

TERMS AND CONDITIONS OF SALE BY PAPER ONLY* AS SELLER

THESE TERMS AND CONDITIONS GOVERN ALL SALES OF PRODUCTS BY SELLER TO BUYER. SELLER AGREES TO SUPPLY THE ORDERED PRODUCTS ONLY UPON THESE TERMS AND CONDITIONS. SELLER'S ACKNOWLEDGEMENT OF BUYER'S ORDER AND DELIVERY OF THE ORDERED PRODUCTS ARE EXPRESSLY MADE CONDITIONAL ON BUYER'S ACCEPTANCE OF THESE TERMS AND CONDITIONS. IF BUYER'S PURCHASE ORDER INCLUDES TERMS OR CONDITIONS THAT DIFFER FROM, OR ARE IN ADDITION TO, THE FOLLOWING, THOSE TERMS OR CONDITIONS ARE EXPRESSLY REJECTED BY SELLER AND ARE NULL AND VOID.

1. DEFINITIONS. "Buyer" refers to the customer who submits a Purchase Order that is accepted by Seller's acknowledgement and made subject to these Terms and Conditions. "Seller" means PAPER ONLY, a division of Unisource Canada, Inc. (Unisource). "Purchase Order" means the purchase order, electronic order or any other order submitted by Buyer, whether on-line, by email, fax or phone. "Products" means the goods or services ordered by Buyer on a Purchase Order and accepted by Seller's acknowledgement.

2. PRICES. Buyer will be charged in accordance with Seller's prices for the Products posted on Seller's website or prevailing at the time of Seller's acknowledgement. Prices, products and packaging are subject to change without notice. All taxes, including sales, use, excise, custom or other taxes, assessments or charges imposed by federal, provincial, local or foreign governments on the manufacture, sale, shipment, import, export, or use of the goods (other than income taxes), are not included in the prices and shall be paid by Buyer, unless Seller expressly states in writing otherwise. Seller is required to charge goods and services tax and applicable sales tax on Products for which a valid sales tax exemption certification has not been provided. When ordering, Buyer shall provide a valid exemption certificate if applicable.

3. PAYMENT. Payment by Buyer of Seller's invoices is due by the 10th day of the calendar month following the invoice date for a Buyer with established credit at Seller. If credit is not established, Buyer must include payment with the Purchase Order through direct cash transfer, by certified cheque or credit card transaction authorized by Seller. All payments to Seller must be in Canadian dollars. Seller has the right to set-off and deduct for any sums owed. If Buyer fails to make payment in full when due, Seller may, at its option and without prior notice, defer future shipments until such payment is made or cancel all or any part of unshipped orders. Interest will be charged on overdue accounts at 1.75% per month (21% per annum) compounded, until the outstanding balance is paid in full. If Seller deems itself insecure with Buyer's ability to pay any invoice, Seller reserves the right, at its option, either to withhold shipments or to impose or revise Buyer's credit limits and terms, without prior notice.

4. DELIVERY. Unless otherwise specified by Seller, Products will be delivered to Buyer's facility on the next day following Seller's acknowledgement. Buyer shall pay Seller, as applicable, the delivery charges as posted on Seller's website related to: tailgate charge for non-dock, street deliveries; charge per pallet of Products for same-day deliveries; freight zone charge for deliveries made outside of urban areas; charge for refusal to accept delivery; and charge for re-delivery. Any shipping error or any damage caused to Products while in transit by Seller's carrier must be reported by Buyer immediately at the time of delivery, to Seller's customer service centre whose agents will provide instructions to Buyer, as applicable. All delivery dates and times are approximate, and Seller shall not be responsible for any damage of any kind resulting from any delay. Risk of loss will pass to Buyer upon delivery to Buyer's facility or designated carrier.

5. ORDERS, COMPLAINTS. A Purchase Order may be modified or cancelled by Buyer up to 5:00p.m. local time on the date of the Purchase Order, without charge to Buyer. After said time, modifications, in whole or in part, by Buyer to Purchase Orders will not be permitted or accepted. Any cancellation after said time by Buyer of Purchase Orders shall be subject to the charges posted on Seller's website and shall be paid by Buyer, and received by Seller, at the time of cancellation. Any complaints relating to the Products must be reported immediately by Buyer to Seller's customer service centre whose agents will provide instructions to Buyer, as applicable.

6. WARRANTY. All of the Products delivered hereunder are sold to Buyer on an 'as is, where is' basis, are supplied to Seller by third party vendors, and are warranted by Seller only to the extent of the original warranties provided to Seller by the manufacturers of the Products. The foregoing is in lieu of any and all other warranties, whether written, oral or implied (including any warranty of performance, merchantability or fitness for a particular purpose) and supersedes and excludes all oral or written warranties or representations, made or implied, in any manual, correspondence, literature, advertising brochure or other materials, or pursuant to the Sales of Goods Act of any province or otherwise with respect to the Products.

7. EXPORT BY BUYER. Seller's policy is to offer the Products only for delivery, use and resale within Canada. Where Products purchased from Seller are to be exported, Buyer acknowledges that any warranty of the Products shall be null and void, and furthermore Buyer assumes sole responsibility for arranging the export of the Products from Canada and their importation into other countries and shall at all times comply with all applicable laws and regulations in relation thereto, including but not limited to export control laws. Seller shall not be, and Buyer shall ensure that Seller will not be, the exporter under any circumstances.

