

LONGVIEW FIBRE PAPER AND PACKAGING, INC. (“Seller”)

General Terms and Conditions – Paper Sales

The obligations of Seller and you (“Buyer”) concerning the sale and purchase of Seller’s goods (“Products”) shall be expressly subject to and conditioned upon the following terms and conditions, which are deemed incorporated by reference in all future documents exchanged between the parties concerning the purchase and sale of Products. None of the terms of any said documents will bind the parties, except quantity, date needed, and particular specification (which the parties must and shall agree upon in advance). Any amendments or additional or different terms or conditions which may appear in any communication from Buyer, or be inferred by usage of trade, course of dealing, or course of performance, in the past, present, or future, even if purportedly adding to or modifying these, shall not supplement or amend these terms and conditions nor be effective or binding in any other way, and are hereby objected to and negated unless they are acknowledged as modifications hereof by Seller in a single, mutually exchanged writing signed by both Seller’s authorized representative and yours.

Order Approval. All orders are subject to (i) Seller’s specific acceptance, in writing, of the price, quantity, delivery date, and other terms of Buyer’s order; (ii) Seller’s approval (in its sole discretion) of Buyer’s credit standing and of credit terms extended to Buyer if Buyer wishes payment terms that are not cash-on-delivery; (iii) any allotment plan concerning shortages Seller has or may put into effect among customers; and (iv) these General Terms and Conditions. There are no agreements arising hereunder for the requirements or the output of either party. Seller’s extension of credit is not implied. Buyer may request an open account under Seller’s Standard Terms and Conditions of Credit by signing and returning them.

Prices. Prices must be clearly stated or easily determinable. Terms such as “to be agreed upon” or imprecise pricing provisions (including references to imprecise or ambiguous formulas or indexes) shall not be binding on Seller, even if the parties have transacted previous sales thereunder. No “agreements to agree” shall be deemed created or implied hereunder or in the conversations or understandings of the parties.

Warranties. Seller warrants that all Products (i) shall meet the specifications set forth in Seller’s Order Acknowledgement; (ii) shall be free from defects in material and workmanship; and (iii) shall be delivered free from any security interest, lien, or other encumbrance, subject to Buyer’s full cash payment therefor. Except as expressly set forth above, SELLER MAKES NO OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, INCLUDING NO WARRANTY OF MERCHANTABILITY AND NO WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE. NO DEALER WARRANTIES OF ANY KIND ARE GRANTED IF BUYER AGREES TO ACCEPT SUBSTITUTE GOODS MANUFACTURED BY OTHERS.

Payment. Payment is due on order unless credit is otherwise agreed to by Seller. If Seller agrees to extend credit terms to Buyer under an open account, the credit period for payment established by Seller’s credit department shall follow title transfer. All sums that are unpaid when due shall accrue interest thereafter at a rate of 1½% per month, or at the highest rate of interest allowed by applicable law, whichever rate is less. Seller may modify or withdraw any agreement to extend credit for future purchases at any time.

Transportation. Unless otherwise specifically agreed in writing, the price of Paper includes non-expedited delivery using Seller’s lowest cost carrier. Title will transfer upon Seller’s delivery of Products to the carrier, and Buyer will assume the risk of loss during transit.

Cancellation. Once accepted, Buyer may not cancel or amend its order without Seller’s written consent.

Duty to Inspect; Liability for Nonconformance. Buyer’s sole remedy for Paper that is damaged or non-conforming on receipt shall be either a credit for or replacement of the Paper. Buyer shall inspect Products and notify Seller of any visible damage or visible non-conformance on the day Buyer receives Paper at Buyer’s dock. Seller shall not be liable for visibly damaged or non-conforming Product not reported to Seller on the day of receipt. Buyer’s sole remedy for Paper that is

damaged or non-conforming on receipt shall be either a credit for or replacement of the Products.

Taxes. Taxes imposed by any governmental authority upon Seller based on the processing, sales, or other services in connection with the Products ordered (including Seller-paid delivery charges in instances where that is agreed to) shall be added to the above prices and paid by Buyer.

Force Majeure. Seller shall be excused from manufacturing and delivering Product, in whole or in part, to the extent such performance is prevented, delayed, hindered, or rendered impractical due to events which are beyond Seller’s reasonable control (“Force Majeure”), including, but not limited to the following: flood, earthquake, explosion, fire, accident, acts of God, act of the public enemy, strikes or other labor disturbance, riots or other civil disturbance, sabotage, injunctions, transportation embargoes or delays, shortages of materials or machinery, illness or epidemic and acts, regulations or other requirements of federal, state, or local governments, or any branches or agencies thereof. In the event of a Force Majeure, a party shall promptly notify the other.

Waiver of Damages. EACH PARTY WAIVES FOR THE BENEFIT OF THE OTHER ALL INCIDENTAL, SPECIAL, INDIRECT, CONSEQUENTIAL, OR PUNITIVE DAMAGES AS THE WAIVING PARTY MAY OTHERWISE CLAIM.

Choice of Law. The parties’ respective rights and obligations in all of their transactions relating to the sale and purchase of Seller’s goods shall be determined and enforced in accordance with and shall be governed by the laws of the State of Washington, without regard to principles of choice of law. The United Nations Convention on Contracts for the International Sale of Goods shall not apply.

Arbitration Required. Any dispute or claim that arises out of or that relates to the parties’ transactions for the sale and purchase of Seller’s goods shall be resolved by a single arbitrator in accordance with the then effective arbitration rules of Arbitration Service of Portland, Inc. or the American Arbitration Association, whichever organization is selected by the party who first initiates arbitration by filing a claim in accordance with the filing rules of the organization selected, and judgment upon the award rendered pursuant to such arbitration may be entered in any court having jurisdiction thereof. Any arbitration proceeding shall be conducted in Longview, Washington unless the parties mutually agree upon another locale. Either party may propose mediation whenever appropriate through either of the organizations named above or any other mediation process or mediator as the parties may agree upon.

Attorneys’ Fees. Provided that Buyer has extended, and has not withdrawn, credit to Buyer, if any arbitration proceeding, suit or action is commenced or brought to enforce or interpret any of the rights and obligations set forth herein, including in any proceedings in bankruptcy or on appeal, the prevailing party in such proceeding, suit or action, and in any appeal therefrom, shall be entitled to recover its reasonable attorney fees, including those of in-house counsel, as fixed by the arbitrator or court hearing the same.