



Wood Chip Purchase Agreement General Terms and Conditions

Mercer Celgar Limited Partnership

Between: **Mercer Celgar Limited Partnership**
P.O. Box 1000
Castlegar, B.C. V1N 3H9
(hereinafter called "Celgar")

Phone: **(250) 365-4235**
Fax: **(250) 365-4241**
Cell: **(250) 608-2757**
Email: fibre.mc@mercerint.com

and

Phone:
Fax:
Cell:
Email:
GST

ATTENTION:

CONTRACT NUMBER:

START DATE:

CONTRACT REVISION:

END DATE:

TOTAL VOLUME: <none specified>

Source of Chips

Supplier

PRICE/VOLUME TABLE:

<u>Subphase</u>	<u>Source</u>	<u>Species</u>	<u>Rate (CAD)</u>
PURCHASE			

Celgar agrees to purchase the above chips from the Supplier under the following terms and conditions:

1. VOLUME, SPECIES AND PRICES

Celgar will purchase chips from the Supplier as per the terms, volumes, species and prices shown above. The above contract dates refer to the volume of chips contracted over a certain period of time.

2. CHIP SPECIFICATIONS

The Supplier agrees to supply chips as per the chip specifications in Schedule A of this contract. Celgar retains the right to change this specification with a two month notice period to all suppliers.

3. CHIP QUALITY INCENTIVE PLAN

If applicable, suppliers will be paid a bonus or charged a penalty as per the Chip Quality Incentive Plan (CQI) shown in Schedule B of this contract.

4. MIXING OF SPECIES

The supplier is required to deliver pure species loads as much as possible. It is understood that some mixing of species is required at times due to operational logistics. This will be tolerated but if mixed species are continually sent, the supplier will be notified in writing to correct the situation. If the mixing of species persists then Celgar retains the right to cut off deliveries from that supplier until the situation is rectified.

5. RIGHT OF INSPECTION

The supplier may, upon reasonable notice, inspect Celgar's procedures and records relating to weighing or moisture testing. If the seller advises Celgar of any disagreement with Celgar's calculations of moisture content or other quality or quantity determinations, the parties shall review the matter and, if appropriate, agree on a monetary adjustment or either party may refer the matter for arbitration provided that any such adjustment shall be retroactive for a period not exceeding 90 days from the discovery date where such adjustment is agreed upon or settled by arbitration.

Celgar shall have the right at all reasonable times to enter the suppliers mill and/or yard and inspect the suppliers log debarking, chipping and screening equipment and associated wood chip handling and production facilities.

Celgar shall reserving the right to accompany an FSC accredited certification body to audit the operation including review of documentation and fibre handling, transfer and storage procedures;



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6. TITLE AND RISK

If Celgar is responsible for the transport of the chips, title and risk of the chips shall remain with the Supplier until such time as the Supplier loads the chips into the van of the subcontracted transporter of Celgar. If the supplier is responsible for the transport of the chips then the title and risk of the chips remain with the supplier until unloaded at Celgar. The supplier warrants that the supplier has title to said chips and the right to sell same and will indemnify and hold Celgar harmless from any liabilities or damages arising out of the sale of said chips.

7. PAYMENT TERMS

Payment for chips delivered are net 30 days.

8. FORCE MAJEURE

In this agreement, a "Force Majeure" means:

- a) Acts of God, acts of public enemy or acts of government entity or other authority;
- b) Strikes, lock-outs or other labour troubles or disputes, the failure to settle or prevent any of which will not be considered to be a matter within the control of either party;
- c) Construction, installation, modernization, replacement or repairs of its mill or facilities or unusual or extraordinary damage, breakage or other problems affecting the machinery, equipment or facilities of either party resulting in the curtailment or suspension of operations by such party for greater than five business days;
- e) A material curtailment or shutdown of operations of the Supplier's operations at the supplier's mill or yard due to shortages of supplies of raw materials, lack of market for the Supplier's products or by products, uneconomic conditions adversely affecting the Supplier's business, operations or financial condition or any other reason whether similar or dissimilar to the foregoing; or
- f) Any other cause or condition which is beyond the reasonable control of either or both of the parties and which prevents either or both of the parties from performing any of its obligations pursuant to this agreement.

