

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS  
ARRANGEMENT ACT*, R.S.C. 1985, c.C-36 AS AMENDED

AND IN THE MATTER OF A PROPOSED PLAN OF  
COMPROMISE OR ARRANGEMENT WITH RESPECT TO  
**FRASER PAPERS INC.**, FPS CANADA INC., FRASER  
PAPERS HOLDINGS INC., FRASER TIMBER LTD., FRASER  
PAPERS LIMITED and FRASER N.H. LLC

Applicants

**AFFIDAVIT OF LARRY ELLIS**  
(Sworn April 6, 2010)

April 6, 2010

**ThorntonGroutFinnigan LLP**  
Barristers and Solicitors  
100 Wellington Street West  
Suite 3200  
Toronto, Ontario  
M5K 1K7

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Lawyers for the Applicants.

Court File No.: CV-09-8241-00CL

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SUPERIOR COURT OF JUSTICE  
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IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c.C-36 AS AMENDED

AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE  
OR ARRANGEMENT WITH RESPECT TO FRASER PAPERS INC.,  
FPS CANADA INC., FRASER PAPERS HOLDINGS INC., FRASER  
TIMBER LTD., FRASER PAPERS LIMITED and FRASER N.H. LLC

Applicants

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**IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c.C-36 AS AMENDED**

**AND IN THE MATTER OF A PROPOSED PLAN OF  
COMPROMISE OR ARRANGEMENT WITH RESPECT TO  
FRASER PAPERS INC., FPS CANADA INC., FRASER PAPERS  
HOLDINGS INC., FRASER TIMBER LTD., FRASER PAPERS  
LIMITED and FRASER N.H. LLC**

Applicants

**AFFIDAVIT OF LARRY ELLIS**  
*(Sworn April 6, 2010)*

**I, Larry Ellis, of the City of Markham, in the Province of Ontario, MAKE OATH AND  
SAY AS FOLLOWS:**

1. I am a solicitor with ThorntonGroutFinnigan LLP, and as such I have personal knowledge of the matters to which I herein depose. Where the source of my information or belief is other than my own personal knowledge, I have identified the source and the basis for my information and I believe it to be true.

2. At paragraph 74 of Peter Gordon's Affidavit, sworn March 30, 2010 (the "Gordon Affidavit"), Mr. Gordon identifies a number of Ancillary Agreements (as defined in the Gordon Affidavit) to be executed on Closing (as defined in the Gordon Affidavit) of the transaction. Certain have been made to those draft Ancillary Agreements since the time the Gordon Affidavit was filed with the Court. Annexed hereto and marked by the relevant exhibit letter are copies of

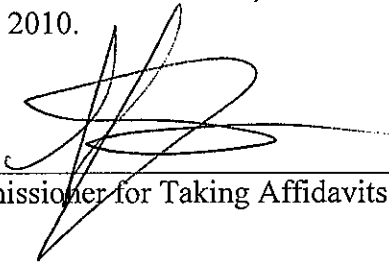
the Ancillary Agreements that black line all changes made to the Ancillary Agreement originally annexed in the Gordon Affidavit:

- (a) annexed hereto and marked as Exhibit “A” is a black line copy of the Non-Competition Agreement (as presented in the Gordon Affidavit at paragraph 74(a));
- (b) annexed hereto and marked as Exhibit “B” is a black line copy of the Custom Production Agreement (as presented in the Gordon Affidavit at paragraph 74(b));
- (c) annexed hereto and marked as Exhibit “C” is a black line copy of the Sales Agency Agreement (as presented in the Gordon Affidavit at paragraph 74(c));
- (d) annexed hereto and marked as Exhibit “D” is a black line copy of the Transitional Services Agreement between the Canadian Purchaser (as defined in the Gordon Affidavit) and Fraser Papers Inc. (as presented in the Gordon Affidavit at paragraph 74(d));
- (e) annexed hereto and marked as Exhibit “E” is a black line copy of the Transitional Services Agreement between the U.S. Purchaser (as defined in the Gordon Affidavit) and Fraser N.H. LLC (as presented in the Gordon Affidavit at paragraph 74(e)); and
- (f) annexed hereto and marked as Exhibit “F” is a black line copy of the Transitional Services Agreement between the U.S. Purchaser (as defined in the Gordon Affidavit) and Fraser Timber Limited (as presented in the Gordon Affidavit at paragraph 74(f)).

3. At paragraph 62 of the Gordon Affidavit Mr. Gordon identifies the Second Amendment (as defined in the Gordon Affidavit) to be finalized and executed on Closing of the transaction. Certain additional changes have been made to the draft Second Amendment since the time the Gordon Affidavit was filed with the Court. Annexed hereto and marked as Exhibit "G" is an updated copy of the Second Amendment, together with certain schedules not previously completed or that have been revised. The version attached as Exhibit "G" to this Affidavit is black lined to reflect changes made (including changes to schedules to the Second Amendment) to the version of the Second Amendment filed in the Gordon Affidavit.

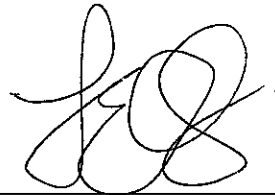
4. In addition to the revised Ancillary Agreements Twin Rivers, FPS Canada, Inc., and Fraser Papers Inc. have agreed to enter into an "Environmental Services Agreement". Pursuant to the terms of the Environmental Services Agreement Fraser Papers Inc. has agreed to assist Twin Rivers with the implementation of certain capital projects that allow Twin Rivers to qualify for public funding from Natural Resources Canada. Attached hereto as Exhibit "H" is a copy of the Environmental Services Agreement.

SWORN before me at the City of **Toronto**,  
in the Province of Ontario, this **6<sup>th</sup>** day of  
**April**, 2010.



---

Commissioner for Taking Affidavits



---

LARRY ELLIS

Gloria Kalkounis, a Commissioner, etc.,  
City of Toronto, for ThorntonGroatFinnigan LLP,  
Barristers and Solicitors.  
Expires August 27, 2010.

**TAB "A"**

**NON-COMPETITION AGREEMENT**

**THIS AGREEMENT** is made as of \_\_\_\_\_ **April** \_\_\_\_\_, 2010.

**BETWEEN:**

**FRASER PAPERS INC.**, a corporation incorporated under the laws of Canada, **FRASER PAPERS LIMITED**, a corporation incorporated under the laws of the State of Maine, **FPS CANADA INC.**, a corporation incorporated under the laws of Canada, **FRASER PAPERS HOLDINGS INC.**, a corporation incorporated under the laws of the State of Delaware, **FRASER TIMBER LIMITED**, a corporation incorporated under the laws of the State of Maine and **FRASER N.H. LLC**, a limited liability company formed under the laws of the State of Delaware (collectively, the "**Vendors**")

- and -

**TWIN RIVERS PAPER COMPANY INC.**, a corporation incorporated under the laws of the Province of Ontario (the "**Canadian Purchaser**") or its designate(s), and **TWIN RIVERS PAPER COMPANY LLC**, a limited liability company formed under the laws of the State of Delaware (the "**U.S. Purchaser**", together with the Canadian Purchaser, "**Newco**")

**WHEREAS**, pursuant to the terms of the Asset Purchase Agreement, Brookfield agreed to purchase from the Vendors assets pertaining to the Edmundston Mill, the Madawaska Mill, the Juniper Mill and the Plaster Rock Mill (as those terms are defined in the Asset Purchase Agreement) as more fully described in the Asset Purchase Agreement;

**AND WHEREAS**, Brookfield has designated the Canadian Purchaser as the purchaser of the assets pertaining to the ~~Edmundson~~ **Edmundston** Mill, the Juniper Mill and the Plaster Rock Mill and the U.S. Purchaser as the purchaser of the assets pertaining to the Madawaska Mill;

**AND WHEREAS**, as a condition to the completion of the sale and purchase pursuant to the Asset Purchase Agreement, the Vendors agreed to execute and deliver this Agreement;

NOW THEREFORE, in consideration of the covenants and agreements herein contained, and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties agree as follows:

**Interpretation**

1. Definitions: In this Agreement:

“Affiliate” means, with respect to any Person, any other Person which controls, is controlled by or is under common control with, directly or indirectly, such Person, and, for purposes of this definition, “control” means, from time to time (a) the right to exercise more than fifty percent (50%) of the votes exercisable for the election of the directors of a Person (or Persons performing similar functions); and (b) in the case of a limited partnership, control of each of such limited partnership’s general partners; and (c) in the case of a partnership other than a limited partnership, the right to exercise more than fifty percent (50%) of the votes exercisable at any meeting of partners of that partnership; and (d) in the case of any Person, the right to (1) exercise a majority of the voting rights in respect of that Person, (2) otherwise control that Person by virtue of provisions contained in its constitutional documents, or (3) manage all or substantially all of the assets of that Person pursuant to any contract or arrangement; and “Controlled” has a corresponding meaning;

“Agreement” means this Agreement, including its recitals, as amended from time to time.

“Asset Purchase Agreement ” means the Asset Purchase Agreement made as of December 22, 2009 between the Vendors and Brookfield or its designate(s), as amended from time to time.

“Brookfield” means Brookfield Asset Management Inc.

“Business” means the business acquired in connection with the Asset Purchase Agreement, of manufacturing, marketing and/or selling the following paper products or paper grade categories:

- (i) 38 lb and below, white uncoated freesheet ~~printing and writing~~ opaque papers;
- (ii) 40 lb opaque papers used for pharmaceutical inserts;
- (iii) all “hybrid” publishing or converting grades, defined as 10% mechanical fiber content or more, with a basis weight of 42.5 lb and below and 93 brightness and below;
- (iv) 60 lb and below, grease and non-grease resistant, white coated packaging papers and grease resistant white ~~uncoated and coated~~ packaging papers sold into the packaging market; and
- (v) all white, 80 lb and below, thermal base and pre-coated papers sold into the thermal market

with all basis weights expressed in K units – (25 x 38) 3300 ream size.

“**Confidential Information**” has the meaning set out in Section 6.

“**Person**” means an individual, a partnership, a sole proprietorship, a company, a firm, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, a union, a group acting in concert, a Judicial Authority, a Governmental Authority or any other entity or association of any kind.

“**Restricted Names**” means the following grade names and/or grade family names: CUSTOM BRITE, CUSTOM PLUS, CUSTOM SUPREME, CUSTOM SNOWCOTE, PHARMOPAQUE, SNOWBRITE OPAQUE, GORHAM PHARM, MULTIPURPOSE OPAQUE, ACADIA, BLADEPAK, ALLAGASH, BRIDGE SUPREME, BRIDGE OPAQUE, FRONTIER SUPREME, FRONTIER OPAQUE, FRABRITE, HYBRID CONVERTING and ALLIANCE.

“**Subsidiary**” means, with respect to any specified Person, any other Person of which such specified Person is, at the time, directly or indirectly, (a) owns at least 50% of the outstanding capital stock (or other shares of beneficial interest) entitled to vote generally, (b) holds at least 50% of the partnership, limited liability company, joint venture or similar interests, or (c) is a general partner, managing member or joint venturer.

“**Term**” means the period of five (5) years immediately following the date of this Agreement.

2. **Extended Meanings.** In this Agreement words importing the singular number include the plural and vice versa, words importing any gender include all genders and words importing persons include individuals, corporations, limited and unlimited companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and governmental authorities. The term “including” means “including without limiting the generality of the foregoing”.

### **Non-Competition and Non-Solicitation**

3. During the Term each of the Vendors will not, without the prior written consent of Newco, which consent may be withheld in Newco’s sole and absolute discretion, on its own behalf or on behalf of or in connection with any Person, directly or indirectly, either individually or in partnership, jointly or in conjunction with any person as owner, principal, agent, investor (other than a holding of shares listed on a stock exchange that does not exceed 5% of the shares so listed) or in any other manner or capacity whatsoever, within North America:
  - (c) carry on, engage in or be concerned with or interested in or be otherwise commercially involved in any endeavour, activity or any business or enterprise identical to, substantially similar to, competing with or related in any way whatsoever to the Business;

- (b) use or permit the use of any and all Restricted Names;
  - (c) solicit, endeavour to solicit or gain the business of, canvass or interfere with the relationship of Newco with any person that was a customer of any Vendor in relation to the Business prior to the date hereof; or
  - (d) canvass, solicit, endeavour to solicit or gain the business of, or interfere with the business of Courier Corporation, Appleton Papers Inc. and Da-Lite.
4. During the Term no party will induce any employee of another party to leave his or her employment or employ or attempt to employ or assist any person to employ any employee of another party, without the prior written consent of such other party.

**Non-Interference.**

5. Each Vendor shall not on its own behalf or on behalf of or in connection with any other Person, directly, or indirectly, in any capacity whatsoever including as an employer, employee, principal, agent, joint venturer, partner, shareholder or other equity holder, independent contractor, licensor, licensee, franchiser, franchisee, distributor, consultant, supplier or trustee or by and through any corporation, cooperative, partnership, trust, unincorporated association or otherwise, interfere or attempt to interfere with the Business or persuade or attempt to persuade any customer, prospective customer, employee or supplier of Newco or its Affiliates to discontinue or alter in an adverse manner such person's relationship with Newco or its Affiliates.

**Confidentiality**

6. (1) The Vendors acknowledge that any confidential information relating to the Business including information relating to business plans and ideas, trade secrets, invention, processes, methods, know-how, policies, materials, results of operations, financial, technical, commercial and statistical information, personnel data and customer, supplier and price lists and promotion, marketing, sale and distribution strategies (the "**Confidential Information**") which a Vendor has is valuable, important and essential for Newco and its Subsidiaries and, accordingly, each Vendor will not, and will not allow any of their respective representatives to, without the prior written consent of Newco, which consent maybe withheld in Newco's sole and absolute discretion, directly or indirectly, for any purpose, at any time, make public, disclose, divulge, reveal, furnish, transfer, sell, release or otherwise make available to any person any of the Confidential Information or otherwise use or allow any of the Confidential Information to be used for any purpose.
- (2) The obligations of the Vendors under Section 6(1) of this Agreement do not apply to Confidential Information:

- (a) which is made readily available or becomes available to the general public by Newco;
- (b) which is subsequently lawfully and in good faith obtained by a Vendor without breach of this Agreement from an independent third party not known by the Vendor, after reasonable enquiry, to be bound by any contractual or legal obligation of confidentiality to Newco;
- (c) which a Vendor and its Affiliates and their respective employees must use in connection with the performance of an agreement with Newco; and
- (d) in the event a Vendor is required to disclose pursuant to a valid order of a governmental authority or under applicable laws including the rules and regulations of any applicable stock exchange or securities commission (which for greater certainty includes disclosure required by any Affiliate of the recipient); provided, however, that the Vendor first has given notice to Newco of any request or demand made with respect to the disclosure of such Confidential Information and, where practicable and to the extent applicable, Newco has been given an opportunity to seek an appropriate protective order or other remedy and/or waive compliance with the terms of this Agreement and the Vendors will not oppose any action by Newco which seeks such a protective order or other remedy and if failing the obtaining of a protective order or other remedy, such disclosure is required of the Confidential Information, the Vendors will use their best efforts to ensure that disclosure will be afforded confidential treatment.

