or grounds other than force majeure, the Customer may terminate the contract upon giving reasonable notice thereof. If the Customer having terminated the contract wishes to enter into a hedge purchase on the Goods, the Customer, otherwise waiving any and all claims in respect of the previously ordered Goods, must allow North Rim to submit an offer for such hedge purchase.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, NORTH RIM SHALL NOT BE LIABLE TO THE CUSTOMER FOR ANY CLAIMS FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, BUSINESS INTERRUPTION, EXEMPLARY OR INDIRECT DAMAGES, OR LOST PROFITS (COLLECTIVELY, "DAMAGES") ARISING FROM THE DELAY OF DELIVERY, WHETHER UNDER STATUTE, IN TORT, CONTRACT OR OTHERWISE. THIS LIMITATION OF LIABILITY INCLUDES CLAIMS FOR DAMAGES CAUSED BY NEGLIGENCE.

5. Force Majeure

In particular the following shall be considered as grounds of force majeure if they occur after the conclusion of the Contract - or when they have occurred before that time, if their effects were not clearly foreseeable before the conclusion of the Contract - and they prevent, hinder or delay the contractual obligations of North Rim:

War; war risk; insurrection; blockade; requisition; embargo; recruiting up of personnel for military service; currency restrictions; export or import prohibitions or restrictions; restrictions in the use of power; labor conflicts; general shortage of labor, transport and materials; water shortage; fire; flood; storm, obstruction of railways; obstruction of navigation by ice or low water at port of dispatch or port of shipment; loss or detention at sea; non-delivery, faulty or delayed delivery by our suppliers of raw material or other commodities for production; any other circumstances beyond the control of North Rim.

In the event of a case of force majeure North Rim may, at its option, either suspend performance under the Contract or immediately or at a later stage cancel the Contract. The Customer may not raise claims of any kind whatsoever against North Rim on the grounds of such suspension or cancellation of the Contract. North Rim shall without delay notify the Customer of the occurrence of a case of force majeure and of its further action in respect to the Contract. In the event of a case of force majeure at the side of a supplier of North Rim, North Rim shall be fully released for its duties of notification towards the Customer by forwarding the notifications received from such supplier.

6. Prices, Costs

All prices shall exclude VAT, if applicable, and, unless otherwise stated, be denominated in USD. Unless otherwise agreed, any and all imports, duties, fees, taxes, freight-and

insurance costs related to the delivery and the transport of the Goods shall exclusively be borne by the Customer.

Should there, after the conclusion of the Contract, occur a substantial increase of the relevant price-determinants, as for instance of the price for raw materials and auxiliary commodities, wages and other social costs, costs of energy taxes and likewise expenses, on the side of North Rim or on that of the suppliers of North Rim, North Rim shall be entitled to adjust the prices accordingly for such deliveries which are to be made later than four weeks after conclusion of the Contract.

7. Payments, Retention of Title

All invoices shall be payable according to the agreed payment terms, else immediately upon receipt of the invoice, free of charge with the bank account of North Rim. In the event payment has been agreed by documentary letter of credit, beside the terms of the order confirmation the "Uniform Rules and Customs for Documentary Letters of Credit", Revision 2007, ICC-Publication no. 600, in the prevailing version shall apply. In the event of delayed payment, without prejudice to further claims, North Rim shall be entitled to charge interest in the amount of 4 points above the prevailing discount rate of the U.S. Federal Reserve Bank or above the rate replacing such interest rate. North Rim shall be entitled to employ a debt collecting office and instruct counsel, the costs thereof being borne by the Customer.

Should the Customer be put under adjudication or any other insolvency proceedings, North Rim may call all its claims immediately due and in addition cancel all Contracts not or not fully completed either in parts or entirely.

Goods delivered shall remain the free property of North Rim until the earlier of full payment for the Contract having been received from the Customer or until the full settlement of the respective claims of North Rim, at which point North Rim will be deemed to assign all rights, title and interest in the Goods to the Customer. Up to the point of such assignment, the Customer shall be entitled to resell the Goods, treated or untreated or as part of other goods, within its regular course of business, but may not pledge or otherwise offer the Goods as a security. The Customer, however, as a security now and therewith transfers to North Rim any and all claims and security rights which he may or may have obtained towards his buyers with respect to such Goods and shall disclose his assignment in his accounts. North Rim accepts this assignment. If the Customer is selling the Goods on credit basis, the Customer shall secure the rights of North Rim in an appropriate way. In the case of delayed payment from the Customer's buyers, the Customer upon the demand of North Rim shall disclose to North Rim such buyers, whereas North Rim shall be entitled to notify the assignment to said buyers. If the Goods are processed or combined, then the property rights of North Rim in such processed or combined goods shall be deemed to be proportional to the invoicing value of the Goods in relation to the invoiced value of such processed or combined goods.