In the event any Force Majeure occurs which affects either party's ability to fulfil its obligations under this agreement, then the party so affected (the "Affected Party") may, without liability, elect to suspend or curtail performance of the particular obligation or obligations so affected in such manner as it reasonable considers appropriate. The Affected Party will give prompt written notice of that election to the other party describing therein the Force Majeure and the obligations so affected. If and when appropriate, the Affected Party will use reasonable practicable so as to enable it to resume full performance.

Where, as a result of a shutdown or curtailment pursuant to the above, the volume of wood chips supplied under this agreement is curtailed or suspended, the Supplier will not be required to sell and Celgar will not be required to purchase, any additional volumes to make up for the volumes not sold or purchased during such discontinuance or curtailment of purchases.

If a party pursuant to the above paragraphs suspends or curtails compliance with or performance of substantially all of its obligations because of a Force Majeure for a continuous period of 90 days or longer, either party may terminate this agreement by giving one month's notice to that effect to the other party.

Neither party to the agreement shall incur any liability to the other party by reason of failure or delay in wood chip deliveries or in delivering or in removing loaded trucks, or other means of transportation due to weather conditions, fire, strikes, or other labour disturbances, disputes or labour stoppage, extraordinary breakdown or other causes beyond the reasonable control of the parties or of a transportation agency.

9. NOTICE

Any notice, document or communication required or permitted to be given under this agreement shall be given by hand, by registered or certified mail or by facsimile, directed to the parties at their respective addresses set out below:

To Celgar: Mercer Celgar Limited Partnership
P.O. Box 1000
Castlegar, B.C. V1N 3H9
Attention: Fibre Manager
Phone: (250) 365-4235



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To the Supplier:

10. TERMINATION

Should either party default in the performance of any of its obligations under this agreement, then the other party may give written notice of such default to the defaulting party and should such default continue for thirty (30) days after such notice then the party not in default shall have the option of terminating this agreement. Such remedy shall not be exclusive and either party may avail itself of any other remedy provided at law or in equity.

11. ASSIGNMENT

Neither party shall assign this agreement in whole or in part, or any of its rights or obligations hereunder, without the consent in writing of the other party, which consent will not unreasonably be withheld, except that Celgar may assign all of the rights and benefits of this agreement to any future purchaser of Celgar's mill provided that the credit rating is reasonably acceptable to the Supplier and prior to such assignment such purchaser enters into an assignment and assumption agreement reasonably satisfactory to the parties whereby such purchaser agrees to assume all of Celgar's obligations under this agreement, and upon such assignment the Supplier shall be released from any further obligations under this agreement.

12. NON WAIVER

Failure by either party, at any time, to require strict performance by the other party of any provision hereof shall not be deemed to constitute a waiver of any breach of the provisions hereof nor shall it constitute a waiver of any succeeding breach or of this non waiver clause.

13. CONFIDENTIALITY

The parties agree to use their best efforts to keep the price and other terms of this agreement confidential.

14. COMPLIANCE WITH LAWS AND REGULATIONS

Each party shall comply with all laws, rules and regulations of any governmental authorities having jurisdiction over the performance by the party of any of its obligations under this agreement.

15. GOVERNING LAW AND FORUM

This agreement shall be governed by and construed in accordance with the laws of the province of British Columbia.

16. CERTIFICATION

Mercer maintains a Due Diligence System (DDS) and applicable Risk Assessments to achieve conformance with the various Forest Certification Standards in order to avoid material from unacceptable sources.

The DDS requires obtaining information from all fiber suppliers within the supply chain in order to confirm 'district of origin' and tree species. The required information will be described in detail with the appropriate person via the annual supplier notification letter from Mercer and subsequently confirmed in a 'signed' and returned supplier declaration letter.

This information will be used as input to Mercer's Due Diligence System / Risk Assessment Process.

If the fiber originates from an area designated as 'specified / high risk', (as determined by the DDS / Risk Assessment process) Mercer will assist suppliers to implement risk mitigation / control measures to rectify those sources.

Please be advised that Mercer will exclude material that cannot be confirmed as low/negligible risk from its supply chains.

17. CERTIFICATION CREDIT TRANSFER

The Supplier agrees to transfer certification credits to Celgar to the extent permissible. If the Supplier intends to withhold all or a portion of allowable credits, then the Supplier will notify Celgar of its intentions and develop alternate credit transfer procedures.



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18. GENERAL

This agreement, including Schedules A, B & C, shall constitute the entire agreement between the parties and shall supersede all prior contracts, arrangements or letters of intent respecting the supply of chips to Celgar. Some schedules may not be included due to special contract arrangements.

