

**GP HARMON RECYCLING LLC**  
**TERMS AND CONDITIONS FOR PURCHASES OF SERVICES**

**1. General:** These Terms and Conditions for Purchases of Services (these “**Terms**”) shall apply to all purchases of services (“**Services**”) by GP Harmon Recycling LLC d/b/a Georgia-Pacific Recycling (“**GP Harmon**”) from seller (“**Seller**”). All purchases of Services by GP Harmon from Seller are expressly limited to and conditioned upon Seller’s acceptance of these Terms, regardless of the media or means used by GP Harmon to place an order for the purchase of Services, including but not limited to, phone orders, written purchase orders, electronic orders, acknowledgements, confirmations, or other writings between GP Harmon and Seller. Unless expressly set forth herein and/or agreed to in a writing signed by a Vice President or the President of GP Harmon (each, an “**Authorized Representative**”), any additional or conflicting terms and conditions contained on, attached to or referenced by any other prior or later communication between Seller and GP Harmon, shall have no effect on the purchase of any Services by GP Harmon from Seller and are expressly rejected by GP Harmon. *Seller’s commencement of performance, which shall include, but not be limited to, requesting a Purchase Order (defined below) for Services or commencing performance of Services, shall in all cases constitute Seller’s unqualified and unconditional acceptance of these Terms.* To the extent of any conflict between these Terms and any duly executed, written agreement between GP Harmon and Seller related to the Services, the terms contained in such agreement shall control.

**2. Purchase Orders:** GP Harmon shall engage Seller to provide Services by issuing purchase orders executed by an Authorized Representative of GP Harmon that sets forth a description of the Services, the commencement and completion dates for the Services, the requirements, specifications, and/or acceptance criteria for the Services, if any, and all amounts to be paid by GP Harmon to Seller in connection with the Services and the payment terms applicable thereto (each such document, a “**Purchase Order**”).

**3. Amendment; Cancellation:** These Terms and any Purchase Orders issued pursuant hereto may not be altered, modified, superseded or amended and no additional or different terms shall become a part of this Terms or such Purchase Order, except pursuant to a writing (i) specifically referencing these Terms or a specific Purchase Order, (ii) specifically identifying the provision to be amended; and (iii) signed by Seller and an Authorized Representative. In the event of any conflict between the provisions set forth in these Terms and a provision set forth in a Purchase Order, the provision set forth in these Terms shall be the controlling provision. Notwithstanding any other provision of these Terms, GP Harmon may cancel or suspend any undelivered portion of a Purchase Order immediately upon providing notice to Seller.

**4. Warranties:** Seller expressly warrants and covenants that the Services shall conform to all requirements set forth in the applicable Purchase Order therefor, shall be completed in a good, workmanlike manner in accordance with industry standards by personnel that are fully qualified in the operation of the equipment utilized in the provision thereof and shall be free from faults. Seller further warrants that it shall procure and maintain such licenses and permits as are required by local, state, or federal authorities with respect to the Services, shall comply with all applicable laws and regulations pertaining thereto, and that, upon GP Harmon’s request, shall provide evidence of compliance with the aforementioned. GP Harmon may require Seller to correct defective or non-conforming services or GP Harmon may have the work corrected by others, and, in either event, Seller shall bear the cost, including any applicable taxes, of such correction and any damages or expenses caused by such defective or non-conforming Services. Seller warrants that neither the Services or processes supplied hereunder nor the use to which the same are to be put (according to GP Harmon’s stated purpose or such uses as are inherent in such Services) infringe upon any patent, trademark, copyright, trade secret or other intellectual property rights of any third party.

**5. Offset:** The parties agree that GP Harmon shall have the right to offset any losses, damages or other costs of any nature (including attorneys and fees and court costs) incurred by GP Harmon or its customers as a result of Seller’s noncompliance with these Terms or the requirements set forth in a Purchase Order against any amounts payable by GP Harmon or its affiliates to Seller or its affiliates pursuant to the applicable Purchase Order or any other agreement between any of the parties.

