

PURCHASE ORDER

Columbia Pulp

P.O. # 17-0010
DATE: AUGUST 30, 2017

164 East Main Street
Dayton, WA 99328
Phone 509-288-4892
larry.tantalo@columbiapulp.com

VENDOR Press Technologies, LLC
12191 West 6th Ave No. 111D
Arvado, CO 80004
Contact: Don Boyd
Phone: 303-829-5112
Customer ID [No.]

SHIP TO Ralph Raymond
Columbia Pulp
1403 Highway 261
Starbuck, WA 99328
523-468-8722

SHIPPING METHOD	SHIPPING TERMS	DELIVERY DATE
Prepay and Add	FOB Factory	

QTY	ITEM #	DESCRIPTION	JOB	UNIT PRICE	LINE TOTAL
1		Heavy Duty Secondary Press Press Technologies model number 100 HP-8F. This machine is new and designed to work in conjunction with Columbia Pulp's wet lap machine. Generally described according to Press Technologies Proposal 17-829-1		\$493,000	\$493,000
		Shipment is to occur week of January 22, 2018 or advised. No shipment is to take place except with prior approval from Ralph Raymond, PCI Project Manager. Phone: 253-468-8722, email: rraymond@paccivil.com			
		Terms of payment: 40% upon receipt of for approval drawings. 30% upon completion of certified drawings. 25% upon shipment 5% upon startup, not later than September 30, 2018.			
All Engineering Information must be sent to: Allnorth Consultants Ltd. Attention: Marge Branchi, Document Control Email: mbranchi@allnorth.com Ph: 250-753-7472 Note - Please quote project number 15NA0050 in the subject line of any e-mail submissions					
SUBTOTAL					\$493,000

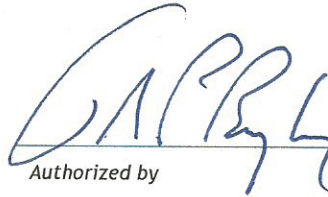
SALES TAX

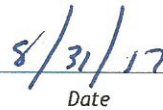
Non-
Taxable

TOTAL

\$493,000

1. Please send two copies of your invoice.
2. Enter this order in accordance with the prices, terms, delivery method, and specifications listed above.
3. Please notify us immediately if you are unable to ship as specified.
4. Send all commercial correspondence to:
Loren Monroe
164 East Main Street
Dayton, WA 99328
Phone 360-531-0125


Authorized by


Date

Press Technologies, LLC

12191 W. 64th Avenue #111D

Arvada, CO 80004

Ph. 303-456-9898

Fax 303-456-0637

WETLAPPING PROJECT FOR COLUMBIA PULP, WASHINGTON STATE USA

**ADD NEW HEAVY DUTY SECONDARY PRESS
TO PRE-OWNED HYMAC MODEL 100 HP-8F
WET LAP LINE**

PROPOSAL #17-829-1

AUGUST 21, 2017

17-829-1

PROCESS CONDITIONS - WET LAPPING

OPTION 1

APPLICATION:

Production	-	400 ODSTPD
Type of furnish	-	Wheat Straw
Freeness (CSF)	-	unknown
Inlet Consistency	-	3.5 – 4.5 % OD
Discharge Consistency	-	49 ± 2 % OD
Temperature	-	≥ 130° F
pH	-	≥ 7
Ash	-	N/A