Any alterations or additions hereto shall be in writing signed by each party.

Time shall be of the essence of this agreement.

IN WITNESS WHEREOF, the parties have executed this agreement in duplicate as of the date first written above

For Celgar

For Supplier

Per:

Per:

Print: _____

Print: _____

Date _____

Date: _____

Schedule A

Chip Specification

Effective January 01, 2023

Chip Fraction	Dimension (length)	Target
*BARK	-	0.5% / 1.0%
FINES	<5mm length	< 4%
*ACCEPTS	5mm to 45mm	>96%

BARK - has a summer target of 0.5% (April to September) and a 1.0% target for the winter season (October to March); all by green weight.

ACCEPT chip fractions include preferred (>20mm) + regular (7mm to 20mm) + **new micro (5mm to 7mm)** + over thick (10mm thick), within the 96% target, suppliers should target over 40% as preferred accept chip larger than 20mm in length.

All wood chips shall be clean cut, produced from sound roundwood and screened to conform with the specifications.

Chips shall be free of contaminants including but not limited to dirt, metal, rock, glue, charcoal, soot, oil, plastic, rubber, snow, ice chunks and chemicals.

SCHEDULE B

Chip Quality Incentive Program

Effective January 01, 2023

Bark Target <0.5%	
% of Sample	BDU Bonus/Penalty
<0.2	\$2.50
0.2 to 0.49	\$2.00
0.5 to 0.99	\$0.00
1.0 to 1.39	-\$1.50
1.4 to 1.99	-\$2.50
2.0 to 2.99	-\$4.50
3.0 to 3.99	-\$6.00
>/= 4.0	-\$25.00

Preferred Accepts 20mm (length) Target >40%	
% of Sample	BDU Bonus/Penalty
>/=40.0	\$3.00
37.0 to 39.99	\$2.50
34.0 to 36.99	\$2.00
32.0 to 33.99	\$1.00
25.0 to 31.99	\$0.00
<25.0	-\$1.00

Fines <5mm (length) Target <4%	
% of Sample	BDU Bonus/Penalty
<1.0	\$2.50
1.0 to 1.99	\$2.00
2.0 to 2.99	\$1.00
3.0 to 3.99	\$0.50
4.0 to 4.99	\$0.00
5.0 to 5.49	-\$1.00
5.5 to 6.99	-\$2.00
7.0 to 8.99	-\$4.00
9.0 to 9.99	-\$8.00
10.0 to 14.99	-\$25.00
>/=15.0	No Payment

Additional Specifications	
Negligent Mismatching of Species by Supplier	-\$25.00/BDU
Contaminated Loads - includes but not limited to dirt, metal, rock, glue, charcoal, soot, oil, plastic, rubber, and chemicals	No Payment
Accepts (Preferred + Regular Accepts + 5mm + Over thick). Chips will be clean cut, produced from sound timber and screened to conform with the specifications.	> 96%



SCHEDULE C - CAN Suppliers

SUPPLIER DECLARATION FOR CONTROLLED WOOD / CONTROLLED SOURCES

Mercer Celgar actively promotes sustainable, environmentally sound and safe forest management practices for all logging contractors and sawmills who supply our Mill with fibre. Mercer Celgar wishes to understand the geographic district of origin of all fibre sourced into the facility and if there are any areas of risk. This information is essential for Mercer Celgar to qualify all of the fibre consumed at the Castlegar facility as "Controlled Wood" under the Forest Stewardship Council (FSC) standard and "Controlled Sources" under the Programme for the Endorsement of Forest Certification (PEFC) standard. To this end, Mercer Celgar is requesting the following information related to origin and declaration attesting to conformance with Mercer Celgar's Fibre Procurement Policy.

Company Name: _____

Company Representative: _____

Title: _____

Section 1.01 Certification

The land or tenure from which the fibre is sourced is certified Yes No

If both, estimate the breakdown of Certified vs. Private fibre Cert % _____ Private % _____

If certified please specify;

Applicable FM Certification Regime: SFI CSA FSC PEFC ATFS

Certificate #: _____ Expiry Date: _____

Certificate #: _____ Expiry Date: _____

The Seller maintains a Chain of Custody Certification Yes No

Applicable CoC Certification Regime: SFI CSA FSC PEFC

Certificate # _____ Expiry Date: _____



Section 1.02 Geographic District of Origin

The Supplier declares that all fibre sold under this Agreement and all associated schedules has been sourced from the following Geographic Districts of Origin: (please list any and all jurisdictions in which fibre has been or will be sourced under the term of this contract)