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8. SECURITY, COLLECTION. To secure payment of all sums due hereunder or otherwise, Seller may, at its option, retain a security interest in the Products delivered hereunder. Buyer authorizes Seller to execute and file, on Buyer's behalf, all documents that Seller deems necessary to perfect such security interest. Seller is relying upon Buyer's representation of solvency and if Seller, at any time, reasonably believes that Buyer is insolvent or that Buyer's credit is impaired, or if Buyer fails to pay its outstanding and delinquent sums to Seller following written notice of same from Seller, Buyer shall be in material breach hereof and Seller may, without liability, withhold performance hereunder (including delivery), change the payment terms and/or repossess the Products delivered. Title to the Products shall remain in Seller until payment in full is received by Seller. In extending any credit or loan, Seller may charge Buyer finance, service or late charges in an amount not greater than allowed by law, and if Buyer fails to pay according to the terms of this contract, Seller may apply such charges and may collect the amount unpaid with Buyer being liable to Seller for all costs of such collection, including reasonable legal fees.

9. CONFIDENTIALITY, PROPRIETARY RIGHTS. Buyer shall not use or disclose any of Seller's trade secrets or commercial or confidential information, whether or not designated as such. Buyer shall not copy, nor permit anyone else to copy, any Products or parts thereof, or any trademark, brand name, pattern, plan, drawing, specification, instruction or depiction thereof, without prior written approval of Seller, and Buyer shall not knowingly, directly or indirectly, violate or infringe upon, or contest the validity of, any patent, licence or other right of Seller pertaining to any of said Products.

10. FORCE MAJEURE. Buyer agrees to accept partial or pro-rata deliveries as full performance in the event Seller cannot fulfill an entire order. Seller shall not be liable for any default or delay in performance if caused, directly or indirectly, by: acts of God; war; force of arms; fire; flood; the elements; riot; labour disputes; picketing or other labour controversies; sabotage; civil commotion; accidents; any governmental action, prohibition or regulation; delay in transportation facilities; shortage, or breakdown of, or inability to obtain, transport or supply, or the non-arrival of, the Products or of any labour, material or equipment used in the manufacture or supplier of the Products; failure of any party to perform any contract with Seller relative to the production, supply or transportation of the Products; or from any cause whatsoever beyond Seller's control.

11. LIMITATION OF LIABILITY. Seller's liability to Buyer on any claim of any kind, including negligence, shall in no case exceed the purchase price received by Seller for the Products. In no event shall Seller be liable for any special, indirect, incidental or consequential damages arising from, or as a result of, the sale, manufacturing, supply, delivery, non-delivery, servicing, re-sale, use or loss of use of the Products or any part thereof, or for any charges or expenses of any nature incurred by Buyer or others. Buyer hereby waives and releases Seller from all rights of contribution or indemnity.

12. INDEMNIFICATION. To the extent allowed by law, Buyer shall indemnify Seller, its employees, officers, directors and agents, against all sums, costs, liabilities, losses, obligations, claims, suits, actions, damages, penalties, fines, interest and other expenses (including investigation expenses and reasonable legal fees) that Seller, its agents, directors, officers or employees, may incur or be obligated to pay as a result of (i) Buyer's breach, negligence or willful misconduct, (ii) Buyer's use, ownership, modification, maintenance, transfer, re-sale, transportation or disposal of the Products; (iii) any infringement or alleged infringement of the intellectual property rights of others arising from Buyer's plans, specifications (including Buyer's brand names and trademarks) or production of the Products ordered by Buyer; and (iv) Buyer's violation or alleged violation of applicable federal, provincial, municipal or local laws or regulations, including without limitation those governing product safety, labeling, packaging, health, environment and labour practices.

13. MISCELLANEOUS. The Seller's acknowledgement and these Terms and Conditions constitute the entire agreement between Buyer and Seller relating to the ordered Products. No modifications shall be binding upon the Seller unless in writing signed by Seller's duly authorized representative. No modification of the acknowledgement or of these Terms and Conditions will be affected by the acknowledgment or acceptance of other shipping instruction forms or of any other document containing terms and conditions at variance with, or in addition to, these Terms and Conditions, all such varying or additional terms being deemed invalid. No waiver by Seller or default by Buyer shall be deemed a waiver of any subsequent default. The invalidity, illegality or unenforceability of any one or more provisions herein shall in no way affect or impair the validity, legality or enforceability of the remaining provisions, which shall remain in full force and effect. This agreement and these Terms and Conditions shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein, without giving effect to its conflicts of law rules and excluding the United Nations Convention on Contracts for the International Sale of Goods, and the parties irrevocably attorn to the courts of such jurisdiction.

BUYER AGREES TO THE FOREGOING TERMS AND CONDITIONS AND CERTIFIES THAT IT HAS AUTHORITY TO SUBMIT THE PURCHASE ORDER, TO PAY FOR THE PRODUCTS AND TO ACCEPT THE DELIVERY THEREOF.

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