Unless otherwise agreed, the Customer may neither withhold payments on grounds of warranties or any claims whatsoever, nor request a retainer or compensate such claims with debts towards North Rim.

8. Warranties

North Rim warrants for a period of six months, commencing as of the date the risk of the Goods passes to the Customer in accordance with Clause 3, that the Goods shall be of the type and quantity set forth in the specifications of the Contract. It shall be the responsibility of the Customer to check the Goods immediately upon delivery and to notify North Rim of any defects in respect to type or quantity, which the Customer discovered, or which may reasonably be discovered: such notifications must comprise a detailed description of the defects. The Customer may neither process nor otherwise dispose of the Goods reported defective unless he has received written permission from North Rim to do so. Defects, which could not have been reasonably discovered at delivery, must be notified to North Rim immediately upon discovery, but no later than by the end of the term of warranty, observing the above principles of notification. Failure to inspect the Goods or notify North Rim of any defects as set forth above shall exonerate North Rim from any warranty in respect to any defects that were discoverable upon proper inspection and notice. The warranty from North Rim shall be limited to the replacement of incorrect goods or delivery of missing goods. The Customer shall not be entitled to rescind the Contract or request a price reduction.

EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT OR IN THE CONTRACT, TO THE MAXIMUM EXTENT PERMITTED BY LAW, NORTH RIM HEREBY SPECIFICALLY DISCLAIMS ANY AND ALL REPRESENTATIONS AND WARRANTIES WHATSOEVER, WHETHER EXPRESS, IMPLIED OR STATUTORY, IN CONNECTION WITH THE SUBJECT MATTER OF THIS AGREEMENT, INCLUDING ANY AND ALL REPRESENTATIONS AND WARRANTIES REGARDING MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE LIMITATION OF WARRANTIES SHALL APPLY FOR GOODS AS WELL AS FOR PACKING.

9. Liability.

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NORTH RIM SHALL NOT BE LIABLE FOR ANY DIRECT OR INDIRECT DAMAGES TO PERSONS, EQUIPMENT, OR OTHER PROPERTY, OR FOR ANY DIRECT OR INDIRECT DAMAGES RELATED TO THE FOREGOING INCLUDING BUT NOT LIMITED TO DAMAGES CAUSED BY THE INTERRUPTION OF PRODUCTION, WHETHER CAUSED BY DEFECTIVE GOODS, PACKING, NEGLIGENCE OR OTHERWISE. THE CUSTOMER AGREES TO THIS LIMITATION OF LIABILITY. IN NO EVENT, SHALL THE AGGREGATE LIABILITY FOR NORTH RIM FOR ALL CLAIMS ARISING OUT OF OR IN ANY WAY CONNECTION TO THE CONTRACT OR THE FULFILMENT OR INTENDED FULFILMENT OF ANY OF THE OBLIGATIONS UNDER THE CONTRACT EXCEED THE PURCHASE PRICE ACTUALLY PAID FROM THE CUSTOMER TO NORTH RIM UNDER SUCH CONTRACT.

10. Place of Delivery, Applicable Law, Arbitration

Any and all present and future obligations related to contracts with the Customer shall be fulfilled at the place of business of North Rim in Vancouver / Canada, where all court proceedings shall be instituted. All contracts with the Customer, including all claims arising in connection herewith, shall exclusively be governed by, and construed in accordance with, the law of the province of British Columbia, and the laws of Canada applicable therein. The rules of the United Nations Treaty on the International Purchase of Goods shall not apply. All disputes arising in connection with the present and future contracts with the Customer shall be referred to the British Columbia Supreme Court, save that North Rim shall be entitled to institute legal proceedings also with the competent courts at any of the Customer's places of business.

At the option of North Rim all disputes arising in connection with the present or future contracts with the Customer shall be finally settled under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with these Rules. The arbitration shall be conducted in English language: the place of arbitration shall be Vancouver.