A) British Columbia Canada: (Please enter all the applicable TSA & TFL's)

- | | | | | | | |
|---|--|------------------------------------|--|--|---|--|
| <input type="checkbox"/> 100 Mile House | <input type="checkbox"/> Cranberry | <input type="checkbox"/> Golden | <input type="checkbox"/> Kootenay Lake | <input type="checkbox"/> Morice | <input type="checkbox"/> Quesnel | <input type="checkbox"/> Williams Lake |
| <input type="checkbox"/> Arrow | <input type="checkbox"/> Cranbrook | <input type="checkbox"/> Invermere | <input type="checkbox"/> Lakes | <input type="checkbox"/> Nass | <input type="checkbox"/> Revelstoke | <input type="checkbox"/> TFL # _____ |
| <input type="checkbox"/> Arrowsmith | <input type="checkbox"/> Dawson Creek | <input type="checkbox"/> Kalum | <input type="checkbox"/> Lillooet | <input type="checkbox"/> North Coast | <input type="checkbox"/> Robson Valley | _____ |
| <input type="checkbox"/> Boundary | <input type="checkbox"/> Fort Nelson | <input type="checkbox"/> Kamlopps | <input type="checkbox"/> Mackenzie | <input type="checkbox"/> Okanagan | <input type="checkbox"/> Soo | |
| <input type="checkbox"/> Bulkley | <input type="checkbox"/> Fort St. John | <input type="checkbox"/> Kingcome | <input type="checkbox"/> Merritt | <input type="checkbox"/> Prince George | <input type="checkbox"/> Strathcona | |
| <input type="checkbox"/> Cassiar | <input type="checkbox"/> Fraser | <input type="checkbox"/> Kispiox | <input type="checkbox"/> Mid Coast | <input type="checkbox"/> Queen Charlotte | <input type="checkbox"/> Sunshine Coast | |

B) Washington State: (Please enter all applicable Counties)

- | | | | | | | |
|----------------------------------|-----------------------------------|---------------------------------------|-----------------------------------|---------------------------------------|--------------------------------------|----------------------------------|
| <input type="checkbox"/> Adams | <input type="checkbox"/> Columbia | <input type="checkbox"/> Kittias | <input type="checkbox"/> King | <input type="checkbox"/> Pacific | <input type="checkbox"/> Snohomish | <input type="checkbox"/> Whatcom |
| <input type="checkbox"/> Asotin | <input type="checkbox"/> Cowitz | <input type="checkbox"/> Klickitat | <input type="checkbox"/> Kitsap | <input type="checkbox"/> Pend Oreille | <input type="checkbox"/> Spokane | <input type="checkbox"/> Whitman |
| <input type="checkbox"/> Benton | <input type="checkbox"/> Douglas | <input type="checkbox"/> Grant | <input type="checkbox"/> Lewis | <input type="checkbox"/> Pierce | <input type="checkbox"/> Stevens | <input type="checkbox"/> Yakima |
| <input type="checkbox"/> Chelan | <input type="checkbox"/> Ferry | <input type="checkbox"/> Grays Harbor | <input type="checkbox"/> Lincoln | <input type="checkbox"/> San Juan | <input type="checkbox"/> Thurston | |
| <input type="checkbox"/> Clallam | <input type="checkbox"/> Franklin | <input type="checkbox"/> Island | <input type="checkbox"/> Mason | <input type="checkbox"/> Skagit | <input type="checkbox"/> Wahkiakum | |
| <input type="checkbox"/> Clark | <input type="checkbox"/> Garfield | <input type="checkbox"/> Jefferson | <input type="checkbox"/> Okanogan | <input type="checkbox"/> Skamania | <input type="checkbox"/> Walla Walla | |

C) Idaho State: (Please enter all applicable Counties)