**6. Time of Essence:** Time is of the essence with each Purchase Order. GP Harmon may cancel a Purchase Order in whole or in part if Seller fails or refuses to deliver the Services within the timeframe set forth in the applicable Purchase Order or otherwise agreed to in writing by an Authorized Representative. Extensions of time shall be Seller’s sole remedy for any and all delays by GP Harmon, and no such delay or extension of time shall be construed as cause or justification for payment for additional compensation to Seller unless mutually agreed to in writing between Seller and an Authorized Representative.

**7. GP Harmon Property; Title and Risk of Loss:** If, in the course of providing the Services, it is necessary for Seller to maintain possession of and/or control over any property of GP Harmon (the “**Material**”): (i) at no time shall Seller be deemed to be the owner of the Material; (ii) Seller shall not move any such Material from the original Seller location authorized by GP Harmon without the written consent of an Authorized Representative; (iii) Seller shall physically segregate all Material from Seller’s own property and shall properly mark the Material to indicate that such

Material is not owned by Seller or any other person or entity; (iv) Seller shall ensure that the Material does not become subject to any lien or any other security interest in favor of Seller or securing any obligation owed or alleged to be owed by Seller to any person or entity; and (v) Seller will take all necessary actions to prevent any contamination of any kind or nature of the Material. Within ten (10) days of request, Seller shall provide GP Harmon with a written inventory report of the Material. GP Harmon retains the right, at any time, to enter any Seller location at which Material is stored and take possession thereof without notice or court proceedings. Seller waives any notice, court proceedings and liens or claims of lien in the event that GP Harmon elects to take possession of the Material. Seller agrees that it will assist GP Harmon in the removal of said Material. Seller shall be responsible for any loss, damage, theft, shrinkage or shortage in the Material which occurs after the Material is delivered to Seller’s facility, regardless of cause. The bills of lading, delivery receipts and scale tickets for Material which are issued by the delivering carriers and signed by Seller shall be deemed to be conclusive evidence of the quantity of Material located at the applicable Seller location. Seller shall reimburse GP Harmon or GP Harmon’s designee on demand for lost, damaged, stolen or missing Material at the greater of the original cost or the replacement cost for such Materials at the time that the loss or damage is discovered.

**8. Assignment:** Seller shall not assign any of its obligations arising under any Purchase Order without the written consent of an Authorized Representative.

**9. Indemnity:** To the greatest extent allowed by applicable law, Seller shall fully defend, indemnify and hold harmless GP Harmon and its affiliates, GP Harmon’s customers which receive Seller’s Services, and all of their respective owners, directors, officers, employees and agents, against any and all claims, demands, suits, damages, liabilities, judgments or expenses, (including, without limitation, attorney’s fees and court costs) which arise out of or are related to Seller’s performance or nonperformance of a Purchase Order. Seller’s obligations under this Section shall survive termination of the applicable Purchase Order(s) and/or the cessation of any business transactions between GP Harmon and Seller.

**10. Invoicing & Payment Terms:** Invoicing and payment terms shall be as set forth on the applicable Purchase Order. No invoice shall be required if the parties mutually agree to forgo such practice. The parties agree that no interest, finance or service charges shall be payable by GP Harmon. GP Harmon may withhold payments for Services to such extent as it deems necessary to protect GP Harmon from loss due to: (i) defective Services not remedied; (ii) claims or liens filed or reasonable evidence indicating probable filing thereof; (iii) failure of Seller to make payments properly to subcontractors, vendors or suppliers; or (iv) persistent failure by Seller to perform the Services in accordance with these Terms.