## **General**

### **Reasonableness of Terms and Conditions.**

7. The parties hereby acknowledge that:
- (a) the terms and conditions hereof are fair and reasonable as to their scope, duration, territory and the consequences of any breach thereof;
  - (b) the terms and conditions hereof are necessary to protect Newco and the value of the Business;
  - (c) the Business is carried on throughout North America and the Business is interested in and solicits or canvasses opportunities throughout North America; and
  - (d) the duration of the Term will be extended for a period which equals the time period during which any Vendor or its Affiliate is in breach of any of the provisions of this Agreement.

### **Reasonableness.**

8. The Vendor expressly acknowledges that this Agreement is reasonable and valid in all respects and irrevocably waives (and irrevocably agrees not to raise) as a defence any issue of reasonableness (including the reasonableness of the Territory or the duration and scope of this Agreement) in any proceeding to enforce any provision of this Agreement.

#### **Validity and Enforceability**

9. The invalidity or unenforceability of any provision or part of any provision of this Agreement will not affect the validity or enforceability of any other provision or the non-impugned part of a provision hereof, and any such invalid or unenforceable provision or part thereof will be deemed to be separate, severable and distinct. Should any provision or part of any provision herein contained be determined by a court having jurisdiction to be void, voidable or unenforceable due to the nature of the activities involved, the geographic territory involved or the Term the parties will negotiate in good faith to amend the provisions hereof concerning the activities or geographic territory in question or the Term it being understood that any provision hereof which is so amended will bind the parties and be fully enforceable.

#### **Notification**

10. The Vendor shall immediately notify the Purchaser of any violation, contravention or breach of this Agreement as soon as it becomes aware of any such event.

#### **Benefit of the Agreement**

11. This Agreement will enure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

#### **Assignment/Successors**

12. Without the other party's written consent, this Agreement and the rights and obligations of the parties hereunder will not be assignable by either party, provided however that Newco may assign its rights and obligations hereunder to any Affiliate without consent. This Agreement will be binding upon, and inure to the benefit of, the respective successors and permitted assigns of each of the parties hereto. The Vendors undertake and agree that they will not sell the assets known as the Gorham Mill (as such term is defined in the Asset Purchase Agreement), or any substantial portion thereof, unless the Purchaser has entered into a Non-Competition Agreement with Newco, on terms substantially similar hereto, with respect to goods produced at the Gorham Mill.

#### **Entire Agreement**

13. This Agreement may not be assigned by any Vendor without prior written consent of Newco, which consent may be withheld in Newco's sole and absolute discretion. Fraser N.H. LLC may not sell a substantial part of its assets to a third party, without the prior written consent of Newco, unless and until such third party agrees with Newco to assume

the obligations of Fraser N.H. LLC under this Agreement except that the obligations under section 3 (a), and 3 (c) ~~and 3 (d)~~ shall be assumed only in respect of sales and operations with regard to the paper mill in Gorham, New Hampshire. Newco may assign its rights and obligations under this Agreement to a purchaser of the Business or an Affiliate without the Vendors' consent.

**Non-Merger**

14. Except as otherwise expressly provided in this Agreement, the covenants, representations and warranties shall not merge on and shall survive the closing of the transaction contemplated under the Asset Purchase Agreement and, notwithstanding such closing, or any investigation made by or on behalf of any Party, shall continue in full force and effect. Such closing shall not prejudice any right of one Party against any other Party in respect of anything done or omitted under this Agreement or in respect of any right to damages or other remedies.

**Amendments and Waivers**

15. No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by all parties. No waiver of any breach of any provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided, will be limited to the specific breach waived.

**Notices**

16. Any demand, notice or other communication to be given in connection with this Agreement must be given in writing and will be given by personal delivery, by registered mail or by electronic means of communication addressed to the recipient as follows:

To the Vendors:

Attention:

Phone:

Fax:

Email:

To Newco:

Attention:

Phone:

Fax:

Email:

or to such other address, individual or electronic communication number as may be designated by notice given by any party to the others. Any demand, notice or other communication given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered mail, on the fifth business day following the deposit thereof in the mail and, if given by electronic communication, on the day of transmittal thereof if given during the normal business hours of the recipient and on the business day during which such normal business hours next occur if not given during such hours on any day. If the party giving any demand, notice or other communication knows or ought reasonably to know of any difficulties with the postal system that might affect the delivery of mail, any such demand, notice or other communication may not be mailed but must be given by personal delivery or by electronic communication.

#### **Governing Law**

17. This Agreement will be governed by and construed in accordance with the laws of the State of Maine.

#### **Attornment**

18. For the purpose of all legal proceedings this Agreement will be deemed to have been performed in the State of Maine and the courts of the State of Maine will have jurisdiction to entertain any action arising under this Agreement. The parties hereby attorn to the jurisdiction of the courts of the State of Maine.

#### **Specific Performance and other Equitable Rights**

19. Each of the parties recognizes, acknowledges and agrees that a breach by a party of any obligation in this Agreement will cause the other parties to sustain injury for which they would not have an adequate remedy at law for money damages. Therefore, each of the parties agrees that in the event of any such breach the non-defaulting party will be entitled to specific performance and provisional interlocutory and permanent injunctive relief and other equitable remedies in addition to any other remedy to which it may be entitled, at law or in equity, and the parties further agree to waive any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive relief or other equitable remedies.

#### **Time of the Essence**

20. Time shall be of the essence of this Agreement.

#### **Counterparts**

21. This Agreement may be executed in one or more counterparts, each of which will conclusively be deemed to be an original but all of which taken together will be deemed to constitute one and the same agreement. A facsimile transmission or other means of

electronic communication including a PDF copy of the Agreement bearing a signature on behalf of a party will be legal and binding on such party.

**[Remainder of the Page Intentionally Left Blank - Signature Page follows]**

**IN WITNESS WHEREOF** the parties have duly executed this Agreement.

**FRASER PAPERS INC.**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**FRASER PAPERS LIMITED**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**FPS CANADA INC.**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**[Signature Page to Non-Competition Agreement]**

**FRASER PAPERS HOLDINGS INC.**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**FRASER TIMBER LIMITED**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**FRASER N.H. LLC**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**[Signature Page to Non-Competition Agreement]**

**TWIN RIVERS PAPER COMPANY  
INC.**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**TWIN RIVERS PAPER COMPANY  
LLC**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**[Signature Page to Non-Competition Agreement]**

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**TAB “B”**

# EXHIBIT "B"

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## CUSTOM PRODUCTION AGREEMENT

THIS AGREEMENT is made as of \_\_\_\_\_ April \_\_\_\_\_, 2010

BETWEEN:

FRASER N.H. LLC, a limited liability company  
formed under the laws of the State of Delaware  
("Gorham")

- and -

TWIN RIVERS PAPER COMPANY LLC, a  
limited liability company formed under the laws  
of the State of Delaware (the "Supplier")

WHEREAS, pursuant to the terms of a Non-Competition Agreement, the parties agreed that Gorham will not produce, among other things, the Products without the prior written consent of the Supplier;

AND WHEREAS the Supplier may, from time to time, not have the capacity to produce all its requirements of the Products;

AND WHEREAS the Supplier wishes to engage Gorham to produce for and sell to the Supplier the Products;

NOW THEREFORE in consideration of the covenants and agreements herein contained, the parties agree as follows:

### Interpretation

1. Definitions. In this Agreement:

"Affiliate" means, with respect to any Person, any other Person which controls, is controlled by or is under common control with, directly or indirectly, such Person, and, for purposes of this definition, "control" means, from time to time (a) the right to exercise more than fifty percent (50%) of the votes exercisable for the election of the directors of a Person (or Persons performing similar functions); and (b) in the case of a limited partnership, control of each of such limited partnership's general partners; and (c) in the case of a partnership other than a limited partnership, the right to exercise more than fifty percent (50%) of the votes exercisable at any meeting of partners of that partnership; and (d) in the case of any Person, the right to (1) exercise a majority of the voting rights in respect of that Person, (2) otherwise control that Person by virtue of provisions contained in its constitutional documents, or (3) manage all or substantially

all of the assets of that Person pursuant to any contract or arrangement; and "Controlled" has a corresponding meaning.

"**Agreement**" means this agreement, including its recitals and schedules, as amended from time to time.

"**Business Day**" means any day of the year other than (a) any Saturday or Sunday, or (b) any other day on which the banks located in the State of Maine are required or authorized by Law to be closed for business.

"**Confidential Information**" has the meaning set out in Section 22.

"**Forecast**" has the meaning set out in Section 6.

"**Forecasted Grade Block**" means a block of tons in the Gorham machine schedule for which both the volume and pricing has been approved by Gorham and into which orders can be scheduled.

"**Force Majeure**" has the meaning set out in Section 23.

"**Labeling Standards**" means the labeling standards attached as Schedule A, [NTD: to be provided].

"**Losses**" means all damages, fines, losses, liabilities, costs and expenses arising from any action, suit, proceeding or other claim or demand.

"**Mill**" means the paper mill owned and operated by Gorham at 72 Cascade Flats, Gorham, New Hampshire.

"**Non-Competition Agreement**" means the non-competition agreement made as of April \_\_\_\_, 2010, between, among others, the parties hereto, as amended from time to time.

"**Notification**" has the meaning set out in Section 7.

"**Order**" has the meaning set out in Section 12.

"**Person**" means an individual, a partnership, limited partnership, a sole proprietorship, a company, a firm, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, a union, a group acting in concert, a judicial authority, a governmental authority or any other entity or association of any kind.

"**Products**" means the following paper products or paper grade categories:

- (i) 38 lb and below, white uncoated freesheet ~~printing and writing~~ opaque papers;
- (ii) 40 lb opaque papers used for pharmaceutical inserts;

- (iii) all "hybrid" publishing or converting grades, defined as 10% mechanical fiber content or more, with a basis weight of 42.5 lb and below and 93 brightness and below;
- (iv) 60 lb and below, grease and non-grease resistant, white coated packaging papers and grease resistant white uncoated and coated packaging papers sold into the packaging market; and
- (v) all white, 80 lb and below, thermal base and pre-coated papers sold into the thermal market

with all basis weights expressed in K units – (25 x 38) 3300 ream size.

"Purchase Order" has the meaning set out in Section 10.

"Quality and Claims Guidelines" means the guidelines attached as Schedule B. [NTD: to be provided].

"Specifications" means the Supplier's specifications for each of the Products attached as Schedule C. [NTD: to be provided].

"Standard Trade Tolerances" means the trade tolerances set out in Schedule D. [NTD: to be provided].

"Term" means the five (5) years immediately following the date of the Non-Competition Agreement.

2. Extended Meanings. In this Agreement words importing the singular number include the plural and vice versa, words importing any gender include all genders and words importing persons include individuals, corporations, limited and unlimited companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and governmental authorities. The term "including" means "including without limiting the generality of the foregoing".

#### Custom Production Services

3. Gorham will produce and sell Products to the Supplier, and the Supplier will order Products from Gorham, upon and subject to the terms and conditions herein contained.
4. Gorham will produce the Products at the Mill in accordance with the applicable Specifications.
5. (1) Gorham will label all rolls of Products with labels and markings as specified in the Labeling Standards.

(2) Nothing in this Agreement will give or be deemed to give Gorham any right, title or interest in or to any trade mark, service mark, copyright or other intellectual property right held or used by the Supplier.

### **Forecasts and Notifications**

6. On the date hereof, the Supplier will provide Gorham with a written forecast of the volume and pricing of its estimated requirements of Products from Gorham for the immediately following three months (each a "Forecast"). On the first Business Day of every month thereafter, the Supplier will provide Gorham with a revised written Forecast of the volume and pricing of its estimated requirements of Products from Gorham for the immediately following three months. For clarity, Forecasts will be for information purposes only and not a commitment by the Supplier to purchase any Products whatsoever.
7. Within five (5) Business Days of receiving a Forecast, Gorham will inform the Supplier in writing of the volume of Products included in the Forecast that Gorham will be able to supply (a "Notification"). A Notification will be for information purposes only and shall not be a commitment by Gorham to supply (or not supply) any of the Products whatsoever.
8. If at any time after a Notification is provided but before the next Forecast is received, Gorham, acting reasonably, determines that it will not be able to supply all amounts included in the most recent Notification, it will inform the Supplier in writing as soon as practicable and in any event within two (2) Business Days of such determination.
9. If at any time after a Notification is received but before the next Forecast is provided, the Supplier, acting reasonably, determines that it will no longer be purchasing all amounts included in the most recent Notification, it will inform Gorham as soon as practicable and in any event within two (2) Business Days of such determination.

### **Purchase Orders and Confirmed Orders**

10. The Supplier will deliver to Gorham from time to time written purchase orders ("Purchase Orders") for Products to be supplied by Gorham. The Supplier will use reasonable efforts to place orders for Products that are consistent with the order volumes and pricing of Products provided in the Forecasts.
11. Gorham will determine whether or not it will accept a Purchase Order from the Supplier within two (2) Business Days of receiving the Purchase Order. Promptly thereafter, Gorham will deliver notice of its decision to the Supplier. Gorham will use reasonable efforts to accept all Purchase Orders that are consistent with the Forecasts. If a Purchase

Order is not rejected within two (2) Business Days, it shall be deemed to have been rejected by Gorham.

12. Upon acceptance of a Purchase Order, Gorham will schedule the manufacture of the Products specified in that Purchase Order (now an "Order") into a Forecasted Grade Block. An Order will represent a binding commitment to manufacture the {Products} set out therein by Gorham and a binding commitment to purchase the {Products} set out therein by the Supplier, subject to any changes which may be requested by the Supplier prior to the last date of change ("LDC"). The LDC for an Order scheduled into a Forecasted Grade Block is seven (7) days prior to the scheduled date of manufacture of the Order or such other time period as may be agreed between the Supplier and Gorham.
13. The Supplier will deliver Purchase Orders for all of its requirements of the Products to Gorham. Gorham may, acting reasonably, refuse to accept any such Purchase Order due to its inability to fulfill that Purchase Order. If Gorham refuses to accept a Purchase Order on the basis of pricing, the Supplier may order the Products from a third party on such terms as it deems necessary in its sole discretion, provided that the cost of such order may not exceed \$20 per ton above the pricing which was offered to Gorham.
14. Gorham is responsible for all overrun and underrun paper outside the Standard Trade Tolerances. However, the Supplier will use reasonable efforts to place Purchase Orders for such paper as first quality.

#### Inspections

15. Gorham will give the representatives of the Supplier reasonable access, upon reasonable notice during normal business hours, to the Mill for the purpose of monitoring Gorham's compliance with its requirements set forth in this Agreement.