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|------------------------------------|-------------------------------------|-------------------------------------|------------------------------------|------------------------------------|-------------------------------------|-------------------------------------|
| <input type="checkbox"/> Ada | <input type="checkbox"/> Boise | <input type="checkbox"/> Caribou | <input type="checkbox"/> Fremont | <input type="checkbox"/> Latah | <input type="checkbox"/> Oneida | <input type="checkbox"/> Valley |
| <input type="checkbox"/> Adams | <input type="checkbox"/> Bonner | <input type="checkbox"/> Cassia | <input type="checkbox"/> Gem | <input type="checkbox"/> Lemhi | <input type="checkbox"/> Owyhee | <input type="checkbox"/> Washington |
| <input type="checkbox"/> Bannock | <input type="checkbox"/> Bonneville | <input type="checkbox"/> Clark | <input type="checkbox"/> Gooding | <input type="checkbox"/> Lewis | <input type="checkbox"/> Payette | |
| <input type="checkbox"/> Bear Lake | <input type="checkbox"/> Boundary | <input type="checkbox"/> Clearwater | <input type="checkbox"/> Idaho | <input type="checkbox"/> Lincoln | <input type="checkbox"/> Power | |
| <input type="checkbox"/> Benewah | <input type="checkbox"/> Butte | <input type="checkbox"/> Custer | <input type="checkbox"/> Jefferson | <input type="checkbox"/> Madison | <input type="checkbox"/> Shoshone | |
| <input type="checkbox"/> Bingham | <input type="checkbox"/> Camas | <input type="checkbox"/> Elmore | <input type="checkbox"/> Jerome | <input type="checkbox"/> Minidoka | <input type="checkbox"/> Teton | |
| <input type="checkbox"/> Blaine | <input type="checkbox"/> Canyon | <input type="checkbox"/> Franklin | <input type="checkbox"/> Kootenai | <input type="checkbox"/> Nez Perce | <input type="checkbox"/> Twin Falls | |

D) Montana State: (Please enter all applicable Counties)

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|-------------------------------------|-------------------------------------|--|--|---------------------------------------|-------------------------------------|--------------------------------------|
| <input type="checkbox"/> Beaverhead | <input type="checkbox"/> Custer | <input type="checkbox"/> Garfield | <input type="checkbox"/> Lewis and Clark | <input type="checkbox"/> Musselshell | <input type="checkbox"/> Ravalli | <input type="checkbox"/> Sweet Grass |
| <input type="checkbox"/> Big Horn | <input type="checkbox"/> Daniels | <input type="checkbox"/> Glacier | <input type="checkbox"/> Liberty | <input type="checkbox"/> Park | <input type="checkbox"/> Richland | <input type="checkbox"/> Teton |
| <input type="checkbox"/> Blaine | <input type="checkbox"/> Dawson | <input type="checkbox"/> Golden Valley | <input type="checkbox"/> Lincoln | <input type="checkbox"/> Petroleum | <input type="checkbox"/> Roosevelt | <input type="checkbox"/> Toole |
| <input type="checkbox"/> Broadwater | <input type="checkbox"/> Deer Lodge | <input type="checkbox"/> Granite | <input type="checkbox"/> McCone | <input type="checkbox"/> Phillips | <input type="checkbox"/> Rosebud | <input type="checkbox"/> Treasure |
| <input type="checkbox"/> Carbon | <input type="checkbox"/> Fallon | <input type="checkbox"/> Hill | <input type="checkbox"/> Madison | <input type="checkbox"/> Pondera | <input type="checkbox"/> Sanders | <input type="checkbox"/> Valley |
| <input type="checkbox"/> Carter | <input type="checkbox"/> Fergus | <input type="checkbox"/> Jefferson | <input type="checkbox"/> Meagher | <input type="checkbox"/> Powder River | <input type="checkbox"/> Sheridan | <input type="checkbox"/> Wheatland |
| <input type="checkbox"/> Cascade | <input type="checkbox"/> Flathead | <input type="checkbox"/> Judith Basin | <input type="checkbox"/> Mineral | <input type="checkbox"/> Powell | <input type="checkbox"/> Silver Bow | <input type="checkbox"/> Wibaux |
| <input type="checkbox"/> Chouteau | <input type="checkbox"/> Gallatin | <input type="checkbox"/> Lake | <input type="checkbox"/> Missoula | <input type="checkbox"/> Prairie | <input type="checkbox"/> Stillwater | <input type="checkbox"/> Yellowstone |

E) Other: _____

The Supplier commits that where the fibre being sold under this agreement is considered as originating from an area with unspecified risk, the Supplier will support the company in collecting the information to identify the forest of origin and the whole supply chain relating to that fibre supply.



