

**INDEPENDENT PAPERBOARD MARKETING LLC  
STANDARD TERMS AND CONDITIONS**

1. **ORDER ACKNOWLEDGMENT** – Buyer agrees to pay Seller for the goods referenced in Seller's Sales Order according to Seller's applicable prices. Assent by Buyer to the terms and conditions of sales appearing herein shall be conclusively presumed if Independent Paperboard Marketing llc (Seller) does not receive from Buyer written objection to said terms and conditions within ten (10) days from the date of receipt of Seller's Sales Order, or prior to the date of manufacture, if earlier. Seller's terms and conditions of sales appearing herein supersede any conflicting terms or conditions contained in or incorporated by reference into Buyer's purchase order.

2. **FINANCE CHARGES** Independent Paperboard Marketing llc reserves the right to assess finance charges on overdue accounts at the rate stated on Seller's Invoice or at the maximum amount permitted by law, whichever is less. Payments shall be in US currency.

3. **CANCELLATION/MODIFICATION OF ORDER** –Buyer agrees to take and pay for all conforming goods according to the terms of this Agreement unless Buyer gives written objection to such terms within ten (10) days of receipt of Seller's Order Acknowledgement or prior to the date of manufacture, if earlier. Buyer shall not cancel this Agreement nor change specifications without Seller's prior written consent. Quantities and sizes stated in Seller's Order Acknowledgment have been entered with Seller's supplying mill, for acceptance by the mill, as covering Buyer's order. Unless Seller is notified of any correction desired within ten (10) days of Buyer's receipt of Seller's Order Acknowledgment or prior to the date of manufacture, if earlier, orders are considered final as herein stated.

4. **CONFORMITY OF GOODS** – Seller warrants that the goods sold hereunder shall conform to the specifications stated in Seller's Order of Acknowledgment or Invoice.

5. **SELLER'S WARRANTIES** – SELLAR MAKES NO WARRANTY AS TO THE GOODS DESCRIBED HEREIN AND EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES WHETHER EXPRESSED, IMPLIED OR STATUTORY, INCLUDING THE WARRANTY OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

6. **PRESENTING CLAIMS/LIABILITY OF SELLER** – All claims for shortages or apparent defects in quality shall be deemed waived unless presented in writing to the office of the Seller within fifteen (15) days after Buyer's receipt of goods. In no event will any claim entitle Buyer to relief if such claim is made after the goods have been used, processed or transferred by Buyer. Defective goods shall be held at Buyer's expense for Seller's inspection. Seller reserves the right to remedy defects by repair, replacement, or refund of the price paid for defective goods which are the subject of proper notice. It shall be the Buyer's responsibility to pursue claims against the carrier when goods have been damaged or lost in transit. Under no circumstances shall Buyer cancel this Agreement as a result of delivery of defective goods; nor shall Seller in any event be liable for the cost of any labor or machine time expended on any such goods or for any special, direct, indirect, incidental, or consequential damages, loss, or expense to anyone arising out of any defect, shortage, or delay, or any breach of warranty; nor shall Seller's liability under any circumstances, including Seller's negligence, exceed the price of the defective goods. If this order is for paper products sold in rolls, it is understood and agreed that the outer ten (10) plies of each roll constitute the packaging of the product and are not subject to damage claims. No agent or employee of the Seller shall have authority to alter or waive any of the provisions of this clause.

7. **OVERRUNS AND UNDERRUNS** – An overrun or underrun of up to ten percent (10%) will constitute fulfillment of any order accepted hereunder, unless otherwise agreed in writing.

8. **DELIVERY, RISK, TITLE, AND DELAY** – The goods referenced in Seller's Order Acknowledgment shall be delivered to Buyer's facility referenced in Seller's Order Acknowledgment. Title to such goods shall pass to Buyer upon shipment from mill unless otherwise agreed. Seller's delay or failure to manufacture or deliver goods according to the terms hereof shall not constitute default not shall it subject Seller to any liability whatsoever if such delay or failure resulted directly or indirectly from causes reasonably beyond Seller's control including but not limited to acts of God, fire, flood, war, government action, strike or labor trouble, equipment failure, shortage, or inability to obtain materials, fuel, equipment, labor, or transportation.

9. **DISCHARGE OF CLAIM OR RIGHTS** – No claim or right arising out of breach by Buyer of any or all of the terms and conditions of sale appearing herein may be discharged in whole or in part by a waiver, renunciation or failure to enforce any such claim or right unless Seller expressly consents thereto in a separate writing supported by consideration.