#### Warranties

16. Each party hereby represents and warrants that it has full legal right and authority to enter into this Agreement and to perform its obligations hereunder. It is understood that the delivery of a Purchase Order by the Supplier constitutes its prior written consent for the production and sale to the Supplier of the specified Product by Gorham. Nothing in this Agreement constitutes or will be deemed to constitute a waiver of the obligations of Gorham under the Non-Competition Agreement except as expressly provided herein and in any Purchase Order delivered pursuant hereto.
17. Gorham represents and warrants that the Products will conform to the Specifications and be labeled as required in the Labeling Standards.
18. Gorham will be responsible for the cost associated with handling all quality claims relating to the Products in accordance with the Quality and Claims Guidelines.

**Term and Termination**

19. Subject to the provisions of Section 20, the term of this Agreement will commence on the date hereof and continue for a period of five (5) years and then for successive periods of six months thereafter until terminated by Gorham or the Supplier.
20. This Agreement may be terminated immediately by either party if the other party commits a breach of any provision of this Agreement and such breach continues for 30 days following a written request to cure that breach.
21. Notwithstanding the termination of this Agreement, the provisions of Sections 22, 24 and 25 will remain in force for the benefit of the parties.

**Confidentiality**

22. (1) Each party acknowledges that any confidential information relating to the business of the other party including, without limitation, information relating to business plans and ideas, trade secrets, invention, processes, methods, know-how, policies, materials, results of operations, financial, technical, commercial and statistical information, personnel data and customer, supplier and price lists and promotions, marketing, sale and distribution strategies (the "Confidential Information") is valuable, important and essential for the other party and, accordingly, the recipient of the Confidential Information will not, and will not allow any of its representatives to, without the prior written consent of the disclosing party, directly or indirectly, for any purpose, at any time, make public, disclose, divulge, reveal, furnish, transfer, sell, release or otherwise make available to any person any of the Confidential Information belonging to the other party or otherwise use or allow any of such Confidential Information to be used for any purpose.
  - (2) The obligations of the recipient of Confidential Information under Section 22(1) of this Agreement do not apply to Confidential Information:
    - (a) which is made readily available or becomes available to the general public by the recipient;
    - (b) which is subsequently lawfully and in good faith obtained by the recipient without breach of this Agreement from an independent third party not known by the recipient, after reasonable enquiry, to be bound by any contractual or legal obligation of confidentiality to the disclosing party;
    - (c) which the recipient and its Affiliates and their respective employees must use in connection with the performance of an agreement with the disclosing party; and

- (d) in the event the recipient is required to disclose Confidential Information pursuant to a valid order of a governmental authority or under applicable laws including the rules and regulations of any applicable stock exchange or securities commission (which for greater certainty includes disclosure required by any Affiliate of the recipient); provided, however, that the recipient first has given notice to the disclosing party of any request or demand made with respect to the disclosure of such Confidential Information and, where practicable and to the extent applicable, the disclosing party has been given a timely opportunity to seek an appropriate protective order or other remedy and/or waive compliance with the terms of this Agreement and the recipient will cooperate with the disclosing party in seeking such a protective order or other remedy and not oppose any action by the disclosing party which seeks such a protective order or other remedy and if failing the obtaining of a protective order or other remedy, such disclosure is required of the Confidential Information, the recipient will its reasonable efforts (not involving the expenditure of money or the commencement of litigation) to ensure that disclosure will be afforded confidential treatment.

#### **Limitations and Indemnification**

23. Force Majeure: Neither party will bear any responsibility or liability for any losses arising out of any delay, inability to perform, or interruption of its performance of obligations under this Agreement due to events beyond its reasonable control (hereinafter referred to as "Force Majeure"), including act of God, act of governmental authority, act of the public enemy, or due to war, riot, flood, civil commotion, insurrection, labour difficulty, severe or adverse weather conditions, lack of or shortage of electrical power, malfunctions of equipment or software programs, or any other cause beyond the reasonable control of the party whose performance is affected by the Force Majeure event.
24. Gorham will indemnify and hold harmless the Supplier and its officers, directors, employees and agents from and against all Losses resulting directly from the acts or omissions of Gorham in connection with the provision of Products under this Agreement, except to the extent that such Losses result from the willful misconduct or gross negligence of the Supplier or any of its officers, directors, employees or agents. The Supplier will notify Gorham as soon as reasonably practicable of any claim or demand for which the Supplier will require such indemnification from Gorham. The Supplier will provide Gorham with reasonable information and reasonable assistance for Gorham to defend such claim or demand at Gorham's cost.
25. The Supplier will indemnify and hold harmless Gorham and its officers, directors, employees and agents from and against all Losses resulting from Gorham's compliance with the terms of this Agreement including Losses arising from breach of any intellectual

property right of a third party, except to the extent that such Losses result from the willful misconduct or gross negligence of the Supplier or any of its officers, directors, employees or agents. Gorham will notify the Supplier as soon as reasonably practicable of any claim or demand for which Gorham will require indemnification from the Supplier. Gorham will provide the Supplier with reasonable information and reasonable assistance for the Supplier to defend such claim or demand at the Supplier's cost.

**Status of Parties**

26. None of the provisions of this Agreement is intended to create nor will it be deemed or construed to create any relationship between Gorham and the Supplier other than that of independent entities contracting with each other under this Agreement solely for the purpose of effecting the provisions of this Agreement.

**General**

27. Entire Agreement: This Agreement and the Non-Competition Agreement constitutes the entire understanding and agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior written or oral and all contemporaneous oral agreements, understandings and negotiations among the parties hereto with respect to the subject matter hereof.
28. Notices: All notices, requests, demands and other communications required or permitted to be given under this Agreement will be deemed to have been duly given if in writing sent via first-class, postage prepaid, registered or certified mail (return receipt requested), or by overnight delivery service or by electronic means of communication addressed as follows:

If to Gorham:

Phone:

Fax:

Email:

If to the Supplier:

Phone:

Fax:

Email:

or to such other address to which the communications are to be directed to it by giving notice to the other parties in the manner provided in this Section 28. Notice by mail will be deemed given and received on the third calendar day after posting. Notice by overnight delivery service, electronic transmission or personal delivery will be deemed given on the date of actual delivery.

29. **Transfer and Assignment/Successors:** Without the other party's written consent, this Agreement and the rights and obligations of the parties hereunder will not be assignable by either party, provided however that the Supplier may assign its rights and obligations hereunder to any Affiliate without consent. This Agreement will be binding upon, and inure to the benefit of, the respective successors and permitted assigns of each of the parties hereto.
30. **No Third Party Rights:** Except as specifically provided herein, the provisions of this Agreement are intended to bind the parties to each other and are not intended and do not create rights in any other person, and no person is intended to be or is a third party beneficiary of any of the provisions in this Agreement.
31. **Governing Law:** This Agreement will be governed by and construed and enforced in accordance with the laws of the State of Maine.
32. **Attornment:** For the purpose of all legal proceedings this Agreement will be deemed to have been performed in the State of Maine and the courts of the State of Maine will have jurisdiction to entertain any action arising under this Agreement. The parties hereto each attorn to the jurisdiction of the courts of the State of Maine.
33. **Amendments:** No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by all parties. No waiver of any breach of any provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided, will be limited to the specific breach waived.
34. **Counterparts:** This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.
35. **Facsimiles:** Delivery of an executed signature page to this Agreement by any party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such party.
36. **Time is of the essence:** Time is in all respects of the essence of this Agreement, and no extension or variation of this Agreement or any obligation hereunder will operate as a waiver or implied waiver of this provision.

37. Schedules: The Schedules attached hereto are incorporated in and form part of this Agreement.

**IN WITNESS WHEREOF** the parties have executed this Agreement as of the date first above written.

**FRASER N.H. LLC**

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

**TWIN RIVERS PAPER COMPANY LLC**

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

[Signature Page to Custom Production Agreement]

SCHEDULE A

LABELING STANDARDS

Newco Paper Company labeling requirements:

"Newco" name (Approved Logo)

Made in USA, ISO 9001:2000, ISO 14001, Madawaska, ME

SFI certified sourcing (logo). Fiber used in this product line meets the sourcing requirement of the SFI program. WWW.SFIPROGRAM.ORG

If applicable: FSC certified including logo. Mixed Sources- Product group from well managed forests, controlled sources, and cert. no. SGS-COC-3877. WWW.fsc.org 1996 Forest Stewardship council

Recycle content if applicable

Customer name

Customer number

Consignee name

Consignee number

Ordered Basis weight- in pounds and gsm

Roll width- inches and cm

Ordered Roll diameter- inches and cm

Actual diameter- inches and cm

Net wgt. - pounds and Kg

Roll position

Grade name and grade code

Color and color code

Customer order number

Mill order number

Tappi roll number

Unwind direction

Package number

Date and time wrapped

Wind direction (side out)

No. Rolls/pack

Linear ft.

Linear meters

Splices

Coater splices

Patches

Run Number

Bell hammer

PPI

Customer specified label marks

Bar codes of Roll weight and roll number

Physical location code

Any other customer specific information requested the chart below.

Customer specific label requirements

BOX	Name	Zebra sel: Cust# / Cons# / Grade	Zebra Box Content
B01	Appleton Papers	Cust# = 04120 04121 04122	Weight / PO# / Roll# / Part#
B02	Bender Books	Cust# = 13060 70405 and Grade 60115	Page per inch
B03	Bocasa Paper	Cons# = 0906	BOCASA / PANAMA CITY / VAI CRISTOBAL
B04	Decora Division	Cons# = 0349	Reel / Set
B05	R R Donnelley Stevens Graphics	Cons# = 0990 Cust# = 81600	Basis Weight
B06	Government	Cust# = 62780 or Cons# 1285	Order# / PO#
B07	Hansson Paper	Cust# = 26560	SAN JOSE VIA PUERTO LIMON / Seq Roll#
B08	Munroe Paper	Cust# = 47485 47491 55601	Seq Roll# / PO#
B09	Pequi Paper	Cons# = 1061	REPUBLICA DOMINICANA
B10	Shiro Paper	Cons# = 0264	SHIRO PAPER / SINGAPORE
B11	Frank Parsons Paper		Page per Inch
B12	Waichtower	Cons# = 1381 1382 1383 1384 1385	Roll# / Weight
B13	Crescent Paper	Cust# = 21200	Linear Footage
B14	Default Box		Net Weight / Roll#
B15	S.C. Release Paper	Grade = 61906	ML
B16	Meadwestvaco	Cons# = 1274 5742 0732 or Cust# 50860	Roll# / Weight / Cust PO
B17	Bow ne	Cons# = 3717 and Recycle % > 0	Recycle Financial Opaque / Recycle %
B18	Merck & Co	Cons# = 1865	Roll# / PO# / Stock#
B19	Kanzaki	Cust# = 43100 or Cons# 6660	Roll# / PO# / Stock# / Linear Ft
B20	Spinnaker / Pharmagra	Cons# = 3599 3705 4310 or Cust# 01317	Linear Ft / Splice
B21	American Paper	Cons# = 1996	PO#
B22	Apex Bag Company	Cust# = 01545 and Cons# 4198 and Grade 62	Grease Resistance
B23	West Carrollton Parchm	Cust# = 94200 64200	BW / Size / Roll# / Weight
B24	Bonar	Replace with B39	Roll# / Weight / Color / Item
B25	Radio Bible	Cons# 1010	Product# / LF / PO#

## SCHEDULE B

### QUALITY AND CLAIMS GUIDELINES

#### Fraser Papers Limited Quality Claims Guidelines (rev. 11/05/07)

From our close relationship with our printing and converting customers, we have developed company-wide quality claims procedures as outlined in these guidelines. We note that these guidelines do not change the terms, whether more or less stringent, of the contract (including, but not limited to, any general conditions or special provisions that are attached to that contract) between you and the Fraser entity which is a party to that contract ("Fraser Papers"). If there is any inconsistency between these guidelines and the contract, the contract terms control. Fraser Papers reserves the right to change these guidelines from time to time.

Underlying these guidelines is our commitment to promptly and efficiently investigate and address quality problems. As a Fraser Papers customer, you should expect quality products and responsive service from us. We strive for excellence at all of our Fraser Papers manufacturing facilities. However, even with our commitment to quality, there are times when we may not deliver a product that fully conforms to the specifications we have agreed to with you. At Fraser Papers it is our objective to minimize the frequency and severity of defects which may occur with a minimum of cost and inconvenience.

Your role in assisting us to attain our quality goals and serve your needs completely is to help provide us with the most complete information during our quality investigations. This will allow Fraser Papers to identify any defects and determine what, if any, corrective action must be taken. As reflected in these guidelines, Fraser Papers intends to work closely with you to correct defects, or make necessary adjustments which you have established by appropriate evidence.

We are proud of our fast response to quality concerns. In these guidelines, you will find information on how to notify us of a suspected problem, how to evaluate it, and, if necessary, how to file a claim.

#### Step One: When you Suspect a Problem

If you encounter a problem that you suspect is related to a defect in a Fraser Papers product, you must notify a Fraser Papers Technical Representative immediately by telephone or e-mail.

#### Fraser Papers Technical Service Representatives:

...Madawaska/Gorham Mike Breau 207-989-8050

michaelb@madawaska.fraserpapers.com

...Madawaska/Gorham Randy Neil 434-589-8284 neilr@fraserpapers.com

...Madawaska..... Norm Doucette 207-728-8391

...normdo@madawaska.fraserpapers.com

If you cannot reach a technical service representative (especially on weekends) please call:

207-728-3321 (Madawaska)

Only a Fraser Papers Technical Representative whose name is listed above can make an initial determination of responsibility on Fraser Papers' behalf or recommend to an officer of Fraser Papers a particular settlement or course of action.

All transit damage claims should be sent to:  
Christine Gendreau, 82 Bridge Avenue, Madawaska, Maine 04756  
christiq@madawaska.fraserpapers.com

### Step Two: Clarifying Responsibilities

Fraser Papers strives to provide you with paper that meets the specifications which we have agreed upon. However, there are certain circumstances where we will not process a claim, and examples of these are listed below:

#### Variation in Caliper and Finish

Variations in caliper (PPI) will be considered acceptable as defined by industry standards.

Fraser Papers has established a finish specification for all grades made to a standard mill finish. This specification is available through your sales representative or customer service representative.

On grades made to a PPI, caliper, or finish, the specification will be determined prior to manufacture and identified on the Fraser Papers mill acknowledgement.

A variation in basis weight of +/-5% is considered acceptable.

#### Paper Based Web Break Allowance

<u>Basis Weight Range</u>	<u>WB/100 Tolerance 40" Diameter</u>	<u>WB/100 Tolerance 50" Diameter</u>
18-19#	<u>7</u>	<u>10</u>
20-23#	<u>6</u>	<u>9</u>
24-26#	<u>5</u>	<u>7</u>
27-30#	<u>4</u>	<u>6</u>
31-40#	<u>3</u>	<u>4</u>
41# & up	<u>2</u>	<u>3</u>

#### Proper Grade Selection

Although Fraser Papers, from time to time, may make a recommendation of a grade for specific uses which you have described to our representatives, Fraser Papers does not assume any liability for problems resulting from, or make any warranties relating to, the

choice of any grade or misapplication of any grade, and the ultimate selection is your responsibility.