Section 1.03 Supplier Declaration for Controlled Wood / Sources

- (A) By signing below the Seller testifies that to the best of their knowledge all fibre being supplied has not been sourced from:
- (i) Forest areas where traditional or civil rights are violated,
 - (ii) Non certified forest areas having high conservation values, such as Woodland Caribou Habitat, which are threatened by management activities,
 - (iii) Forest areas with genetically modified trees (GM),
 - (iv) Illegal or unauthorized harvest areas,
 - (v) Forests that have been converted or are being converted to non-forest use or plantations,
 - (vi) Fibre harvested in violation of the ILO Core Conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work.

Any questions relating to Mercer Celgar's Fibre Procurement Policy or this declaration should be directed to the following:

Chris Longmore, RFT
Work: 250-365-7211 x3543
Cell: 250-608-3776
Chris.Longmore@mercerint.com

By signing below, the Supplier declares that the fibre purchased under the contract identified on page one originated from the Geographic District of Origin(s) identified in Section 1.02 and meets the Controlled Wood / Sources requirements outlined in Section 1.03

Signature: _____ Date: _____



SCHEDULE C - USA Suppliers

SUPPLIER DECLARATION FOR CONTROLLED WOOD / CONTROLLED SOURCES

Mercer Celgar actively promotes sustainable, environmentally sound and safe forest management practices for all logging contractors and sawmills who supply our Mill with fibre. Mercer Celgar wishes to understand the geographic district of origin of all fibre sourced into the facility and if there are any areas of risk. This information is essential for Mercer Celgar to qualify all of the fibre consumed at the Castlegar facility as "Controlled Wood" under the Forest Stewardship Council (FSC) standard and "Controlled Sources" under the Programme for the Endorsement of Forest Certification (PEFC) standard. To this end, Mercer Celgar is requesting the following information related to origin and declaration attesting to conformance with Mercer Celgar's Fibre Procurement Policy.

Company Name: _____

Company Representative: _____

Title: _____

Section 1.01 Certification

The land or tenure from which the fibre is sourced is certified Yes No

If both, estimate the breakdown of Certified vs. Private fibre Cert % _____ Private % _____

If certified please specify;

Applicable FM Certification Regime: SFI CSA FSC PEFC ATFS

Certificate #: _____ Expiry Date: _____

Certificate #: _____ Expiry Date: _____

The Seller maintains a Chain of Custody Certification Yes No

Applicable CoC Certification Regime: SFI CSA FSC PEFC

Certificate # _____ Expiry Date: _____



Section 1.02 Geographic District of Origin

The Supplier declares that all fibre sold under this Agreement and all associated schedules has been sourced from the following Geographic Districts of Origin: (please list any and all jurisdictions in which fibre has been or will be sourced under the term of this contract)

A) British Columbia Canada: (Please enter all the applicable TSA & TFL's)

- | | | | | | | |
|---|--|------------------------------------|--|--|---|--|
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| <input type="checkbox"/> Arrow | <input type="checkbox"/> Cranbrook | <input type="checkbox"/> Invermere | <input type="checkbox"/> Lakes | <input type="checkbox"/> Nass | <input type="checkbox"/> Revelstoke | <input type="checkbox"/> TFL # _____ |
| <input type="checkbox"/> Arrowsmith | <input type="checkbox"/> Dawson Creek | <input type="checkbox"/> Kalum | <input type="checkbox"/> Lillooet | <input type="checkbox"/> North Coast | <input type="checkbox"/> Robson Valley | _____ |
| <input type="checkbox"/> Boundary | <input type="checkbox"/> Fort Nelson | <input type="checkbox"/> Kamlopps | <input type="checkbox"/> Mackenzie | <input type="checkbox"/> Okanagan | <input type="checkbox"/> Soo | |
| <input type="checkbox"/> Bulkley | <input type="checkbox"/> Fort St. John | <input type="checkbox"/> Kingcome | <input type="checkbox"/> Merritt | <input type="checkbox"/> Prince George | <input type="checkbox"/> Strathcona | |
| <input type="checkbox"/> Cassiar | <input type="checkbox"/> Fraser | <input type="checkbox"/> Kispiox | <input type="checkbox"/> Mid Coast | <input type="checkbox"/> Queen Charlotte | <input type="checkbox"/> Sunshine Coast | |

B) Washington State: (Please enter all applicable Counties)