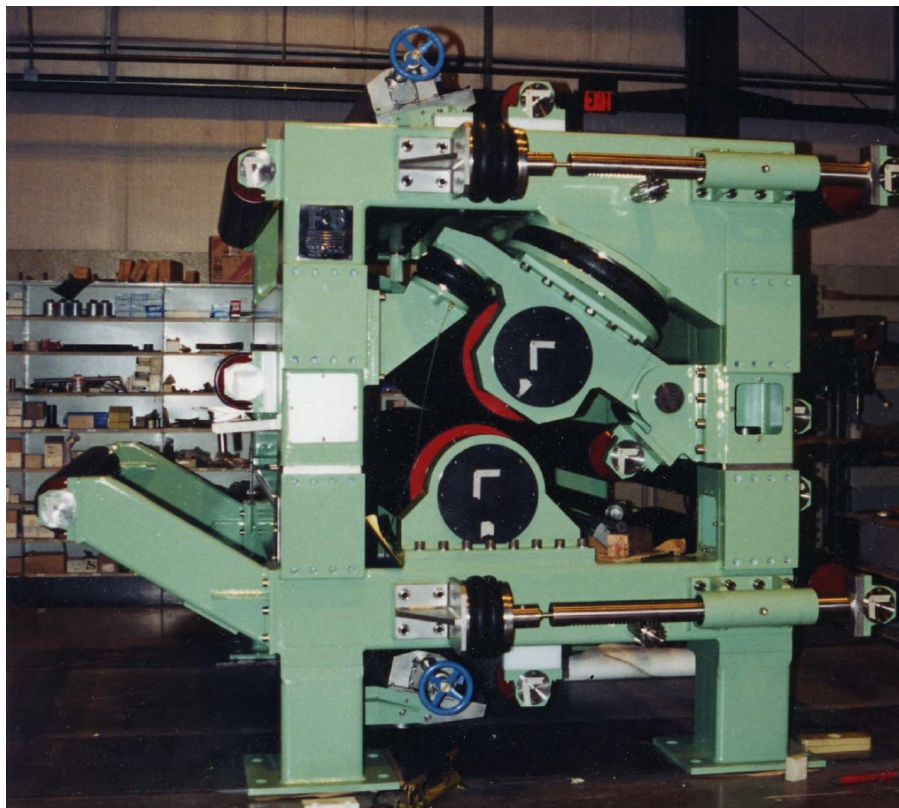
HEAVY DUTY PRESS

PROCESS DESCRIPTION - HDP HEAVY DUTY SECONDARY PRESS

The thickened pulp sheet from a primary Twin Wire Press is transferred onto the bottom wire of the **PRESS TECHNOLOGIES** model **HDP SECONDARY PRESS** unit and is carried up and into the large press nips. Pressure is achieved pneumatically using Firestone air bags, with a performance design pressure up to 1200 PLI. High performance roll covers are generally used for superior durability and performance at these pressures. The moisture removed in the nip will commonly raise the pulp consistency, depending on operating conditions, about 4-6% or more. Pressate is doctored away and fed into drain pans incorporated in the unit for discharge according to customer requirements. After pressing, the pulp travels down to a discharge roll, at which point it can be transferred to a Cutter Layboy unit, sent to a drying line, or handled in some other fashion.

Both the top and bottom wires continue around the machine after discharging the pulp, traveling first through fixed fan or oscillating fan/needle showers and then over tracking and tensioning rolls prior to beginning the cycle again.

In those applications requiring extremely high discharge consistencies or increased throughput, an additional Secondary Press unit can be added in the equipment line.



HEAVY DUTY PRESS

TECHNICAL SPECIFICATION AND GENERAL DESCRIPTION

HDP SECONDARY PRESS UNIT

One (1) only **Secondary Press Unit** utilizing twin wire technology. Cantilever frame design for use with endless or seamed belts. Unit is generally as shown in drawing **#S-80-HDP**, and is complete with:

DRIVEN PRESS ROLLS (2) - Rubber coated for high pressure application; dual drive system. Pressure achieved pneumatically via Firestone air bags, with a performance design pressure of 1200 PLI. Rolls to be mounted in specially designed carbon steel pillow block housings. Upper roll will be mounted on pivot pins of stainless steel construction.

AUTOMATIC TENSIONING SYSTEMS (2) - Provide automatic belt tensioning pneumatically using Firestone air bags. Rollers are of rubber covered carbon steel tubing, with stainless steel thrust rod assembly. The system incorporates a cross shaft arrangement to insure parallel alignment of the rolls.

AUTOMATIC TRACKING SYSTEMS (2) - