

TERMS OF SALE (CANADA)

These Terms of Sale bind Georgia-Pacific ("Seller") and its customer ("Buyer") regarding the sale by, and purchase from, Georgia-Pacific of products (the "Goods") in Canada. "Georgia-Pacific" refers to the specific entity (such as Georgia-Pacific Canada LP or GP North Woods LP) selling the subject Goods in Canada. By accepting delivery of Goods from Seller, Buyer agrees to be bound by these Terms of Sale unless otherwise set forth in a separate written agreement signed by Seller and Buyer.

1. **REJECTION OF OTHER TERMS AND CONDITIONS.** These Terms of Sale supersede all prior agreements, proposals and discussions between the parties with respect to the purchase and sale of such Goods other than a written agreement signed by both parties. Any additional, inconsistent or different terms or conditions contained in Buyer's purchase order or other documents submitted to Seller by or on behalf of Buyer at any time, whether before or after the date hereof, shall be deemed a material alteration and not a rejection of these Terms of Sale, and are hereby expressly rejected by Seller. These Terms of Sale shall be deemed accepted by Buyer without any such additional, inconsistent or different terms and conditions, except to the extent expressly accepted by Seller in a writing signed by Seller. Unless otherwise specified, these Terms of Sale shall continue in effect until the expiration of the applicable statute of limitations.
2. **SHIPMENT; TITLE; RISK OF LOSS.** All shipping dates are approximate and not guaranteed. Unless otherwise expressly stated in writing by Seller: i) title to the Goods shall pass with risk of loss, ii) risk of loss shall pass from Seller to Buyer once the Goods are loaded on the first carrier at Seller's facility, iii) all claims for loss or damage of Goods in transit must be filed against the carrier by Buyer, and iv) Buyer shall arrange and pay for freight, and shall unload shipments promptly at delivery. Any increase in freight rates for shipments, whether prepaid or not, and all demurrage shall be borne by Buyer. Unless otherwise specified by Seller in writing, Seller may ship 5% over or under the quantity ordered and the invoice shall be adjusted to reflect the quantity shipped.
3. **PRICES.** Unless otherwise specified in writing by Seller, all prices are exclusive of taxes, customs, duties, transportation and insurance, and any and all current or future tax or governmental charge (including Federal Goods and Service Tax and Provincial Sales Tax) applicable to the sale, delivery, shipment or storage of the Goods that Seller is required to pay or collect shall be for Buyer's account, shall be added to the price and shall not be subject to reduction.
4. **EXCUSE OF PERFORMANCE.** The parties will be excused from their respective performances hereunder (except Buyer's payment obligations) if performance is prevented or delayed due to acts of God, war, terrorism, riot, fire, labor trouble (including strikes, lockouts and labor shortages), failure of computer systems to operate properly, destruction or loss of electronic records or data, plant shutdowns, unavailability of materials or components, unavailability of or delays in transportation, insufficient production capacity, unavailability or shortage of fuel products, explosion, accident, compliance with governmental requests, laws, regulations, orders or actions, or other circumstances or causes beyond such party's reasonable control. If such event affects Seller, Seller may, without liability, allocate and distribute the Goods among such customers in such proportions as Seller, in its sole discretion, determines.
5. **WARRANTY.** UNLESS THE GOODS ARE SUBJECT TO AN EXPRESS LIMITED WARRANTY OR FULL WARRANTY PROVIDED BY SELLER, THE GOODS ARE SOLD "AS IS, WITH ALL FAULTS", WITHOUT RECOURSE, AND SELLER DOES NOT MAKE, AND HEREBY EXPRESSLY DISCLAIMS, ANY AND ALL CONDITIONS, REPRESENTATIONS AND WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING BUT NOT LIMITED TO ANY CONDITIONS OR WARRANTIES OF OR AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. GOODS SOLD "AS IS, WITH ALL FAULTS" SHALL INCLUDE, WITHOUT LIMITATION, GOODS DESCRIBED AS "SHOP", "MILL SECONDS" (M.S.), "REJECTS", "BLOWS", "POPS", "MIS-MANUFACTURE", "UTILITY", "NOT-CERTIFIED" (N.C.), "PLY-CRATE", "CRATING", "POT-LINER", "BLANKS", "ECONOMY", "DUNNAGE", "FALLDOWN", "DAMAGES", "FRAMING", "TRIM STOCK", "OFF-GRADE", OR OTHER SIMILAR DESIGNATIONS.
6. **LIMITATION OF REMEDY AND LIABILITY.** IF THE GOODS ARE SUBJECT TO A LIMITED WARRANTY OR FULL WARRANTY PROVIDED BY SELLER, THE SOLE AND EXCLUSIVE REMEDY FOR ANY CLAIM OF ANY NATURE ARISING FROM THE FAILURE OF THE GOODS TO CONFORM TO THE APPLICABLE WARRANTY SHALL BE LIMITED TO REPAIR, REPLACEMENT OR REFUND OF PURCHASE PRICE (AT SELLER'S OPTION). IN NO EVENT, REGARDLESS OF THE FORM OF THE CLAIM OR CAUSE OF ACTION (WHETHER BASED IN CONTRACT, INFRINGEMENT, NEGLIGENCE, STRICT LIABILITY, OTHER TORT OR OTHERWISE), SHALL SELLER'S CUMULATIVE LIABILITY TO BUYER EXCEED THE PURCHASE PRICE FOR THE SPECIFIC GOODS GIVING RISE TO THE CLAIM OR CAUSE OF ACTION. SELLER SHALL NOT BE LIABLE FOR DAMAGES CAUSED BY DELAY IN PERFORMANCE. BUYER AGREES THAT IN NO EVENT SHALL SELLER'S LIABILITY TO BUYER EXTEND TO INCLUDE INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES. THE TERM "CONSEQUENTIAL DAMAGES" SHALL INCLUDE, BUT SHALL NOT BE LIMITED TO, COST FOR LABOR, LOSS OF ANTICIPATED PROFITS, LOSS OF USE, LOSS OF REVENUE, AND COST OF CAPITAL.
7. **CONFORMITY.** Some Provinces may not allow an exclusion of certain implied warranties or conditions or limitation of certain incidental, consequential or other damages. In such event, Sections 5 and 6 shall be construed to the greatest extent permissible to implement the purpose of these Terms of Sale.
8. **REJECTION OF NON-CONFORMING GOODS.** Unless otherwise set forth in an express limited warranty or full warranty provided by Seller, rejection of non-conforming goods must be made by Buyer in writing within ten (10) days of receipt, and all defects ascertainable at time of giving notice shall be stated with particularity or deemed waived. In event of any complaint, shipment shall be held intact, and specification of objections, accompanied by tally of objectionable goods, shall be submitted directly to Seller. If full credit is allowed for non-conforming goods and unless otherwise set forth in a limited warranty or full warranty provided by Seller, the goods must be retained intact at the delivery point, and Seller shall have 60 days from the date of such allowance to dispose of such goods. Under no circumstances are goods to be returned to Seller unless Buyer has written permission of Seller to do so. A claim that goods are non-conforming shall not entitle Buyer to deduct any sum from any invoice unless such claim has been allowed in writing. Invoices shall be paid in full in accordance with these Terms of Sale, and, in the event of subsequent allowance of any claim, Seller shall promptly make payment to Buyer for the amount so allowed.
9. **FURTHER HANDLING.** Buyer shall indemnify, defend and hold harmless Seller, its affiliates and their respective officers, directors, employees, representatives and agents from and against, any and all claims, losses, liabilities, costs and expenses (including attorneys' fees) arising out of or resulting from the use, handling, manufacture, processing, alteration, distribution, sale or marketing of the Goods, or any other action or inaction with regard to the Goods, in each case after the delivery thereof to Buyer; provided however, that Buyer shall not be liable to Seller for damages directly caused by the sole negligence of Seller or by Seller's breach of warranty expressly set forth in Seller's written limited or full warranties available at www.buildgp.com/warranties or upon request.
10. **PAYMENT TERMS; CREDIT REQUIREMENTS.** Except as otherwise specified in writing by Seller, terms of payment are net 30 days from date of Seller's invoice in Canadian currency. Buyer shall be liable for all expenses attendant to collection of past due amounts, including attorneys' fees. Seller shall have the right to set-off any amounts owing from Buyer against any amounts payable to Buyer. In the event that Seller determines, at any time in its sole and absolute discretion, that the credit of Buyer or of any person or entity providing credit support for Buyer's obligations under these Terms of Sale is or becomes impaired, or there is any reason to doubt the enforceability or sufficiency of any agreement, instrument or document supporting Buyer's obligations under these Terms of Sale, Seller shall have the right, among any other rights provided by applicable law, to declare immediately due and payable any and all amounts owed by Buyer to Seller, whether under these Terms of Sale or otherwise, and to suspend and/or terminate further production, shipment, and delivery to Buyer of any order, whether under these Terms of Sale or otherwise, until credit arrangements satisfactory to Seller in its sole judgment have been established. If any such credit is provided to Buyer, or performance assurance is required by Seller of Buyer, Buyer will provide to Seller financial information requested by Seller. Buyer acknowledges that it may be charged an interest rate of 18% per annum, calculated on the basis of a 365-day calendar year, on all balances outstanding more than 30 days after the date of invoice.
11. **QUANTITY.** Unless otherwise specified by Seller in writing, Seller may ship 5% over or under the quantity ordered and the invoice shall be adjusted to reflect the quantity shipped.
12. **EXPORT CONTROL REGULATIONS.** All Goods by Seller are subject to the export control laws of the United States of America and/or Canada, and Buyer agrees not to divert or resell the Goods contrary to such laws. If any license or consent of any government or other authority is required for the acquisition, carriage or use of product by Buyer, Buyer will obtain the same at its expense and provide evidence of the same to Seller on request. Failure to do