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|----------------------------------|-----------------------------------|---------------------------------------|-----------------------------------|---------------------------------------|--------------------------------------|----------------------------------|
| <input type="checkbox"/> Adams | <input type="checkbox"/> Columbia | <input type="checkbox"/> Kittias | <input type="checkbox"/> King | <input type="checkbox"/> Pacific | <input type="checkbox"/> Snohomish | <input type="checkbox"/> Whatcom |
| <input type="checkbox"/> Asotin | <input type="checkbox"/> Cowitz | <input type="checkbox"/> Klickitat | <input type="checkbox"/> Kitsap | <input type="checkbox"/> Pend Oreille | <input type="checkbox"/> Spokane | <input type="checkbox"/> Whitman |
| <input type="checkbox"/> Benton | <input type="checkbox"/> Douglas | <input type="checkbox"/> Grant | <input type="checkbox"/> Lewis | <input type="checkbox"/> Pierce | <input type="checkbox"/> Stevens | <input type="checkbox"/> Yakima |
| <input type="checkbox"/> Chelan | <input type="checkbox"/> Ferry | <input type="checkbox"/> Grays Harbor | <input type="checkbox"/> Lincoln | <input type="checkbox"/> San Juan | <input type="checkbox"/> Thurston | |
| <input type="checkbox"/> Clallam | <input type="checkbox"/> Franklin | <input type="checkbox"/> Island | <input type="checkbox"/> Mason | <input type="checkbox"/> Skagit | <input type="checkbox"/> Wahkiakum | |
| <input type="checkbox"/> Clark | <input type="checkbox"/> Garfield | <input type="checkbox"/> Jefferson | <input type="checkbox"/> Okanogan | <input type="checkbox"/> Skamania | <input type="checkbox"/> Walla Walla | |

C) Idaho State: (Please enter all applicable Counties)

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|------------------------------------|-------------------------------------|-------------------------------------|------------------------------------|------------------------------------|-------------------------------------|-------------------------------------|
| <input type="checkbox"/> Ada | <input type="checkbox"/> Boise | <input type="checkbox"/> Caribou | <input type="checkbox"/> Fremont | <input type="checkbox"/> Latah | <input type="checkbox"/> Oneida | <input type="checkbox"/> Valley |
| <input type="checkbox"/> Adams | <input type="checkbox"/> Bonner | <input type="checkbox"/> Cassia | <input type="checkbox"/> Gem | <input type="checkbox"/> Lemhi | <input type="checkbox"/> Owyhee | <input type="checkbox"/> Washington |
| <input type="checkbox"/> Bannock | <input type="checkbox"/> Bonneville | <input type="checkbox"/> Clark | <input type="checkbox"/> Gooding | <input type="checkbox"/> Lewis | <input type="checkbox"/> Payette | |
| <input type="checkbox"/> Bear Lake | <input type="checkbox"/> Boundary | <input type="checkbox"/> Clearwater | <input type="checkbox"/> Idaho | <input type="checkbox"/> Lincoln | <input type="checkbox"/> Power | |
| <input type="checkbox"/> Benewah | <input type="checkbox"/> Butte | <input type="checkbox"/> Custer | <input type="checkbox"/> Jefferson | <input type="checkbox"/> Madison | <input type="checkbox"/> Shoshone | |
| <input type="checkbox"/> Bingham | <input type="checkbox"/> Camas | <input type="checkbox"/> Elmore | <input type="checkbox"/> Jerome | <input type="checkbox"/> Minidoka | <input type="checkbox"/> Teton | |
| <input type="checkbox"/> Blaine | <input type="checkbox"/> Canyon | <input type="checkbox"/> Franklin | <input type="checkbox"/> Kootenai | <input type="checkbox"/> Nez Perce | <input type="checkbox"/> Twin Falls | |

D) Montana State: (Please enter all applicable Counties)