**11. Compliance with Applicable Laws:** Seller and GP Harmon hereby incorporate into these Terms the requirements of 41 C.F.R. §§ 60-1.4(a) (women and minorities), 60-300.5(a) (protected veterans), and 60-741.5(a) (individuals with disabilities), if applicable. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability. Seller shall additionally comply with all applicable governmental laws, rules, regulations, executive orders, priorities, ordinances and restrictions now or hereafter in force, including, to the extent applicable, but not limited to, those concerning Seller’s employees and subcontractors including: (i) the Occupational Safety and Health Act; (ii) the employee notice requirements set forth in 29. C.F.R. Part 471, Appendix to Subpart A; (iii) the Fair Labor Standards Act of 1938, as amended; (iv) Title VII of the Civil Rights Act of 1964, as amended; (v) the Age Discrimination in Employment Act of 1973; (vi) Section 503 of the Rehabilitation Act of 1973; (vii) Executive Order 11246; (viii) the Vietnam Era Veterans’ Readjustment Assistance Act of 1974; (ix) The Civil Rights Act of 1991; (x) The Americans with Disabilities Act; and (xi) the rules, regulations and orders pertaining to the above. Seller agrees that its performance and all Services delivered to GP Harmon or its customers pursuant to these Terms shall fully comply with Georgia-Pacific LLC’s supplier sustainability guidelines set forth at: [http://www.gp.com/aboutus/sustainability/pdfs/supplier\\_guidelines.pdf](http://www.gp.com/aboutus/sustainability/pdfs/supplier_guidelines.pdf).

**12. Confidentiality:** Seller will not disclose to others and will not take or use for its own purposes or the purposes of others any information, knowledge or data relating to (i) GP Harmon’s confidential or proprietary business plans, policies, strategies and philosophy, financial statements and information, prices and costs, suppliers, customers and customer requirements, marketing strategies and targets, skills of GP Harmon employees, and the manner in which GP Harmon provides products and services to its customers; or (ii) GP Harmon’s secret, proprietary or confidential information, knowledge (know-how) or data relating to any business idea, product, apparatus, machine, process, procedure, formula, data, database, computer software, hardware and network architecture, manufacturing, purchasing, accounting, engineering, or marketing method at any time used, invented, developed, acquired, discovered, or investigated by GP Harmon (“**Confidential**

**Information**”). To the extent the parties have executed a separate agreement relating to the protection of Confidential Information, such terms and conditions shall continue in full force and effect and shall supersede any contrary terms or conditions herein. Seller shall not use any name, trade name, logo, trademark or service marks owned or used by GP Harmon, or publish or represent directly or indirectly that any goods and/or services offered by Seller have been approved, used or endorsed by GP Harmon unless otherwise agreed in writing.

**13. Insurance:** At its own expense, Seller shall provide the following minimum insurance coverages and limits with respect to liability arising out of Services performed and/or supplied by Seller: (i) Worker’s Compensation Insurance, as prescribed by applicable law, and Employers Liability Insurance with minimum limits of \$1,000,000 each accident; (ii) Commercial General Liability Insurance, with minimum limits of \$3,000,000 for bodily injury and property damage, per occurrence and in the aggregate; and (iii) Automobile Liability Insurance, with a minimum combined single limit of \$1,000,000 for bodily injury and property damage. Such insurance shall list GP Harmon as an additional insured and provide coverage on an “occurrence” policy form acceptable to GP Harmon. The coverage afforded under any such insurance policies shall be primary and non-contributory to any other insurance available to GP Harmon. No cancellation, modification or change in such policies shall affect Seller’s obligation to maintain the coverages required. Seller shall provide GP Harmon with a certificate of insurance and additional insured endorsement evidencing the insurance coverages set forth above. Acceptance of any insurance certificate shall not constitute acceptance of the adequacy of coverage or compliance with the requirements of these Terms. Seller shall waive all rights of subrogation that the insurers may have against GP Harmon. These obligations to carry insurance shall not limit or modify in any way any other obligations assumed by the Seller under these Terms.

**14. Effective Period:** Unless otherwise directed in writing by an Authorized Representative of GP Harmon, no Services shall be provided by Seller pursuant to a Purchase Order after the last day of the effective period set forth in such Purchase Order. GP Harmon may, in its sole discretion, reduce or extend the effective period of a Purchase Order upon providing notice to Seller.