so will entitle Seller to withhold or delay shipment, but failure to do so will not entitle Buyer to withhold or delay payment of the price therefor. Any expenses or charges incurred by Seller resulting from such failure will be paid for by Buyer within ten (10) days of receipt of Seller's written request.

13. GOVERNING LAW; SEVERABILITY. These Terms of Sale shall be governed by the laws of the Province of Ontario, Canada, without reference to the choice of law, conflicts of law, or principles of any other province or country which might otherwise be applied. The 1980 United Nations Convention on Contracts for the International Sale of Goods does not apply to these Terms of Sale. If any provision of these Terms of Sale is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired, and the parties shall use their best efforts to substitute a valid, legal and enforceable provision, which, insofar as practical, implements the purpose of these Terms of Sale.

14. MISCELLANEOUS. These Terms of Sale shall be binding on and inure to the benefit of the respective successors and permitted assigns of the parties. Buyer shall not assign its rights or obligations under these Terms of Sale without Seller's prior written consent. Any assignment except as permitted herein shall be null and void. No waiver of any provision of these Terms of Sale by Seller will be valid unless the same is in writing and signed by Seller. Seller reserves the right to unilaterally modify or amend any portion of these Terms of Sale at any time without prior notice effective immediately upon posting at the Georgia-Pacific website (<http://www.buildgp.com/tc-cdn>). The current version of these Terms of Sale and any modifications or amendment supersede all prior versions of these Terms of Sale. The most current version of these Terms of Sale may be found at the Georgia-Pacific website (<http://www.buildgp.com/tc-cdn>) and is available upon request.