#### Paper Storage, Moisture, and Humidity Conditions

We manufacture all of our products to certain moisture tolerance specifications in accordance with your instructions and our contract with you and package our products in such a way to ensure such specifications are met. Fraser Papers will pack and store our products to ensure that it leaves the mill in excellent condition. The merchant and printer are responsible for the proper storage and handling of the product while in their possession (including when delivered to warehouses or to your facilities as part of any consignment or inventory program we may have with you). We are not responsible for printing problems caused by excessive humidity or temperature imbalances in a non-Fraser Papers facility or for any other reason outside of our control.

#### Inspection

We carefully examine our products before they leave the mill. It is your responsibility, however, to thoroughly inspect the condition of the product at time of delivery, including delivery on consignment or as part of an inventory program. Also, prior to running Fraser Papers products, labels should be inspected for accuracy in basis weight, color and finish.

#### Converted Product

Fraser Papers will not honor claims on a product that has been printed, converted, or rendered commercially unmarketable unless such claims would not have been reasonably discoverable prior to such printing or converting.

#### Customer-trimmed Products

Problems resulting from trimming and cutting done outside of the Fraser mill or Fraser contracted converter are not the responsibility of Fraser Papers. Fraser Papers' quality control and responsibility does not extend to defects caused beyond our mill in your sheefing operation.

#### Short-grain Papers

We do not recommend printing short grain paper by offset lithography. We will not accept responsibility for problems such as wrinkling or misregistering that may arise when short grain paper is used.

#### Late Deliveries

Delivery dates are established through information you provide to us and by parameters within our manufacturing schedule. Fraser Papers aims to ensure on-time delivery, but we will not accept responsibility for losses caused by late shipments or deliveries. We are not liable for lost make-ready or press time when jobs are put on the press before our

product arrives. Unless specifically stated in Fraser Papers' order acknowledgment, we will not assume responsibility for any cost incurred by late deliveries to any destination beyond the consignee noted in the contract to whom we delivered the product.

### Step Three: Information Required to Resolve a Problem – Gathering Evidence

As a customer of Fraser Papers, we encourage you to call us regarding any questions about evidence requirements.

We ask that you retain samples, all roll or skid identification labels, wrappers, pictures and any other pertinent information for review by a Fraser Papers Technical Service Representative. Please segregate the paper and safeguard it. Our technical representatives must also be permitted to visit the printing or converting facility if necessary to complete an investigation.

Please provide us with the following information in connection with each quality claim you raise with us:

- The name of the company and location to which the product was sold.
- The name of the consignee to whom the product was shipped.
- Fraser Papers mill order number, or the customer's order number.
- The roll number, or skid number from the label on the item on which the problem exists.
- Name and telephone number of the customer contact person with first hand knowledge of the problem.
- The amount of product involved, grade, size and basis weight.
- An accurate detailed description of the problem.
  - Type and size of press.
  - Press log sheets.
  - Blankets, inks, materials.
  - Damage report on blankets.
  - Press storage conditions: humidity, temperature, etc.

For the following problems we also ask that you provide the evidence as listed below:

#### Caliper Variation

Please submit a brief description of the situation and at least ten (10) sheets of our product demonstrating the problem.

#### Picking and Surface Contamination

Please advise us immediately of any picking and surface contamination and, before running the paper in question, provide us a reasonable period of time in which to send one of our technical representatives to your facility or printer to evaluate the issue.

These issues can often be minimized or eliminated on the press. If this condition persists despite your best efforts, gather the following evidence:

- Retain ten (10) sheets of flat samples - not printed - unfolded
- Ten (10) printed samples showing pick-outs or contamination

- Take transparent tape pulls from the blankets involved. Attach to clean acetate film and identify each with the printing unit from which it came, and the roll number

### Damaged Blankets

#### Retain the following evidence:

- Evidence of the paper defect and the damaged blanket
- Ten (10) printed samples representative of the damaged blanket
- Records related to the number of impressions run prior to the damage

### Dimensional Stability, Delamination

Curl, misregister, wrinkles, and wavy edges can be caused by an imbalance between the moisture content of the product and the press room humidity and temperature. If you suspect high or low paper moisture, please retain the following:

- A photograph of the problem, capturing the defect in clear detail
- Ten (10) consecutive sheets of flat samples
- Your press room temperature and humidity readings at the time of the problem
- Additional samples that best reflect the nature of the problem

### Visual or Aesthetic Variation

Ink holdout, dirt, mottle, optical variations, finish, and shades are visual or aesthetic variations. Please retain the following:

- Samples showing the variation with your observations noted

### Claims for Transit Damage

It is your duty to inspect and count all freight at time of delivery. Any variance in roll count must be reported immediately (and in any event within twenty four (24) hours of receipt by you or an agent on your behalf) in order to receive credit for any missing rolls. No claim will be paid unless the variance is reported within twenty four (24) hours of delivery.

If the product is damaged and cannot be utilized, call your Fraser Papers Technical Service Representative immediately. All instances of damage must be noted on the delivery receipt, signed by you, with a copy retained by the consignee, if any.

#### Please provide the following:

- Roll number, weight, and problem
- Details of salvage value
- Photographs
- Signed proof of delivery

Road Delivery: If delivered via truck, the driver's signature is also required. If the driver refuses to acknowledge the damage, this must also be noted.

Rail Delivery: When a rail shipment arrives damaged, the consignee must notify the railroad and request an inspection. An exception report must be received from the delivering rail carrier. No claim will be accepted unless a rail inspection report is included with the claim. All rail cars are sealed prior to shipment. Please note whether the seals are intact and record the seal number. If you or the consignee unload the paper without an inspection, no claim will be paid.

The transit damage policy and procedure is the same for the receipt of damaged or wet product when received via rail, truck, or intermodal carrier either from a mill direct shipment or a designated Fraser Papers warehouse.

## SCHEDULE C

### SPECIFICATIONS

**The following is a list of eligible grades under which specifications would be provided for. The parties have agreed that grade specifications will be included in each Purchase Order.**

Grade	Grade Name
31521-30.00-229	CUSTOM PLUS
31521-35.00-253	CUSTOM PLUS
31522-35.00-253	CUSTOM PLUS DIGI
31565-26.00-705	SNOWBRITE OPAQUE
31568-26.00-705	CUSTOM BRITE
31568-27.00-705	CUSTOM BRITE
31568-30.00-702	CUSTOM BRITE
31568-30.00-705	CUSTOM BRITE
31568-33.00-705	CUSTOM BRITE
31568-35.00-705	CUSTOM BRITE
31568-38.00-705	CUSTOM BRITE
31621-33.00-229	CUSTOM PLUS RECY
31671-30.00-705	FP OPAQUE REC
34204-35.00-740	GORHAM PHARM 92
34204-40.00-740	GORHAM PHARM 92
34205-35.00-740	GORHAM 92 OPAQUE
34205-37.00-740	GORHAM 92 OPAQUE
34205-38.00-740	GORHAM 92 OPAQUE
34205-40.00-740	GORHAM 92 OPAQUE
34207-35.00-740	GORHAM 92 REC
34215-40.00-745	GORHAM 88 OPAQUE
34217-35.00-745	GORHAM 88 OPAQUE
37001-35.00-567	MULTIPURPOSE OPA
37001-40.00-567	MULTIPURPOSE OPA
40500-40.00-740	FRASER OFFSET
40540-35.00-590	JCP OFFSET
40540-40.00-210	JCP OFFSET
60770-77.00-231	THERMAL BASE

**SCHEDULE D**  
**STANDARD TRADE TOLERANCES**

<b>Allowable Overrun and Underrun Tolerances</b>			
<b>Permissible variations when order specifies</b>			
<b>Quantity:</b>	<b>Standard:</b>	<b>Not More Than:</b>	<b>Not Less Than:</b>
0 - 5,000lbs	+/- 20%	-40%	40%
5,001 - 10,000lbs	+/- 10%	-20%	20%
10,001 - 40,000lbs	+/- 5%	-10%	10%
40,001 - 250,000lbs	+/- 2%	-6%	6%
250,000 - up	+/- 1%	-2%	2%

Document comparison by Workshare Professional on April 5, 2010 5:57:07 PM

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Description	#10728995v1<TorysAtWork> - Service Draft - Custom Production Agreement
Document 2 ID	interwovenSite://INVENTORYS1/TorysAtWork/10573277/6
Description	#10573277v6<TorysAtWork> - Custom Production Agreement
Rendering set	STRIKEOUT

Legend:	
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Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

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Deletions	23
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	228

**TAB “C”**

**SALES AGENCY AGREEMENT**

THIS AGREEMENT is made as of \_\_\_\_\_April\_\_\_\_\_, 2010

**BETWEEN:**

**FRASER TIMBER LIMITED**, a corporation  
incorporated under the laws of the State of Maine  
("Fraser")

- and -

**TWIN RIVERS PAPER COMPANY INC.**, a limited  
liability company formed under the laws of the  
State ~~Province~~ of ~~Delaware~~ Ontario ("Newco").

**WHEREAS** Fraser produces the Products at the Mills;

**AND WHEREAS** Newco produces lumber products at its mills in Plaster Rock and  
Juniper, New Brunswick and has a sales force skilled in the sale of lumber products;

**AND WHEREAS** Fraser wishes to appoint Newco as a non-exclusive sales  
representative for the sale of the Products;

**NOW THEREFORE**, in consideration of the covenants and agreements herein contained,  
the parties agree as follows:

**Interpretation**

1. Definitions. In this Agreement:

"Affiliate" means, with respect to any Person, any other Person which controls, is controlled by or is under common control with, directly or indirectly, such Person, and, for purposes of this definition, "control" means, from time to time (a) the right to exercise more than fifty percent (50%) of the votes exercisable for the election of the directors of a Person (or Persons performing similar functions); and (b) in the case of a limited partnership, control of each of such limited partnership's general partners; and (c) in the case of a partnership other than a limited partnership, the right to exercise more than fifty percent (50%) of the votes exercisable at any meeting of partners of that partnership; and (d) in the case of any Person, the right to (1) exercise a majority of the voting rights in respect of that Person, (2) otherwise control that Person by virtue of provisions contained in its constitutional documents, or (3) manage all or substantially all of the assets of that Person pursuant to any contract or arrangement; and "Controlled" has a corresponding meaning.

**“Agreement”** means this agreement, including its recitals, as amended from time to time.

**“Confidential Information”** has the meaning set out in Section 16.

**“Force Majeure”** has the meaning set out in Section 17.

**“Mills”** means the mills owned by Fraser in Ashland and Masardis, Maine.

**“Permitted Purpose”** has the meaning set out in Section 16.

**“Person”** means an individual, a partnership, limited partnership, a sole proprietorship, a company, a firm, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, a union, a group acting in concert, a judicial authority, a governmental authority or any other entity or association of any kind.

**“Products”** means dimension and stud lumber products produced by Fraser at the Mills. For greater certainty, the term “Products” does not include any biomass (bark), woodchips, sawdust or shavings produced at the Mills.

**“Purchase Orders”** means purchase orders issued by customer’s of Fraser for the purchase of the Products.

**“Territory”** means North America.

2. Extended Meanings. In this Agreement words importing the singular number include the plural and vice versa, words importing any gender include all genders and words importing persons include individuals, corporations, limited and unlimited companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and governmental authorities. The term “including” means “including without limiting the generality of the foregoing”.

### **Appointment**

3. Fraser hereby appoints Newco as its non-exclusive sales representative for the solicitation of Purchase Orders throughout the Territory, and Newco accepts this appointment, upon and subject to the terms and conditions herein contained.
4. Newco’s authority under this Agreement is to solicit Purchase Orders within the Territory. Except as expressly provided in this Agreement, Newco has no authority, and will not represent that it has authority, to make or enter into any agreement or to incur any indebtedness on behalf of Fraser. Until such time as a Purchase Order is accepted by Fraser, it shall have no binding effect.

**General Responsibilities**

5. At all times Newco will, as Fraser's non-exclusive sales representative:
  - (a) diligently solicit Purchase Orders in the Territory;
  - (b) maintain in the Territory adequately trained employees knowledgeable of the Products as is reasonably necessary to perform its obligations under this Agreement;
  - (c) participate, as is appropriate and in compliance with legal requirements, in promotion and marketing programs and trade shows, where such participation will promote the Products;
  - (d) provide Fraser with periodic reports of the activities of Newco in the Territory identifying, among other things, actual and prospective purchasers of the Products and any other information regarding market conditions and product performance as Fraser may reasonably request; and
  - (e) notify Fraser promptly of any actual or potential claim against Fraser.
  
6. At all times, Fraser will support marketing of the Products by:
  - (a) providing Newco with information daily regarding the type of Products available for sale on a current or future basis;
  - (b) keeping Newco informed of specification changes in the Products;
  - (c) fulfilling all delivery conditions on Purchase Orders presented by Newco and accepted by Fraser; and
  - (d) responding in a timely manner to any quality issue raised by Newco or a customer solicited through Newco.

**Purchase Orders**

7. Newco will solicit Purchase Orders solely on the basis of Fraser's standard terms and conditions of sale, including list prices and allowable pricing ranges acceptable to Newco. Newco will present only Purchase Orders that fit the available and forecasted Products and approved pricing ranges, as provided to Newco by Fraser from time to time.
  
8. Within one business day (or such amount of time as Newco and Fraser may agree) after Newco has obtained a signed Purchase Order from a prospective customer, Newco will deliver the Purchase Order to Fraser for review and approval. Newco will include any

additional information regarding the prospective customer or the Purchase Order that Fraser reasonably may request.

9. Fraser will determine whether or not it will accept a Purchase Order within one (1) business day of receiving the Purchase Order and any requested additional information from Newco. Promptly thereafter Fraser will deliver notice of its decision to Newco. If Fraser does not ~~reject~~accept a Purchase Order within such time, it shall have been deemed to have rejected such Purchase Order.
10. Fraser will carry out all Purchase Orders accepted by Fraser.

### **Fee and Expenses**

11. For its services as sales representative under this Agreement, Fraser will pay Newco the following amounts:
  - (a) a fee of US\$5,000 per month; and
  - (b) all out-of-pocket expenses incurred by Newco in connection with the solicitation of Purchase Orders.
12. Newco will invoice Fraser on or before the 15<sup>th</sup> day of each month for the fee and out-of-pocket expenses set out in Section 11 incurred by Newco during the immediately preceding month. Fraser will pay the invoiced amount within 14 days by cheque or wire transfer in immediately available funds to an account designated by Newco from time to time.
13. Newco will maintain appropriate books of account and records with respect to matters related to its services as sales representative under this Agreement. Newco will give the auditors of Fraser reasonable access, upon reasonable notice during normal business hours, and subject to the Confidentiality provisions hereof, to those books of account and records.