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| <input type="checkbox"/> Beaverhead | <input type="checkbox"/> Custer | <input type="checkbox"/> Garfield | <input type="checkbox"/> Lewis and Clark | <input type="checkbox"/> Musselshell | <input type="checkbox"/> Ravalli | <input type="checkbox"/> Sweet Grass |
| <input type="checkbox"/> Big Horn | <input type="checkbox"/> Daniels | <input type="checkbox"/> Glacier | <input type="checkbox"/> Liberty | <input type="checkbox"/> Park | <input type="checkbox"/> Richland | <input type="checkbox"/> Teton |
| <input type="checkbox"/> Blaine | <input type="checkbox"/> Dawson | <input type="checkbox"/> Golden Valley | <input type="checkbox"/> Lincoln | <input type="checkbox"/> Petroleum | <input type="checkbox"/> Roosevelt | <input type="checkbox"/> Toole |
| <input type="checkbox"/> Broadwater | <input type="checkbox"/> Deer Lodge | <input type="checkbox"/> Granite | <input type="checkbox"/> McCone | <input type="checkbox"/> Phillips | <input type="checkbox"/> Rosebud | <input type="checkbox"/> Treasure |
| <input type="checkbox"/> Carbon | <input type="checkbox"/> Fallon | <input type="checkbox"/> Hill | <input type="checkbox"/> Madison | <input type="checkbox"/> Pondera | <input type="checkbox"/> Sanders | <input type="checkbox"/> Valley |
| <input type="checkbox"/> Carter | <input type="checkbox"/> Fergus | <input type="checkbox"/> Jefferson | <input type="checkbox"/> Meagher | <input type="checkbox"/> Powder River | <input type="checkbox"/> Sheridan | <input type="checkbox"/> Wheatland |
| <input type="checkbox"/> Cascade | <input type="checkbox"/> Flathead | <input type="checkbox"/> Judith Basin | <input type="checkbox"/> Mineral | <input type="checkbox"/> Powell | <input type="checkbox"/> Silver Bow | <input type="checkbox"/> Wibaux |
| <input type="checkbox"/> Chouteau | <input type="checkbox"/> Gallatin | <input type="checkbox"/> Lake | <input type="checkbox"/> Missoula | <input type="checkbox"/> Prairie | <input type="checkbox"/> Stillwater | <input type="checkbox"/> Yellowstone |

E) Other: _____

The Supplier commits that where the fibre being sold under this agreement is considered as originating from an area with unspecified risk, the Supplier will support the company in collecting the information to identify the forest of origin and the whole supply chain relating to that fibre supply.



Section 1.03 Supplier Declaration for Controlled Wood / Sources

- (A) By signing below the Seller testifies that to the best of their knowledge all fibre being supplied has not been sourced from:
- (i) Forest areas where traditional or civil rights are violated,
 - (ii) Non certified forest areas having high conservation values, such as Old Growth forests, which are threatened by management activities,
 - (iii) Forest areas with genetically modified trees (GM),
 - (iv) Illegal or unauthorized harvest areas,
 - (v) Forests that have been converted or are being converted to non-forest use or plantations,
 - (vi) Fibre harvested in violation of the ILO Core Conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work.

Any questions relating to Mercer Celgar's Fibre Procurement Policy or this declaration should be directed to the following:

Chris Longmore, RFT
Work: 250-365-7211 x3543
Cell: 250-608-3776
Chris.Longmore@mercerint.com

By signing below, the Supplier declares that the fibre purchased under the contract identified on page one originated from the Geographic District of Origin(s) identified in Section 1.02 and meets the Controlled Wood / Sources requirements outlined in Section 1.03

Signature: _____ Date: _____



Schedule D

Outsourcing Agreement for Storage & Conversion of Roundwood

Certificate Holder's FSC™ CoC Certificate Code:	KF-COC/CW-001030; FSC-STD-40-004 v3-0 and FSC-STD-40-005 v3-1
Primary Contact for the Certificate:	Chris Longmore, RFT – Forestry Supervisor Mercer Celgar
Contractor's Company Name:	
Contractor Contact Person:	
Location of Contractor:	
Description of Outsourcing Arrangement:	Storage & Offsite Whole Log Chipping

Terms for Outsourcing:

- A. The Contractor shall agree to be covered by Mercer Celgar's documented control system (FPP-as provided by Mercer Celgar).
- B. The Contractor shall ensure that the material (Roundwood) used for the production of certified material can be tracked and controlled (ie. Keep records of inputs, outputs and delivery documentation of material covered by the outsourcing agreement).
- C. The Contractor shall ensure that Roundwood is not to be mixed or contaminated with any other material during the outsourced processing.
- D. The Contractor shall not outsource processing to other organizations during the term of their agreement with Mercer Celgar.
- E. The Contractor shall not make use of the FSC trademarks and/or apply any FSC labels.
- F. The Contractor shall agree to the right of an FSC accredited certification body to periodically audit the operation.
- G. The Contractor shall notify Mercer Celgar within (10) business days if they are included in the list of organizations that are disassociated from FSC.

Mercer Celgar Limited Partnership _____

Signature _____

Date _____

Signature _____

Date _____



Mercer Celgar Limited Partnership