**15. Remedies:** The remedies specified herein shall be cumulative, nonexclusive and in addition to any other remedies available at law or in equity. No waiver by either party of any breach or the failure of either party to enforce any of these Terms shall affect, limit or waive that party’s right to enforce and compel compliance with these Terms or terminate a Purchase Order in accordance with these Terms. No waiver of a breach of any provision of the order of these Terms shall constitute a waiver of any other breach, or of such provisions.

**16. Law/Venue:** These Terms and any Purchase Order, any other document or instrument delivered pursuant hereto or thereto, and all claims or causes of action, whether in contract or tort, that may be based upon, arise out of or relate to these Terms, a Purchase Order, or the negotiation, execution, termination, performance or nonperformance of the foregoing, shall be governed by and construed in accordance with the laws of the State of Delaware, USA, without regard to its conflicts of law provisions. The United Nations Convention on Contracts for the International Sale of Goods or any subsequently enacted treaty or convention shall not apply to or govern these Terms or any Purchase Order or the performance thereof or any aspect of any dispute arising therefrom. The parties hereby irrevocably submit to the exclusive jurisdiction of any state or federal court sitting in Wilmington, Delaware over any suit, action or proceeding relating to a Purchase Order or these Terms.

**17. Independent Contractor; Subcontracting.** Seller shall operate as an independent contractor and not as an agent, employee, servant or representative of GP Harmon. No personnel of Seller or any subcontractors, whether or not located on GP Harmon’s premises, shall be deemed under any circumstances to be agents, employees, servants or representatives of GP Harmon and shall not hold themselves out as such. Seller assumes full responsibility for their acts and for compliance with applicable law concerning employment and taxation with respect to such personnel or subcontractors. Seller shall not subcontract any portion of the services without GP Harmon’s prior written consent as to the identity of each subcontractor and the extent of the Services each is to perform. Seller shall ensure that each subcontractor agrees to be bound by those Terms that are relevant to the portion of the Services being performed by such subcontractor. Seller agrees that it is fully responsible to GP Harmon for the acts and omissions of its subcontractors and of persons directly or indirectly employed by Seller.

**18. Special Terms and Conditions Applicable to Services Involving Transportation:** All Services involving the transportation of Material on GP Harmon’s behalf shall, in addition to the other terms and conditions set forth herein and in the applicable Purchase Order, comply with the following requirements:

(i) To the extent that the Services involve regulated interstate transportation, the Services shall be governed by 49 U.S.C. § 14101(b) and GP Harmon does not waive any of its rights provided in Subtitle IV, Part B of 49 U.S.C. (or any successor statutes and regulations), except as agreed in writing by an Authorized Representative.

(ii) Seller represents and warrants, in addition to those warranties set forth in Section 4 above, that: (A) each driver Seller utilizes to transport GP Harmon Material shall hold a valid Commercial Driver’s License, be fully qualified to drive a

commercial motor vehicle and be familiar with all applicable federal and state safety regulations; (B) Seller does not hold a safety rating from any federal or state agency that is anything other than a “satisfactory” or “no rating” safety rating. Seller further warrants that in the event that it receives a rating of “conditional” or “unsatisfactory” from any federal or state agency, it will immediately notify and provide GP Harmon with a copy of the audit producing such rating, as well as Seller’s detailed plan of correction. GP Harmon may immediately terminate these Terms and/or any applicable Purchase Order at any time Seller receives a “conditional” or “unsatisfactory” safety rating; (C) Seller agrees that the equipment utilized in the provision of the Services will be in good condition, fit for the particular purpose for which its use is contemplated hereunder, and clean and free from substances or odors that could contaminate or otherwise damage any cargo involved therein; and (D) Seller shall transport safely and deliver undamaged all Material tendered to it by GP Harmon without unreasonable delay and in a safe and workmanlike manner.