### **Term and Termination**

14. Subject to the provisions of Section 15, the term of this Agreement will commence on the date of this Agreement and continue for a period of six months and thereafter on a month-to-month basis until terminated by Fraser or Newco giving the other 30 days prior written notice of termination.
15. (1) This Agreement may be terminated by written notice having immediate effect if Fraser and Newco are no longer Affiliates or a substantial part of the assets of either Fraser or Newco are sold to a third party.

(2) Notwithstanding the termination of this Agreement, the provisions of Section 11 (in respect of the period preceding termination) and 16 will remain in force for the benefit of the parties.

### **Confidentiality**

16. During the term of this Agreement and thereafter, the parties will maintain in confidence and not disclose the other party's Confidential Information (as defined below), using the same degree of care, but no less than reasonable care, as they use to protect their own confidential information of like nature. For the purposes of this Agreement, "**Confidential Information**" means information concerning a party and its business and affairs that is furnished to another party in connection with the performance of this Agreement.
17. The recipient may disclose Confidential Information only:
- (a) to the extent that it is made readily available or becomes available to the general public by the recipient;
  - (b) which is subsequently lawfully and in good faith obtained by the recipient without breach of this Agreement from an independent third party not known by the recipient, after reasonable enquiry, to be bound by any contractual or legal obligation of confidentiality to the disclosing party;
  - (c) to its Affiliates and their respective employees or contractors who have a need to know such information for the Permitted Purpose; or
  - (d) to the extent the recipient can demonstrate that such disclosure is required pursuant to a valid order of a governmental authority or under applicable laws including the rules and regulations of any applicable stock exchange or securities commission (which for greater certainty includes disclosure required by any Affiliate of the recipient); provided, however that the recipient first has given notice to the disclosing party of any request or demand made with respect to the disclosure of such Confidential Information and, where practicable and to the extent applicable, the recipient has been given an opportunity to seek an appropriate protective order or other remedy and/or waive compliance with the terms of this Agreement and the recipient will not oppose any action by the disclosing party to seek such a protective order or other remedy and if failing the obtaining of a protective order or other remedy, such disclosure is required of the Confidential Information, the recipient will its reasonable efforts (not involving the expenditure of money or the commencement of litigation) to ensure that disclosure will be afforded confidential treatment.

### **Limitations and Indemnification**

18. Force Majeure: Neither party will bear any responsibility or liability for any losses arising out of any delay, inability to perform, or interruption of its performance of obligations under this Agreement due to events beyond its reasonable control (hereinafter referred to as "Force Majeure"), including act of God, act of governmental authority, act of the public enemy, or due to war, riot, flood, civil commotion, insurrection, labour difficulty, severe or adverse weather conditions, lack of or shortage of electrical power, malfunctions of equipment or software programs, or any other cause beyond the reasonable control of the party whose performance is affected by the Force Majeure event.
19. LIMITATION OF LIABILITY. IN NO EVENT WILL EITHER PARTY BE LIABLE HEREUNDER TO THE OTHER PARTY FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL LOSS OR DAMAGE, INCLUDING LOST BUSINESS REVENUE, LOSS OF PROFITS, LOSS OF DATA, FAILURE TO REALIZE EXPECTED PROFITS OR SAVINGS, CLAIMED, INCURRED OR SUFFERED BY THE OTHER PARTY (EVEN IF THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS) RESULTING FROM OR ARISING IN CONNECTION WITH THE PERFORMANCE OR NON-PERFORMANCE OF THIS AGREEMENT OR ANY OBLIGATION HEREUNDER, HOWSOEVER CAUSED. THE LIMITATIONS, EXCLUSIONS AND DISCLAIMERS IN THIS AGREEMENT WILL APPLY IRRESPECTIVE OF THE NATURE OF THE CAUSE OF ACTION, DEMAND OR CLAIM INCLUDING BREACH OF CONTRACT, NEGLIGENCE, TORT, STRICT LIABILITY OR ANY OTHER LEGAL THEORY AND WILL SURVIVE A FUNDAMENTAL BREACH OR THE FAILURE OF THE ESSENTIAL PURPOSE OF THIS AGREEMENT.

### **Status of Parties**

20. None of the provisions of this Agreement is intended to create nor will it be deemed or construed to create any relationship between Fraser and Newco other than that of independent entities contracting with each other under this Agreement solely for the purpose of effecting the provisions of this Agreement.

### **Warranties**

21. Each party hereby represents and warrants that it has full legal right and authority to enter into this Agreement and to perform its obligations hereunder.

### **General**

22. Entire Agreement: This Agreement constitutes the entire understanding and agreement of the parties hereto and supersedes all prior written or oral and all contemporaneous oral agreements, understandings and negotiations among the parties hereto.

23. Notices. All notices, requests, demands and other communications required or permitted to be given under this Agreement will be deemed to have been duly given if in writing sent via first-class, postage prepaid, registered or certified mail (return receipt requested), or by overnight delivery service or by electronic means of communication addressed as follows:

To Fraser:

Attention:

Phone:

Fax:

Email:

To Newco:

Attention:

Phone:

Fax:

Email:

or to such other address to which the communications are to be directed to it by giving notice to the other party in the manner provided in this Section 22. Notice by mail will be deemed given and received on the third calendar day after posting. Notice by overnight delivery service, electronic transmission or personal delivery will be deemed given on the date of actual delivery.

24. Transfer and Assignment/Successors: Without the other party's written consent, this Agreement and the rights and obligations of the parties hereunder will not be assignable by either party, provided however that Newco may assign its rights and obligations hereunder to any Affiliate without consent. This Agreement will be binding upon, and inure to the benefit of, the respective successors and permitted assigns of each of the parties hereto.
25. No Third Party Rights: Except as specifically provided herein, the provisions of this Agreement are intended to bind the parties to each other and are not intended and do not create rights in any other person and no person is intended to be or is a third party beneficiary of any of the provisions in this Agreement.
26. Non-Solicitation: Neither party will induce any current employee of the other party to leave his or her employment or employ or attempt to employ or assist any person to employ any employee of the other party, without the prior written consent of the other party; provided however, that the foregoing will not prevent either party from hiring any

such person: (i) who contacts such party on his or her own initiative without any direct or indirect solicitation or encouragement from such party (it being understood that a bona fide public advertisement for employment placed by such party and not specifically targeted at the employees of the other party shall not constitute direct or indirect solicitation or encouragement), or (ii) who has been terminated by the other party.

27. **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the State of Maine.
28. **Attornment.** For the purpose of all legal proceedings this Agreement will be deemed to have been performed in the State of Maine and the courts of the State of Maine will have jurisdiction to entertain any action arising under this Agreement. The parties hereby attorn to the jurisdiction of the courts of the State of Maine.
29. **Amendments:** No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by all parties. No waiver of any breach of any provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided, will be limited to the specific breach waived.
30. **Counterparts.** Delivery of an executed signature page to this Agreement by a party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such party.
31. **Time is of the essence:** Time is in all respects of the essence of this Agreement, and no extension or variation of this Agreement or any obligation hereunder will operate as a waiver or implied waiver of this provision.

[Signature page to follow]

**IN WITNESS WHEREOF** the parties have duly executed this Agreement as of the date first above written.

**FRASER TIMBER LIMITED**

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

**TWIN RIVERS PAPER COMPANY INC.**

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

[Signature Page to Sales Agency Agreement]

Document comparison by Workshare Professional on April 5, 2010 5:53:19 PM

Inputs	
Document 1 ID	interwovenSite://INVENTORYS1/TorysAtWork/10729003/1
Description	#10729003v1<TorysAtWork> - Service Draft - Sales Agency Agreement
Document 2 ID	interwovenSite://INVENTORYS1/TorysAtWork/10580876/6
Description	#10580876v6<TorysAtWork> - Sales Agency Agreement
Rendering set	STRIKEOUT

Legend	
<b>Insertion</b>	
Deletion	
<Moved from>	
>Moved to <	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics	
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Deletions	5
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	11

**TAB “D”**

FPI/NEWCO

**EXHIBIT** "D"

**TRANSITIONAL SERVICES AGREEMENT**

THIS AGREEMENT is made as of \_\_\_\_\_April\_\_\_\_\_, 2010

BETWEEN:

**FRASER PAPERS INC.**, a corporation  
incorporated under the laws of Canada (the  
"Customer")

- and -

**TWIN RIVERS PAPER COMPANY INC.**, a  
corporation incorporated under the laws of the  
Province of Ontario (the "Supplier").

**WHEREAS**, pursuant to the terms of an Asset Purchase Agreement made as of December 22, 2009 (the "Asset Purchase Agreement"), Brookfield Asset Management Inc. (which assigned its rights and obligations thereunder to the Supplier) agreed to purchase from FPI and certain of its subsidiaries assets pertaining to the Edmundston Mill, the Madawaska Mill, the Juniper Mill and the Plaster Rock Mill (as those terms are defined in the Asset Purchase Agreement), including systems and personnel used to provide services to operations maintained by the Customer;

**AND WHEREAS**, Brookfield Asset Management Inc. has designated the Supplier as the purchaser of the Canadian Purchased Assets (as that term is defined in the Asset Purchase Agreement);

**AND WHEREAS**, as a condition to the completion of the sale and purchase pursuant to the Asset Purchase Agreement, the Supplier agreed to execute and deliver this Agreement to provide transitional services to the Customer;

**NOW THEREFORE**, in consideration of the covenants and agreements herein contained, the parties agree as follows:

**Interpretation**

1. Definitions. In this Agreement:

"Affiliate" means, with respect to any Person, any other Person which controls, is controlled by or is under common control with, directly or indirectly, such Person, and, for purposes of this definition, "control" means, from time to time (a) the right to exercise more than fifty percent

(50%) of the votes exercisable for the election of the directors of a Person (or Persons performing similar functions); and (b) in the case of a limited partnership, control of each of such limited partnership's general partners; and (c) in the case of a partnership other than a limited partnership, the right to exercise more than fifty percent (50%) of the votes exercisable at any meeting of partners of that partnership; and (d) in the case of any Person, the right to (1) exercise a majority of the voting rights in respect of that Person, (2) otherwise control that Person by virtue of provisions contained in its constitutional documents, or (3) manage all or substantially all of the assets of that Person pursuant to any contract or arrangement; and "Controlled" has a corresponding meaning.

"**Agreement**" means this agreement, including its recitals and schedules, as amended from time to time.

"**Asset Purchase Agreement**" means the Asset Purchase Agreement made as of December 22, 2009 between Fraser Papers Inc. and certain of its subsidiaries and Brookfield Asset Management Inc. or its designate(s), as amended from time to time.

"**Confidential Information**" has the meaning set out in Section 11.

"**Fee**" has the meaning set out in Section 4(a).

"**Force Majeure**" has the meaning set out in Section 13.

"**Losses**" means all damages, fines, losses, liabilities, costs and expenses arising from any action, suit or proceeding or any other claim or demand.

"**Out-of-Pocket Costs**" has the meaning set out in Section 4(b).

"**Permitted Purpose**" has the meaning set out in section 11.

"**Person**" means an individual, a partnership, limited partnership, a sole proprietorship, a company, a firm, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, a union, a group acting in concert, a judicial authority, a governmental authority or any other entity or association of any kind.

~~"**Products**" means all the products that the Customer can produce without breaching the terms of the Non-Competition Agreement made as of \_\_\_\_\_, 2010 between the parties and others.~~

"**Service Coordinators**" has the meaning set out in Section 3.

"**Services**" means the Services set forth in Schedule A.

### Services

2. The Supplier will supply, or cause to be supplied, to the Customer and the Customer will receive from the Supplier the ~~services~~Services set forth on the Schedule hereto (~~collectively, the "Services"~~), upon and subject to the terms and conditions herein.
3. The Supplier and the Customer will each nominate a representative to act as the contact person with respect to the provision of the Services (the "Service Coordinators"). The initial Service Coordinators will be \_\_\_\_\_ for the Supplier and \_\_\_\_\_ for the Customer. Unless the parties otherwise agree, all communications relating to this Agreement and the Services will be directed to the Service Coordinators in accordance with Section ~~19-22~~.

### Payment

4. For each Service, the Customer will pay to the Supplier an amount equal to the sum of:
  - (c) the direct cost to the Supplier of providing the Service plus 5%, with the direct cost to be calculated on the basis of the employee hours worked to provide the Service multiplied by the employee loaded cost per hour (the "Fee"); and
  - (b) all out-of-pocket expenses incurred by the Supplier in connection with the provision of the Service including taxes (other than income taxes payable by the Supplier) payable in connection with the Service and all expenses, fees and other costs paid by the Supplier to third parties in connection with the Service (the "Out-of-Pocket Costs").
5. The Supplier will invoice the Customer on or before the 15<sup>th</sup> day of each month for the Fees and Out-of-Pocket Costs payable for the Services provided during the immediately preceding month. The Customer will pay the invoiced amount within fourteen (14) days by cheque or wire transfer in immediately available funds to an account designated by the Supplier from time to time.

### Quality of Services

6. (1) The Supplier will perform the Services in a manner consistent with the past ordinary course of the previous provision of such services to Customer by Fraser Papers Inc., including using the same level and scope of resources.  
  
(2) The Customer will make available to the Supplier on a timely basis all information and materials reasonably requested by the Supplier to provide the Services hereunder.
7. In order to facilitate as quickly as possible the Customer's substitution of its own services, the Supplier will give the Customer reasonable access, upon reasonable notice

during normal business hours, to the personnel of the Supplier responsible for providing the Services.

8. The Supplier will maintain appropriate books of account and records with respect to matters related to the provision of the Services. The Supplier will give the auditors of the Customer reasonable access, upon reasonable notice during normal business hours, and subject to Confidentiality provisions hereof, to those books of account and records.

### **Term and Termination**

9. Subject to the provisions of Section ~~9~~10, the term of this Agreement will commence on the Closing Date (as that term is defined in the Asset Purchase Agreement ) and continue for a period of six months and thereafter until terminated by the Supplier or the Customer giving to the other sixty (60) ~~or ninety (90)~~ days prior written notice of termination.
10. This Agreement or the provision of any Service hereunder may be terminated by written notice as follows:
  - (a) the Customer may terminate the provision of any Service upon 15 days prior written notice to the Supplier;
  - (b) the Supplier or the Customer may terminate this Agreement if the other commits a breach of any provision of this Agreement and such breach continues for 30 days following a request to cure that breach; or
  - (c) the Supplier or the Customer may terminate this Agreement by written notice having immediate effect if the Supplier and the Customer are no longer under common control ~~—Affiliates~~ or a substantial part of the assets of either the Supplier or the Customer are sold to a third party.

Notwithstanding the termination of this Agreement, the provisions of Sections ~~34~~ (in respect of the period preceding termination), ~~1011~~ and ~~1518~~ will remain in force for the benefit of the parties.

