



**Standard Terms and Conditions**  
**Dixfield, ME**

**SPECIFICATIONS/PRICE.** All wood products (each, a "Product") supplied by SUPPLIER to IRVING FOREST PRODUCTS, INC. ("BUYER") at its mill in Dixfield, Maine (the "Facility") must conform to the BUYER's specifications. The specifications and the price payable for such Product will be determined by BUYER from time to time, and will be subject to change.

**DELIVERY/TAXES.** Unless otherwise specified, Products sold by SUPPLIER to BUYER shall be delivered by SUPPLIER to the Facility. Title to the Products and risk of loss will pass to BUYER upon delivery at the Facility. BUYER shall be responsible for the payment of all applicable sales, use or similar taxes in respect of sales of Product.

**MEASUREMENT.** All Products delivered will be weighed on scales located at the Facility or stick scaled. A copy of the scale slip for each load of Product will be furnished to each party. Scale slips so issued shall be binding on both parties in the absence of manifest error.

**NON-EXCLUSIVE.** The parties are independent of one another and either party is free to sell to and/or purchase Products from others.

**COMPLIANCE WITH LAW.** SUPPLIER will obtain and pay for all licenses and permits, pay all government-imposed fees, and pay all occupational taxes and payroll taxes associated with the performance of SUPPLIER's obligations where failure to do so could have a material adverse effect on the sale of Products to the BUYER. SUPPLIER will pay all workmen engaged in felling, hauling and delivering Products in order that the Products shall be free of all liens, claims or other encumbrances on delivery to BUYER. SUPPLIER shall comply in all material respects with all laws and statutes applicable to the performance of work by SUPPLIER and its employees.

**EVENTS OF DEFAULT, REMEDIES AND TERMINATION.** (A) Breach of any of the obligations of either party and failure of the breaching party to cure such breach within 30 days after receipt of written notice from the other party specifying the breach in question shall constitute a default under these terms. (B) Despite the provisions of (A) above, if the breach is one which by its nature requires more than 30 days to cure, the party in default shall have such additional time as may be reasonably required to effect a cure so long as it commences the requisite cure within such 30-day period and thereafter diligently pursues it to completion. (C) Failure to cure the default shall give the non-defaulting party the right to terminate the purchase agreement, which right shall be in addition to the terminating party's right to recover any and all direct damages legally available to it, as well as all costs (including reasonable legal fees) incurred by it in enforcing and collecting upon the defaulting party's obligations hereunder. Neither party shall be liable for any consequential, indirect, punitive, special or similar damages. (D) Either party shall be entitled, at its option, to terminate the purchase agreement at any time upon notice to the other party, including if (i) the other party is adjudged bankrupt; or (ii) a receiver is appointed on account of its insolvency; or (iii) it enters into an arrangement for the benefit of its creditors; or (iv) it voluntarily commences any bankruptcy proceedings; or (v) a bankruptcy proceeding is commenced against it and not stayed or dismissed within 45 days.

**FORCE MAIEURE.** (A) if fulfillment of the purchase agreement or any part of it is prevented or hindered by: (i) a force majeure, including without limitation acts of God, war or insurrection, floods, storms, fire, government act, restriction or legislation, strikes, or other contingency beyond the party's control; or (ii) a suspension or reduction of operations by either party wholly or partially as a result of market conditions for its products; or for any other cause beyond the reasonable control of the party so affected, that party shall not be held responsible for any damages to the other resulting therefrom. Both parties shall take all reasonable steps to give notice to the other of any impending or actual interruption and shall resume performance as soon as is practicable under the circumstances. For greater clarity, any suspension or reduction in operations at any mill owned or operated by either party or its affiliate or related company, the BUYER may, at its election, declare such suspension or reduction a force majeure under this section entitling the BUYER to the rights granted under this section with regard to the supply of the Products. Force majeure shall not include lack or insufficiency of funds or other financial problems affecting either party. (B) If either party suspends any portion of its performance due to force majeure or other permitted cause, that party shall make every commercially reasonable effort to continue the balance of the performance of its obligations. (C) If a force majeure event continues for more than 30 consecutive days, either party may then give notice in writing to the other party terminating the purchase agreement. In that event the parties shall have no further obligations to each other from the date of the notice except for those obligations outstanding as of the date of the notice.

**GOVERNING LAW.** The purchase agreement is governed by and construed under the laws of the State of Maine and the parties submit to the exclusive jurisdiction of the courts of Maine. The parties waive all right to trial by jury in any action, proceeding or counterclaim arising out to the purchase agreement.

**MISCELLANEOUS.** (A) Assignment. The purchase agreement is binding upon the parties and their successors and assigns, but no party shall make any sale, assignment, mortgage, pledge or other transfer of all or any portion of its rights under the agreement without the prior written consent of the other party, except to an affiliate or related company that assumes in full the obligations of such assigning party under the agreement. (B) Severability and Renegotiation. If any part of the purchase agreement is found to be illegal, void, or unenforceable, such illegality, invalidity, or unenforceability shall not extend beyond the part affected and unaffected parts will continue in full force and will be binding on the parties. Should any term be found invalid by any court or regulatory body having jurisdiction, the parties shall immediately use their best efforts to renegotiate such term to eliminate such invalidity. (C) Non-waiver. Any waiver at any time by any party of its rights, remedies and/or obligations with respect to any matters arising in connection with the purchase agreement, shall not be deemed a waiver of any other right, remedy, and/or obligation with respect to such matter, or with respect to any subsequent matter. (D) Entire Agreement. These terms (including the SUPPLIER Set-Up Form in which these terms are referenced) constitute the entire agreement between the parties with respect to the subject matter contained within it and supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral and may only be amended by a written instrument signed by a duly authorized representative of each party. (E) Notice. Any notice to BUYER shall include a copy to BUYER at 300 Union Street, P.O. Box 5888, Saint John, NB E2L 4L4, Attention: Secretary, Fax: (506) 658-0517.