(iii) In providing the Services, Seller agrees to: (A) inspect and ensure that each load is properly loaded, braced and secured; (B) maintain and have available in good working order a sufficient amount of acceptable equipment on reasonable notice and capable, well trained and fully qualified crews for the purpose of fulfilling Seller’s obligations under these Terms and the applicable Purchase Order(s); and (C) immediately notify GP Harmon by telephone or e-mail, at point of dispatch, of the occurrence of an accident or other delay in delivery to the consignee.

(iv) All invoices for the Services shall be accompanied by a certified scale ticket for the applicable load generated at the delivery location. GP Harmon shall have no obligation to pay for any Services for which Seller has failed to deliver an invoice within ninety (90) days following the delivery thereof.

(v) At its own expense, Seller shall provide Cargo Liability Insurance covering damage to or loss of cargo or freight transported on behalf of GP Harmon with minimum coverage limits of \$100,000 per occurrence, which policy shall meet the same requirements as the other insurance coverages set forth in Section 13 above.

(vi) Seller hereby covenants and agrees to be fully responsible for and to indemnify and save harmless GP Harmon on account of loss of or damage to any and all Material transported for GP Harmon by Seller under these Terms and/or the applicable Purchase Order(s) pursuant to the terms of the Carmack Amendment, 49 U.S.C. §14706, or any similar successor statute, as if that statute were fully applicable as a matter of law to all of the Services provided. GP Harmon shall have nine (9) months from the date of actual delivery or scheduled delivery date of the Material or, in the case of lost Material, from the date delivery had been scheduled, to file a claim with Seller in respect of the lost or damaged Material. The procedures for handling loss and damage claims shall be as set forth in 49 CFR § 1005 and related sections. GP Harmon shall have two (2) years from the date any claim for lost or damaged Material is declined by Seller in whole or in part to institute a legal action in an appropriate court of law with respect to its claim. Seller may not limit or waive its liability to GP Harmon for lost or damaged Material in any respect except by means of an express written agreement signed by both parties hereto.

(vii) Any claim by GP Harmon for refund of charges previously paid shall be made within ninety (90) days of the date of the Seller invoice for such charges. Any claim by Seller for additional charges due under these Terms or the applicable Purchase Order(s) shall be submitted in writing to GP Harmon within ninety (90) days of the date of Seller’s properly submitted original invoice. Any claim not raised within these time periods shall be deemed to be waived. The party receiving a written claim under this paragraph shall acknowledge receipt of same within ten (10) days of receipt and shall by writing transmitted to the other party by registered mail, return receipt requested, pay or decline such claim within sixty (60) days following its receipt of the claim. Either party may institute a legal action against the other for refund or payment of charges on or before twelve (12) months from the date on which the claiming party receives a written declination of the claim.

(viii) Seller must obtain proper shipping documentation and signatures from the applicable customer’s personnel, including, but not limited to, such customer’s bill of lading. If proper documentation is not received, Seller acknowledges that it may not be paid for Services. To the extent that the terms of any such bill of lading conflict with these Terms, the terms herein shall control. Seller shall retain copies of any such bills of lading and other shipping documentation for the later of a period of two (2) years from the date of the document or until any claim or dispute involving the transportation of freight based upon the document is resolved.

(ix) While providing the Services for GP Harmon, neither Seller nor anyone acting at the direction or under the control of Seller shall solicit a customer that Seller is servicing on GP Harmon’s behalf; *provided, however*, that nothing herein shall prohibit Seller from responding to any general requests for proposals initiated by a customer.

(x) In the event that Seller misses a required pick-up, Seller shall be required to notify GP Harmon in writing by end of business on the day on which such pick-up should have occurred. Seller will be given a period of twenty-four (24) hours in which to cure the non-compliance. In the event that Seller fails to cure within such time period, GP Harmon shall have the right to authorize a third party of its choosing to perform the applicable pick-up(s) and Seller shall reimburse GP Harmon for the

costs of such services in excess of the fees that would have otherwise been due to Seller therefor.