### **Confidentiality**

11. During the term of this Agreement and thereafter, the parties will maintain in confidence and not disclose the other party's Confidential Information (as defined below), using the same degree of care, but no less than reasonable care, as they use to protect their own confidential information of like nature. For the purposes of this Agreement, "Confidential Information" means information concerning a party or its Affiliates (as that term is defined in the Asset Purchase Agreement ) and their respective business and affairs that is furnished to the other party in connection with the performance of this

Agreement. The recipient may use Confidential Information only for the purposes of fulfilling its obligations under this Agreement (the “Permitted Purpose”).

12. The recipient may disclose Confidential Information only:
  - (a) to the extent that it is made readily available or becomes available to the general public by the recipient;
  - (b) which is subsequently lawfully and in good faith obtained by the recipient without breach of this Agreement from an independent third party not known by the recipient, after reasonable enquiry, to be bound by any contractual or legal obligation of confidentiality to the disclosing party;
  - (c) to its Affiliates and their respective employees or contractors who have a need to know such information for the Permitted Purpose; or
  - (d) to the extent the recipient can demonstrate that such disclosure is required pursuant to a valid order of a governmental authority or under applicable laws including the rules and regulations of any applicable stock exchange or securities commission (which for greater certainty includes disclosure required by any Affiliate of the recipient); provided, however, that the recipient first has given notice to the disclosing party of any request or demand made with respect to the disclosure of such Confidential Information and, where practicable and to the extent applicable, the recipient has been given an opportunity to seek an appropriate protective order or other remedy and/or waive compliance with the terms of this Agreement and the recipient will not oppose any action by the disclosing party to seek such a protective order or other remedy and if failing the obtaining of a protective order or other remedy, such disclosure is required of the Confidential Information, the recipient will its reasonable efforts (not involving the expenditure of money or the commencement of litigation) to ensure that disclosure will be afforded confidential treatment.
13. The recipient shall obtain Nondisclosure Agreements for the benefit of the disclosing party from recipient’s employees or contractors with whom Confidential Information has been shared.

#### **Limitations and Indemnification**

14. Force Majeure: Neither party will bear any responsibility or liability for any losses arising out of any delay, inability to perform, or interruption of its performance of obligations under this Agreement due to events beyond its reasonable control (hereinafter referred to as “Force Majeure”), including act of God, act of governmental authority, act of the public enemy, or due to war, riot, flood, civil commotion, insurrection, labour

difficulty, severe or adverse weather conditions, lack of or shortage of electrical power, malfunctions of equipment or software programs, or any other cause beyond the reasonable control of the party whose performance is affected by the Force Majeure event.

15. THE EXPRESS WARRANTIES CONTAINED IN SECTIONS ~~56(1)~~ AND ~~1720~~ HEREOF AND THE COVENANTS EXPRESSLY MADE IN THIS AGREEMENT ARE THE ONLY WARRANTIES AND COVENANTS MADE BY THE SUPPLIER AND THE SUPPLIER EXPRESSLY **DISCLAIMS AND EXCLUDES** ANY AND ALL OTHER REPRESENTATIONS, WARRANTIES, COVENANTS AND CONDITIONS OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, INCLUDING REPRESENTATIONS, WARRANTIES, COVENANTS AND CONDITIONS OF **MERCHANTABILITY**, MERCHANTABLE OR SATISFACTORY QUALITY, PERFORMANCE, RESULTS, TITLE AND **FITNESS FOR A PARTICULAR PURPOSE**, AND THOSE ARISING BY STATUTE OR OTHERWISE IN LAW FROM A COURSE OF DEALING OR USAGE OF TRADE. THE SUPPLIER DOES NOT WARRANT:
  - (a) THE PERFORMANCE, AVAILABILITY, SECURITY, UNINTERRUPTED USE OF OR OPERATION OF THE SERVICES OR ANY FEATURE THEREOF;
  - (b) THAT THE SERVICES WILL MEET THE CUSTOMER'S REQUIREMENTS;
  - (c) THAT THE PROVISION OF THE SERVICES WILL BE ERROR-FREE; OR
  - (d) THAT ANY OR ALL ERRORS CAN BE CORRECTED.
16. For breach or default by the Supplier of any provision of this Agreement, the Supplier's entire liability, regardless of the form of action, whether based on contract or tort, including negligence, and including the furnishing, the failure to furnish or the quality of any Service, will in no event exceed in the aggregate the amount of Fees, Out of Pocket Costs, if any, paid by the Customer to the Supplier as compensation for the Service that is the subject of the claim in the one-month period immediately preceding the date the Customer notifies the Supplier of such claim.
17. **LIMITATION OF LIABILITY:** IN NO EVENT WILL THE SUPPLIER OR ITS AFFILIATES AND THEIR RESPECTIVE AGENTS, EMPLOYEES, DIRECTORS, OFFICERS OR SUPPLIERS BE LIABLE HEREUNDER TO THE CUSTOMER OR ANY OTHER PERSON FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL LOSS OR DAMAGE, INCLUDING LOST BUSINESS REVENUE, LOSS OF PROFITS, LOSS OF DATA, FAILURE TO REALIZE EXPECTED PROFITS OR SAVINGS, CLAIMED, INCURRED OR SUFFERED BY THE CUSTOMER OR ANY OTHER PERSON (EVEN IF THE SUPPLIER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS) RESULTING FROM OR ARISING IN CONNECTION WITH THE PERFORMANCE OR NON-PERFORMANCE OF THIS AGREEMENT, ANY SCHEDULE HERETO OR ANY OBLIGATION HEREUNDER OR THEREUNDER

(INCLUDING THE SERVICES), HOWSOEVER CAUSED. THE LIMITATIONS, EXCLUSIONS AND DISCLAIMERS IN THIS AGREEMENT WILL APPLY IRRESPECTIVE OF THE NATURE OF THE CAUSE OF ACTION, DEMAND OR CLAIM INCLUDING BREACH OF CONTRACT, NEGLIGENCE, TORT, STRICT LIABILITY OR ANY OTHER LEGAL THEORY AND WILL SURVIVE A FUNDAMENTAL BREACH OR THE FAILURE OF THE ESSENTIAL PURPOSE OF THIS AGREEMENT.

18. The Customer will indemnify, and hold harmless, the Supplier and its Affiliates and their respective officers, directors, employees and agents from and against all damages, fines, losses, liabilities, costs and expenses arising from any action, suit, or proceeding or other claim or demand for any personal injuries, death, or for damage to tangible property to any person (collectively, "Losses") resulting from the Supplier's or any of its Affiliates' acts or omissions in connection with the provision of Services to the Customer under this Agreement, except to the extent that such Losses result from the wilful misconduct or gross negligence of the Supplier or any of its Affiliates or the Supplier's or any of its Affiliates' officers, agents, employees or subcontractors of the Supplier (or any of its Affiliates). The Supplier will notify the Customer as soon as reasonably practical of any such claim, demand or cause of action for which the Supplier will require such indemnification from the Customer. The Supplier will provide the Customer with reasonable information and assistance for the Customer to defend such claim or demand.

#### **Status of Parties**

19. None of the provisions of this Agreement is intended to create nor will it be deemed or construed to create any relationship between the Supplier and the Customer other than that of separate entities contracting with each other under this Agreement solely for the purpose of effecting the provisions of this Agreement. Neither the Supplier nor the Customer will be construed to be the employer of the other. The Customer acknowledges that the Supplier or its Affiliates may provide services similar to the Services to other persons.

#### **Warranties**

20. The Supplier hereby represents and warrants that it has full legal right and authority to provide or to cause the provision of the Services to be provided hereunder and that it has and will use its reasonable commercial efforts to continue to have the necessary skills, facilities and resources to fulfill its obligations hereunder.

#### **General**

21. Entire Agreement: This Agreement INTD: Consider adding references to related agreements that cover same services, such as the Sales Agency Agreement constitutes the entire understanding and agreement of the parties hereto and supersedes all prior written or oral and all contemporaneous oral agreements, understandings and

negotiations among the parties hereto, except for the Asset Purchase Agreement insofar as it is applicable with respect to the parties hereto.

22. Notices: All notices, requests, demands and other communications required or permitted to be given under this Agreement will be deemed to have been duly given if in writing sent via first-class, postage prepaid, registered or certified mail (return receipt requested), or by overnight delivery service or by electronic means of communication addressed as follows:

If to the Customer:

Phone:

Fax:

Email:

If to the Supplier:

Phone:

Fax:

Email:

or to such other address to which the communications are to be directed to it by giving notice to the other party in the manner provided in this Section ~~19-22~~. Notice by mail will be deemed given and received on the third calendar day after posting. Notice by overnight delivery service, electronic transmission or personal delivery will be deemed given on the date of actual delivery.

23. Transfer and Assignment: Successors: Without the other party's written consent, this Agreement and the rights and obligations of a party hereunder will not be assignable by either party, provided however that the Supplier may assign its rights and obligations hereunder to any Affiliate without consent. This Agreement will be binding upon, and inure to the benefit of, the respective successors and permitted assigns of each of the parties hereto.
24. No Third Party Rights: Except as specifically provided herein, the provisions of this Agreement are intended to bind the parties to each other and are not intended and do not create rights in any other person, and no person is intended to be or is a third party beneficiary of any of the provisions in this Agreement.
25. Interpretation: The headings in this Agreement are for reference purposes only and will not in any way affect the meaning or interpretation of this Agreement. In this

Agreement, words importing the singular number include the plural and vice-versa, words importing any gender include all genders and "including" means "including without limiting the generality of the foregoing".

26. **Governing Law:** This Agreement will be governed by and construed and enforced in accordance with the laws of Ontario and the laws of Canada applicable therein.
27. **Attornment:** For the purpose of all legal proceedings this Agreement will be deemed to have been performed in the Province of Ontario and the courts of the Province of Ontario will have jurisdiction to entertain any action arising under this Agreement. The parties hereto each attorn to the jurisdiction of the courts of the Province of Ontario.
28. **Amendments:** No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by all parties. No waiver of any breach of any provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided, will be limited to the specific breach waived
29. **Counterparts:** This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.
30. **Facsimiles:** Delivery of an executed signature page to this Agreement by any party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such party.
31. **Time is of the essence:** Time is in all respects of the essence of this Agreement, and no extension or variation of this Agreement or any obligation hereunder will operate as a waiver or implied waiver of this provision.
32. **Schedule:** The Schedule attached hereto is incorporated in and forms part of this Agreement.

[Signature page to follow]

**IN WITNESS WHEREOF** the parties have executed this Agreement as of the date first above written.

**FRASER PAPERS INC.**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**TWIN RIVERS PAPER COMPANY INC.**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE OF SERVICES**

1. Accounts payable processing
2. Payroll processing
3. General ledger accounting
4. Benefit administration services
5. Khalix financial consolidation system
6. General information technology support

Document comparison by Workshare Professional on April 5, 2010 5:58:05 PM

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# TAB "E"

# EXHIBIT "E"

GORHAM/NEWCO

## TRANSITIONAL SERVICES AGREEMENT

THIS AGREEMENT is made as of \_\_\_\_\_April\_\_\_\_\_, 2010

BETWEEN:

FRASER N.H. LLC, a limited liability company  
formed under the laws of the State of Delaware  
(the "Customer")

- and -

TWIN RIVERS PAPER COMPANY LLC, a  
limited liability company formed under the laws  
of the State of Delaware (the "Supplier").

**WHEREAS**, pursuant to the terms of the Asset Purchase Agreement, Brookfield Asset Management Inc. (or its designee) agreed to purchase from Fraser Papers Inc. and certain of its subsidiaries (including the Customer) assets pertaining to the Edmundston Mill, the Madawaska Mill, the Juniper Mill and the Plaster Rock Mill (as those terms are defined in the Asset Purchase Agreement), including systems and personnel used to provide services to operations maintained by the Customer;

**AND WHEREAS**, Brookfield Asset Management Inc. has designated the Supplier as the purchaser of the US Purchased Assets (as that term is defined in the Asset Purchase Agreement);

**AND WHEREAS**, as a condition to the completion of the sale and purchase pursuant to the Asset Purchase Agreement, the Supplier agreed to execute and deliver this Agreement to provide transitional services to the Customer;

**NOW THEREFORE**, in consideration of the covenants and agreements herein contained, the parties agree as follows:

### Interpretation

1. Definitions. In this Agreement:

"Administrative Services" means the Services set forth in Schedule A.

"Affiliate" means, with respect to any Person, any other Person which controls, is controlled by or is under common control with, directly or indirectly, such Person, and, for purposes of this definition, "control" means, from time to time (a) the right to exercise more than fifty percent

(50%) of the votes exercisable for the election of the directors of a Person (or Persons performing similar functions); and (b) in the case of a limited partnership, control of each of such limited partnership's general partners; and (c) in the case of a partnership other than a limited partnership, the right to exercise more than fifty percent (50%) of the votes exercisable at any meeting of partners of that partnership; and (d) in the case of any Person, the right to (1) exercise a majority of the voting rights in respect of that Person, (2) otherwise control that Person by virtue of provisions contained in its constitutional documents, or (3) manage all or substantially all of the assets of that Person pursuant to any contract or arrangement; and "Controlled" has a corresponding meaning.

"**Agreement**" means this agreement, including its recitals and schedules, as amended from time to time.

"**Asset Purchase Agreement**" means the Asset Purchase Agreement made as of December 22, 2009 between Fraser Papers Inc. and certain of its subsidiaries and Brookfield Asset Management Inc. or its designate(s), as amended from time to time.

"**Confidential Information**" has the meaning set out in Section 13.

"**Fee**" has the meaning set out in Section 5(a).

"**Force Majeure**" has the meaning set out in Section 14.

"**Losses**" means all damages, fines, losses, liabilities, costs and expenses arising from any action, suit or proceeding or any other claim or demand.

"**Operational Services**" means the Services set forth in Schedule B.

"**Out-of-Pocket Costs**" has the meaning set out in Section 5(b).

"**Permitted Purpose**" has the meaning set out in section 13.

"**Person**" means an individual, a partnership, limited partnership, a sole proprietorship, a company, a firm, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, a union, a group acting in concert, a judicial authority, a governmental authority or any other entity or association of any kind.

"**Products**" means all the products that the Customer can produce without breaching the terms of the Non-Competition Agreement made as of **►April**, 2010 between the parties and others.

"**Sales Services**" means the services set forth in Schedule C.

"**Service Coordinators**" has the meaning set out in Section 4.

“Services” means, collectively, the Administrative Services, the Operational Services and the Sales Services.

2. **Extended Meanings.** In this Agreement words importing the singular number include the plural and vice versa, words importing any gender include all genders and words importing persons include individuals, corporations, limited and unlimited companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and governmental authorities. The term “including” means “including without limiting the generality of the foregoing”.