10. **SERVICES BY THIRD PARTIES** – The Seller is authorized to select and engage carriers, truckmen, lightermen, forwarders, customhouse brokers, agents, warehousemen and others, as required, to transport, store, deal with, and deliver the goods, all of whom shall be considered as the agents of the Buyer, and the goods may be entrusted to such agents subject to all conditions as to limitations of liability for loss, damage, expenses or delay and to all rules, regulations, requirements, and conditions, whether printed, written or stamped, appearing in bills of lading, receipts or tariffs issued by such carriers, truckmen, lightermen, forwarders, customhouse brokers, agents, warehousemen and others. The Seller shall under no circumstances be liable

for any loss, damage, expense or delay to the goods for any reason whatsoever when said goods are in custody, possession or control of third parties selected by the Seller to forward, enter and clear, transport or render other services with respect to such goods. Buyer shall indemnify, defend, and hold Seller harmless from and against all liability, cost and expense for claims and actions of any kind by any third party for injury, alleged injury, death, property damage or alleged property damage arising out of or in any way connected with the use, possession, or transfer of the goods manufactured and delivered hereunder.

11. **TAXES** – Any existing or future tax imposed in respect of this Agreement or the manufacture, sale, delivery, transportation, or storage of the goods (other than usual income taxes imposed upon Seller), shall be paid by Buyer, or Buyer shall reimburse Seller therefore if paid or required to be paid by Seller.

12. **DEFAULT OF BUYER** – Buyer shall be in default if: (a) Buyer shall fail to pay or cause to be paid any amount required to be paid hereunder and such failure shall continue for five (5) days after notice from Seller; (b) any petition shall be filed by or against Buyer in any court, whether or not pursuant to any statute of the United States or of any state or country in any bankruptcy, reorganization, composition, or extension and if such proceeding is not dismissed within thirty (30) days after institution; (c) Buyer is unable to pay its debts as they fall due; (d) any representation made by Buyer to Seller is false or misleading; or (e) Buyer fails to perform or observe any other requirement of the Agreement and such failure shall continue for thirty (30) days after notice from Seller. In the Event of Buyer's default Seller may, at its own discretion, initiate measures incidental to collection, at the sole expense of Buyer.

13. **FINANCIAL CONDITION OF BUYER** – Buyer represents that it is solvent as of the date hereof and that it is currently able to pay its debts as they come due. If at any time Buyer's financial responsibility shall become impaired or unsatisfactory to Seller in its sole discretion, satisfactory security shall be given by Buyer on demand by Seller; if Buyer shall fail to comply with this demand, Seller shall have the right to demand cash payment before proceeding further with the performance of this contract. If Buyer shall fail to make such cash payment, Seller shall have the right to decline and refuse to proceed any further with the performance of this Agreement, and/or to make further shipments or deliveries. Nothing contained in this paragraph shall affect or limit the obligation of Buyer to accept and pay for the merchandise herein contracted for.

14. **GOVERNMENTAL REQUIREMENTS** – All orders are booked subject to the approval of the authorities in the country of manufacture and/or sale. It is explicitly understood and agreed that Seller has the option to cancel the quantities ordered in full or partially if the government in the country of production and/or sale should impose any new tax of any kind whatsoever appertaining to the production, export, and/or import, if Buyer refuses to compensate the Seller for such taxes. The Seller shall not be responsible for actions taken or fines or penalties assessed by any governmental agency against the shipment because of the failure of the Buyer to comply with the law or the requirements of regulations of any governmental agency or with a notification issued to the Buyer by any agency.

15. **ENTIRE AGREEMENT** – This Agreement constitutes the entire agreement between the parties relating to this transaction, and any course of prior dealings, promise or condition in connection therewith or usage of trade not incorporated herein shall not be binding upon either party. No waiver, alteration or modification of any of the provisions hereof shall be binding unless made in writing by a specifically authorized representative of the Seller in accordance with the terms hereof.

16. **CONSTRUCTION OF TERMS** – This Agreement shall be governed and construed in all respects in accordance with the laws of the state of Texas, USA applicable to contracts made and performed in the state of Texas, USA. Any provision or provisions found to be invalid shall be deemed inoperative without invalidating or otherwise affecting any other provisions of this Agreement. Any action brought by either party hereto shall be brought in the state or federal courts located in the State of Texas USA, which courts shall have exclusive jurisdiction for all matters arising in connection with this Agreement.