### Services

3. The Supplier will supply, or cause to be supplied, the Services to the Customer and the Customer will receive the Services from the Supplier, upon and subject to the terms and conditions herein.
4. The Supplier and the Customer will each nominate a representative to act as the contact person with respect to the provision of the Services (the “Service Coordinators”). The initial Service Coordinators will be ► for the Supplier and ► for the Customer. Unless the parties otherwise agree, all communications relating to this Agreement and the Services will be directed to the Service Coordinators in accordance with Section ~~23-24~~.

### Payment

5. For each Service provided during the term of this Agreement, the recipient Customer will pay to the Supplier an amount equal to the sum of:
  - (a) the direct cost to the Supplier (based on the cost (to Fraser Papers Inc. or the Supplier, as appropriate) to provide such services in the immediately preceding year) of providing the Service plus 5%, with the direct cost to be calculated on the basis of the employee hours worked to provide the Service multiplied by the employee loaded cost per hour (the “Fee”); and
  - (b) all out-of-pocket expenses incurred by the Supplier in connection with the provision of the Services including taxes (other than income taxes payable by the Supplier) payable in connection with the Services and all expenses, fees and other costs paid by the Supplier to third parties in connection with the Services (the “Out-of-Pocket Costs”).

Changes to the fee structure can be made at any time with joint agreement by the Customer and Supplier.

6. The Supplier will invoice the Customer on or before the 15<sup>th</sup> day of each month for the Fees and Out-of-Pocket Costs payable for the Services provided during the immediately preceding month. The Customer will pay the invoiced amount within fifteen (15) calendar days of the date of the invoice by cheque or wire transfer in immediately available funds to an account designated by the Supplier from time to time.

**Quality of Services**

7. The Supplier will perform the Services in a manner consistent with the past ordinary course of the previous provision of such services to Customer by Fraser Papers Inc., including using the same level and scope of resources. Without limiting the generality of the foregoing:
  - (a) in connection with the supply of the Operational Services, the Supplier will:
    - (i) maintain the systems referred to in Schedule B at or above the current level of uptime with a target of 99.5% on a quarterly basis;
    - (ii) communicate all potential changes in functionality to the Customer at least 90 days prior to implementation;
    - (iii) communicate all planned outage requirements and develop a plan with the Customer for timing; and
    - (iv) maintain a full data backup process; and
  - (b) in connection with the supply of the Sales Services, the Supplier will:
    - (i) solicit purchase orders for the Products from prospective customers identified by the Customer and deliver the purchase orders to the Customer for a determination as to acceptance on a timely basis. The Supplier has no authority to enter into any agreement or to incur any indebtedness on behalf of the Customer without prior approval from the Customer;
    - (ii) develop, in consultation with the Customer, production schedules, and sales and operations planning for the Customer's paper machines;
    - (iii) process all accepted purchase orders for the Products through accounting and reporting systems;
    - (iv) schedule transportation, warehousing and invoicing for all accepted purchase orders for Products;

- (v) provide technical field service representation for the Customer including, in consultation with the Customer, resolution of quality complaints, product qualification trial coverage and competitive performance benchmarking; and
  - (vi) transfer on a timely basis all money collected on behalf of the Customer to an account specified by the Customer from time to time.
  - (vii) provide unprinted and printed samples to the end customers for all the Products
8. The Customer will, on a timely basis, determine whether to accept purchase orders for Products delivered by the Supplier and otherwise make available to the Supplier all information and materials reasonably requested by the Supplier to provide the Services hereunder.
9. In order to facilitate as quickly as possible the Customer's substitution of its own Services, the Supplier will give the Customer reasonable access, upon reasonable notice during normal business hours, to the personnel of the Supplier responsible for providing the Services.
10. The Supplier will maintain appropriate books of account and records with respect to matters related to the provision of the Services. The Supplier will give the auditors of the Customer reasonable access, upon reasonable notice during normal business hours, and subject to Confidentiality provisions hereof, to those books of account and records.

#### **Term and Termination**

11. Subject to the provisions of Section 12, the term of this Agreement will commence on the Closing Date (as that term is defined in the Asset Purchase Agreement ) and continue for a period of six months and thereafter until terminated by the Supplier or the Customer giving to the other sixty (60) ~~for ninety (90)~~ days prior written notice of termination.
12. This Agreement or the provision of any Service hereunder may be terminated by written notice as follows:
- (a) the Customer may terminate the provision of any Service upon 15 days prior written notice to the Supplier;
  - (b) the Supplier or the Customer may terminate this Agreement if the other commits a breach of any provision of this Agreement and such breach continues for 30 days following a request to cure that breach; or

- (c) the Supplier or the Customer may terminate this Agreement by written notice having immediate effect if the Supplier and the Customer are no longer under common control. Affiliates or a substantial part of the assets of either the Supplier or the Customer are sold to a third party.

Notwithstanding the termination of this Agreement, the provisions of Sections 5 (in respect of the period preceding termination), 13 and ~~18~~20 will remain in force for the benefit of the parties.

### **Confidentiality**

- 13. During the term of this Agreement and thereafter, the parties will maintain in confidence and not disclose the other party's Confidential Information (as defined below), using the same degree of care, but no less than reasonable care, as they use to protect their own confidential information of like nature. For the purposes of this Agreement, "**Confidential Information**" means information concerning a party or its Affiliates and their respective business and affairs that is furnished to the other party in connection with the performance of this Agreement. The recipient may use Confidential Information only for the purposes of fulfilling its obligations under this Agreement (the "**Permitted Purpose**").
- 14. The recipient may disclose Confidential Information only:
  - (a) to the extent that it is made readily available or becomes available to the general public by the recipient;
  - (b) which is subsequently lawfully and in good faith obtained by the recipient without breach of this Agreement from an independent third party not known by the recipient, after reasonable enquiry, to be bound by any contractual or legal obligation of confidentiality to the disclosing party;
  - (c) to its Affiliates and their respective employees or contractors who have a need to know such information for the Permitted Purpose; or
  - (d) to the extent the recipient can demonstrate that such disclosure is required pursuant to a valid order of a governmental authority or under applicable laws including the rules and regulations of any applicable stock exchange or securities commission (which for greater certainty includes disclosure required by any Affiliate of the recipient); provided, however, that the recipient first has given notice to the disclosing party of any request or demand made with respect to the disclosure of such Confidential Information and, where practicable and to the extent applicable, the recipient has been given an opportunity to seek an appropriate protective order or other remedy and/or waive compliance with the

terms of this Agreement and the recipient will not oppose any action by the disclosing party to seek such a protective order or other remedy and if failing the obtaining of a protective order or other remedy, such disclosure is required of the Confidential Information, the recipient will its reasonable efforts (not involving the expenditure of money or the commencement of litigation) to ensure that disclosure will be afforded confidential treatment.

15. The recipient shall obtain Nondisclosure Agreements for the benefit of the disclosing party from recipient's employees or contractors with whom Confidential Information has been shared.

### **Limitations and Indemnification**

16. Force Majeure: Neither party will bear any responsibility or liability for any losses arising out of any delay, inability to perform, or interruption of its performance of obligations under this Agreement due to events beyond its reasonable control (hereinafter referred to as "Force Majeure"), including act of God, act of governmental authority, act of the public enemy, or due to war, riot, flood, civil commotion, insurrection, labour difficulty, severe or adverse weather conditions, lack of or shortage of electrical power, malfunctions of equipment or software programs, or any other cause beyond the reasonable control of the party whose performance is affected by the Force Majeure event.
17. THE EXPRESS WARRANTIES CONTAINED IN SECTIONS 7 AND ~~2022~~ 2022 HEREOF AND THE COVENANTS EXPRESSLY MADE IN THIS AGREEMENT ARE THE ONLY WARRANTIES AND COVENANTS MADE BY THE SUPPLIER AND THE SUPPLIER EXPRESSLY **DISCLAIMS AND EXCLUDES** ANY AND ALL OTHER REPRESENTATIONS, WARRANTIES, COVENANTS AND CONDITIONS OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, INCLUDING REPRESENTATIONS, WARRANTIES, COVENANTS AND CONDITIONS OF **MERCHANTABILITY**, MERCHANTABLE OR SATISFACTORY QUALITY, PERFORMANCE, RESULTS, TITLE AND **FITNESS FOR A PARTICULAR PURPOSE**, AND THOSE ARISING BY STATUTE OR OTHERWISE IN LAW FROM A COURSE OF DEALING OR USAGE OF TRADE. THE SUPPLIER DOES NOT WARRANT:
  - (a) THE PERFORMANCE, AVAILABILITY, SECURITY, UNINTERRUPTED USE OF OR OPERATION OF THE SERVICES OR ANY FEATURE THEREOF;
  - (b) THAT THE SERVICES WILL MEET THE CUSTOMER'S REQUIREMENTS;
  - (c) THAT THE PROVISION OF THE SERVICES WILL BE ERROR-FREE; OR
  - (d) THAT ANY OR ALL ERRORS CAN BE CORRECTED.

18. For breach or default by the Supplier of any provision of this Agreement, the Supplier's entire liability, regardless of the form of action, whether based on contract or tort, including negligence, and including the furnishing, the failure to furnish or the quality of any Service, will in no event exceed in the aggregate the amount of fees, costs and amounts, if any, paid by the Customer to the Supplier as compensation for the Service that is the subject of the claim in the one-month period immediately preceding the date the Customer notifies the Supplier of such claim.
19. LIMITATION OF LIABILITY: IN NO EVENT WILL THE SUPPLIER OR ITS AFFILIATES AND THEIR RESPECTIVE AGENTS, EMPLOYEES, DIRECTORS, OFFICERS OR SUPPLIERS BE LIABLE HEREUNDER TO THE CUSTOMER OR ANY OTHER PERSON FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL LOSS OR DAMAGE, INCLUDING LOST BUSINESS REVENUE, LOSS OF PROFITS, LOSS OF DATA, FAILURE TO REALIZE EXPECTED PROFITS OR SAVINGS, CLAIMED, INCURRED OR SUFFERED BY THE CUSTOMER OR ANY OTHER PERSON (EVEN IF THE SUPPLIER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS) RESULTING FROM OR ARISING IN CONNECTION WITH THE PERFORMANCE OR NON-PERFORMANCE OF THIS AGREEMENT, ANY SCHEDULE HERETO OR ANY OBLIGATION HEREUNDER OR THEREUNDER (INCLUDING THE SERVICES), HOWSOEVER CAUSED. THE LIMITATIONS, EXCLUSIONS AND DISCLAIMERS IN THIS AGREEMENT WILL APPLY IRRESPECTIVE OF THE NATURE OF THE CAUSE OF ACTION, DEMAND OR CLAIM INCLUDING BREACH OF CONTRACT, NEGLIGENCE, TORT, STRICT LIABILITY OR ANY OTHER LEGAL THEORY AND WILL SURVIVE A FUNDAMENTAL BREACH OR BREACHES OR THE FAILURE OF THE ESSENTIAL PURPOSE OF THIS AGREEMENT.
20. The Customer will indemnify, and hold harmless, the Supplier and its Affiliates and their respective officers, directors, employees and agents from and against all damages, fines, losses, liabilities, costs and expenses arising from any action, suit or proceeding or other claim or demand for any personal injuries, death, or for damage to tangible property to any person (collectively, "Losses") resulting from the Supplier's or any of its Affiliates' acts or omissions in connection with the provision of Services to that Customer under this Agreement, except to the extent that such Losses result from the willful misconduct or gross negligence of the Supplier (or any of its Affiliates) or the officers, agents, employees or subcontractors of the Supplier (or any of its Affiliates). The Supplier will notify the Customer as soon as reasonably practical of any such claim, demand or cause of action for which the Supplier will require such indemnification from the Customer. The Supplier will provide the Customer with reasonable information and assistance for the Customer to defend such claim or demand.

**Status of Parties**

21. None of the provisions of this Agreement is intended to create nor will it be deemed or construed to create any relationship between the Supplier and the Customer other than

that of separate entities contracting with each other under this Agreement solely for the purpose of effecting the provisions of this Agreement. Neither the Supplier nor the Customer will be construed to be the employer of the other. The Customer acknowledges that the Supplier or its Affiliates may provide services similar to the Services to other persons.

**Warranties**

22. The Supplier hereby represents and warrants that it has full legal right and authority to provide or to cause the provision of the Services to be provided hereunder and that it has and will use its reasonable commercial efforts to continue to have the necessary skills, facilities and resources to fulfill its obligations hereunder.

**General**

23. Entire Agreement: This Agreement constitutes the entire understanding and agreement of the parties hereto and supersedes all prior written or oral and all contemporaneous oral agreements, understandings and negotiations among the parties hereto, except for the Asset Purchase Agreement insofar as it is applicable with respect to the parties hereto.

24. Notices: All notices, requests, demands and other communications required or permitted to be given under this Agreement will be deemed to have been duly given if in writing sent via first-class, postage prepaid, registered or certified mail (return receipt requested), or by overnight delivery service or by electronic means of communication addressed as follows:

If to the Customer:

Phone:

Fax:

Email:

If to the Supplier:

Phone:

Fax:

Email:

or to such other address to which the communications are to be directed to it by giving notice to the other party in the manner provided in this Section ~~22-24~~. Notice by mail will be deemed given and received on the third calendar day after posting. Notice by

overnight delivery service, electronic transmission or personal delivery will be deemed given on the date of actual delivery.

25. **Transfer and Assignment/Successors:** Without the other party's written consent, this Agreement and the rights and obligations of the parties hereunder will not be assignable by either party, provided however that the Supplier may assign its rights and obligations hereunder to any Affiliate without consent. This Agreement will be binding upon, and inure to the benefit of, the respective successors and permitted assigns of each of the parties hereto.
26. **No Third Party Rights:** Except as specifically provided herein, the provisions of this Agreement are intended to bind the parties to each other and are not intended and do not create rights in any other person, and no person is intended to be or is a third party beneficiary of any of the provisions in this Agreement.
27. **Non-Solicitation:** Neither party will induce any employee of the other party to leave his or her employment or employ or attempt to employ or assist any person to employ any employee of the other party, without the prior written consent of the other party.
28. **Interpretation:** The headings in this Agreement are for reference purposes only and will not in any way affect the meaning or interpretation of this Agreement. In this Agreement, words importing the singular number include the plural and vice-versa, words importing any gender include all genders and "including" means "including without limitation the generality of the foregoing".
29. **Governing Law:** This Agreement will be governed by and construed and enforced in accordance with the laws of the State of Maine.
30. **Attornment:** For the purpose of all legal proceedings this Agreement will be deemed to have been performed in the State of Maine and the courts of the State of Maine will have jurisdiction to entertain any action arising under this Agreement. The parties hereto each attorn to the jurisdiction of the courts of the State of Maine.
31. **Amendments:** No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by all parties. No waiver of any breach of any provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided, will be limited to the specific breach waived.
32. **Counterparts:** This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

33. Facsimiles: Delivery of an executed signature page to this Agreement by any party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such party.
34. Time is of the essence: Time is in all respects of the essence of this Agreement, and no extension or variation of this Agreement or any obligation hereunder will operate as a waiver or implied waiver of this provision.
35. Schedules: The Schedules attached hereto are incorporated in and form part of this Agreement.

[Signature page to follow]

**IN WITNESS WHEREOF** the parties have executed this Agreement as of the date first above written.

**FRASER N.H. LLC**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**TWIN RIVERS PAPER COMPANY LLC**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE A**  
**ADMINISTRATIVE SERVICES**

1. Accounts payable processing
2. Payable processing
3. General ledger accounting
4. Benefit administration services
5. Khalix financial consolidation system
6. General information technology support associated with the systems

**SCHEDULE B**  
**OPERATIONAL SERVICES**

1. Order entry system/customer service/production planning
2. Inventory tracking
3. MAPS – Mill activity and profit system
4. Warehousing, transportation and freight systems
5. Invoicing
6. Accounts receivable
7. Time and attendance
8. Sales forecasting systems
9. Claims systems
10. Certificate of analysis system
11. Roll tracking/manufacturing execution systems
12. Khalix financial consolidation system
13. General information technology support

**SCHEDULE C**

**SALES SERVICES**

1. Customer service including order entry and scheduling
2. Transportation Services including invoicing
3. Credit Services
4. Technical field services

Document comparison by Workshare Professional on April 5, 2010 5:58:59 PM

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SALES AGENCY AGREEMENT

**EXHIBIT "F"**

THIS AGREEMENT is made as of \_\_\_\_\_April\_\_\_\_\_, 2010

**BETWEEN:**

FRASER TIMBER LIMITED, a corporation incorporated under the laws of the State of Maine ("Fraser")

- and -

TWIN RIVERS PAPER COMPANY INC., a limited liability company formed under the laws of the State ~~Province~~ of ~~Delaware~~ Ontario ("Newco").

**WHEREAS** Fraser produces the Products at the Mills;

**AND WHEREAS** Newco produces lumber products at its mills in Plaster Rock and Juniper, New Brunswick and has a sales force skilled in the sale of lumber products;

**AND WHEREAS** Fraser wishes to appoint Newco as a non-exclusive sales representative for the sale of the Products;

**NOW THEREFORE**, in consideration of the covenants and agreements herein contained, the parties agree as follows:

**Interpretation**

1. Definitions. In this Agreement:

"Affiliate" means, with respect to any Person, any other Person which controls, is controlled by or is under common control with, directly or indirectly, such Person, and, for purposes of this definition, "control" means, from time to time (a) the right to exercise more than fifty percent (50%) of the votes exercisable for the election of the directors of a Person (or Persons performing similar functions); and (b) in the case of a limited partnership, control of each of such limited partnership's general partners; and (c) in the case of a partnership other than a limited partnership, the right to exercise more than fifty percent (50%) of the votes exercisable at any meeting of partners of that partnership; and (d) in the case of any Person, the right to (1) exercise a majority of the voting rights in respect of that Person, (2) otherwise control that Person by virtue of provisions contained in its constitutional documents, or (3) manage all or substantially all of the assets of that Person pursuant to any contract or arrangement; and "Controlled" has a corresponding meaning.

“**Agreement**” means this agreement, including its recitals, as amended from time to time.

“**Confidential Information**” has the meaning set out in Section 16.

“**Force Majeure**” has the meaning set out in Section 17.

“**Mills**” means the mills owned by Fraser in Ashland and Masardis, Maine.

“**Permitted Purpose**” has the meaning set out in Section 16.

“**Person**” means an individual, a partnership, limited partnership, a sole proprietorship, a company, a firm, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, a union, a group acting in concert, a judicial authority, a governmental authority or any other entity or association of any kind.

“**Products**” means dimension and stud lumber products produced by Fraser at the Mills. For greater certainty, the term “Products” does not include any biomass (bark), woodchips, sawdust or shavings produced at the Mills.

“**Purchase Orders**” means purchase orders issued by customer’s of Fraser for the purchase of the Products.

“**Territory**” means North America.

2. Extended Meanings. In this Agreement words importing the singular number include the plural and vice versa, words importing any gender include all genders and words importing persons include individuals, corporations, limited and unlimited companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and governmental authorities. The term “including” means “including without limiting the generality of the foregoing”.

### **Appointment**

3. Fraser hereby appoints Newco as its non-exclusive sales representative for the solicitation of Purchase Orders throughout the Territory, and Newco accepts this appointment, upon and subject to the terms and conditions herein contained.
4. Newco’s authority under this Agreement is to solicit Purchase Orders within the Territory. Except as expressly provided in this Agreement, Newco has no authority, and will not represent that it has authority, to make or enter into any agreement or to incur any indebtedness on behalf of Fraser. Until such time as a Purchase Order is accepted by Fraser, it shall have no binding effect.

**General Responsibilities**

5. At all times Newco will, as Fraser's non-exclusive sales representative:
  - (a) diligently solicit Purchase Orders in the Territory;
  - (b) maintain in the Territory adequately trained employees knowledgeable of the Products as is reasonably necessary to perform its obligations under this Agreement;
  - (c) participate, as is appropriate and in compliance with legal requirements, in promotion and marketing programs and trade shows, where such participation will promote the Products;
  - (d) provide Fraser with periodic reports of the activities of Newco in the Territory identifying, among other things, actual and prospective purchasers of the Products and any other information regarding market conditions and product performance as Fraser may reasonably request; and
  - (e) notify Fraser promptly of any actual or potential claim against Fraser.
6. At all times, Fraser will support marketing of the Products by:
  - (a) providing Newco with information daily regarding the type of Products available for sale on a current or future basis;
  - (b) keeping Newco informed of specification changes in the Products;
  - (c) fulfilling all delivery conditions on Purchase Orders presented by Newco and accepted by Fraser; and
  - (d) responding in a timely manner to any quality issue raised by Newco or a customer solicited through Newco.

**Purchase Orders**

7. Newco will solicit Purchase Orders solely on the basis of Fraser's standard terms and conditions of sale, including list prices and allowable pricing ranges acceptable to Newco. Newco will present only Purchase Orders that fit the available and forecasted Products and approved pricing ranges, as provided to Newco by Fraser from time to time.
8. Within one business day (or such amount of time as Newco and Fraser may agree) after Newco has obtained a signed Purchase Order from a prospective customer, Newco will deliver the Purchase Order to Fraser for review and approval. Newco will include any

additional information regarding the prospective customer or the Purchase Order that Fraser reasonably may request.

9. Fraser will determine whether or not it will accept a Purchase Order within one (1) business day of receiving the Purchase Order and any requested additional information from Newco. Promptly thereafter Fraser will deliver notice of its decision to Newco. If Fraser does not ~~reject~~accept a Purchase Order within such time, it shall have been deemed to have rejected such Purchase Order.
10. Fraser will carry out all Purchase Orders accepted by Fraser.

### **Fee and Expenses**

11. For its services as sales representative under this Agreement, Fraser will pay Newco the following amounts:
  - (a) a fee of US\$5,000 per month; and
  - (b) all out-of-pocket expenses incurred by Newco in connection with the solicitation of Purchase Orders.
12. Newco will invoice Fraser on or before the 15<sup>th</sup> day of each month for the fee and out-of-pocket expenses set out in Section 11 incurred by Newco during the immediately preceding month. Fraser will pay the invoiced amount within 14 days by cheque or wire transfer in immediately available funds to an account designated by Newco from time to time.
13. Newco will maintain appropriate books of account and records with respect to matters related to its services as sales representative under this Agreement. Newco will give the auditors of Fraser reasonable access, upon reasonable notice during normal business hours, and subject to the Confidentiality provisions hereof, to those books of account and records.

### **Term and Termination**

14. Subject to the provisions of Section 15, the term of this Agreement will commence on the date of this Agreement and continue for a period of six months and thereafter on a month-to-month basis until terminated by Fraser or Newco giving the other 30 days prior written notice of termination.
15. (1) This Agreement may be terminated by written notice having immediate effect if Fraser and Newco are no longer Affiliates or a substantial part of the assets of either Fraser or Newco are sold to a third party.

(2) Notwithstanding the termination of this Agreement, the provisions of Section 11 (in respect of the period preceding termination) and 16 will remain in force for the benefit of the parties.

### **Confidentiality**

16. During the term of this Agreement and thereafter, the parties will maintain in confidence and not disclose the other party's Confidential Information (as defined below), using the same degree of care, but no less than reasonable care, as they use to protect their own confidential information of like nature. For the purposes of this Agreement, "Confidential Information" means information concerning a party and its business and affairs that is furnished to another party in connection with the performance of this Agreement.
17. The recipient may disclose Confidential Information only:
- (a) to the extent that it is made readily available or becomes available to the general public by the recipient;
  - (b) which is subsequently lawfully and in good faith obtained by the recipient without breach of this Agreement from an independent third party not known by the recipient, after reasonable enquiry, to be bound by any contractual or legal obligation of confidentiality to the disclosing party;
  - (c) to its Affiliates and their respective employees or contractors who have a need to know such information for the Permitted Purpose; or
  - (d) to the extent the recipient can demonstrate that such disclosure is required pursuant to a valid order of a governmental authority or under applicable laws including the rules and regulations of any applicable stock exchange or securities commission (which for greater certainty includes disclosure required by any Affiliate of the recipient); provided, however that the recipient first has given notice to the disclosing party of any request or demand made with respect to the disclosure of such Confidential Information and, where practicable and to the extent applicable, the recipient has been given an opportunity to seek an appropriate protective order or other remedy and/or waive compliance with the terms of this Agreement and the recipient will not oppose any action by the disclosing party to seek such a protective order or other remedy and if failing the obtaining of a protective order or other remedy, such disclosure is required of the Confidential Information, the recipient will its reasonable efforts (not involving the expenditure of money or the commencement of litigation) to ensure that disclosure will be afforded confidential treatment.

### **Limitations and Indemnification**

18. Force Majeure: Neither party will bear any responsibility or liability for any losses arising out of any delay, inability to perform, or interruption of its performance of obligations under this Agreement due to events beyond its reasonable control (hereinafter referred to as "Force Majeure"), including act of God, act of governmental authority, act of the public enemy, or due to war, riot, flood, civil commotion, insurrection, labour difficulty, severe or adverse weather conditions, lack of or shortage of electrical power, malfunctions of equipment or software programs, or any other cause beyond the reasonable control of the party whose performance is affected by the Force Majeure event.
19. LIMITATION OF LIABILITY. IN NO EVENT WILL EITHER PARTY BE LIABLE HEREUNDER TO THE OTHER PARTY FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL LOSS OR DAMAGE, INCLUDING LOST BUSINESS REVENUE, LOSS OF PROFITS, LOSS OF DATA, FAILURE TO REALIZE EXPECTED PROFITS OR SAVINGS, CLAIMED, INCURRED OR SUFFERED BY THE OTHER PARTY (EVEN IF THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS) RESULTING FROM OR ARISING IN CONNECTION WITH THE PERFORMANCE OR NON-PERFORMANCE OF THIS AGREEMENT OR ANY OBLIGATION HEREUNDER, HOWSOEVER CAUSED. THE LIMITATIONS, EXCLUSIONS AND DISCLAIMERS IN THIS AGREEMENT WILL APPLY IRRESPECTIVE OF THE NATURE OF THE CAUSE OF ACTION, DEMAND OR CLAIM INCLUDING BREACH OF CONTRACT, NEGLIGENCE, TORT, STRICT LIABILITY OR ANY OTHER LEGAL THEORY AND WILL SURVIVE A FUNDAMENTAL BREACH OR THE FAILURE OF THE ESSENTIAL PURPOSE OF THIS AGREEMENT.

### **Status of Parties**

20. None of the provisions of this Agreement is intended to create nor will it be deemed or construed to create any relationship between Fraser and Newco other than that of independent entities contracting with each other under this Agreement solely for the purpose of effecting the provisions of this Agreement.

### **Warranties**

21. Each party hereby represents and warrants that it has full legal right and authority to enter into this Agreement and to perform its obligations hereunder.

### **General**

22. Entire Agreement: This Agreement constitutes the entire understanding and agreement of the parties hereto and supersedes all prior written or oral and all contemporaneous oral agreements, understandings and negotiations among the parties hereto.

23. Notices. All notices, requests, demands and other communications required or permitted to be given under this Agreement will be deemed to have been duly given if in writing sent via first-class, postage prepaid, registered or certified mail (return receipt requested), or by overnight delivery service or by electronic means of communication addressed as follows:

To Fraser:

Attention:

Phone:

Fax:

Email:

To Newco:

Attention:

Phone:

Fax:

Email:

or to such other address to which the communications are to be directed to it by giving notice to the other party in the manner provided in this Section 22. Notice by mail will be deemed given and received on the third calendar day after posting. Notice by overnight delivery service, electronic transmission or personal delivery will be deemed given on the date of actual delivery.

24. Transfer and Assignment/Successors: Without the other party's written consent, this Agreement and the rights and obligations of the parties hereunder will not be assignable by either party, provided however that Newco may assign its rights and obligations hereunder to any Affiliate without consent. This Agreement will be binding upon, and inure to the benefit of, the respective successors and permitted assigns of each of the parties hereto.
25. No Third Party Rights: Except as specifically provided herein, the provisions of this Agreement are intended to bind the parties to each other and are not intended and do not create rights in any other person and no person is intended to be or is a third party beneficiary of any of the provisions in this Agreement.
26. Non-Solicitation: Neither party will induce any current employee of the other party to leave his or her employment or employ or attempt to employ or assist any person to employ any employee of the other party, without the prior written consent of the other party; provided however, that the foregoing will not prevent either party from hiring any

such person: (i) who contacts such party on his or her own initiative without any direct or indirect solicitation or encouragement from such party (it being understood that a bona fide public advertisement for employment placed by such party and not specifically targeted at the employees of the other party shall not constitute direct or indirect solicitation or encouragement), or (ii) who has been terminated by the other party.

27. **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the State of Maine.
28. **Attornment.** For the purpose of all legal proceedings this Agreement will be deemed to have been performed in the State of Maine and the courts of the State of Maine will have jurisdiction to entertain any action arising under this Agreement. The parties hereby attorn to the jurisdiction of the courts of the State of Maine.
29. **Amendments:** No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by all parties. No waiver of any breach of any provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided, will be limited to the specific breach waived.
30. **Counterparts.** Delivery of an executed signature page to this Agreement by a party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such party.
31. **Time is of the essence:** Time is in all respects of the essence of this Agreement, and no extension or variation of this Agreement or any obligation hereunder will operate as a waiver or implied waiver of this provision.

[Signature page to follow]

**IN WITNESS WHEREOF** the parties have duly executed this Agreement as of the date first above written.

**FRASER TIMBER LIMITED**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**TWIN RIVERS PAPER COMPANY INC.**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

Document comparison by Workshare Professional on April 5, 2010 5:53:19 PM

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Description	#10580876v6<TorysAtWork> - Sales Agency Agreement
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Split/Merged cell	
Padding cell	

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**TAB “G”**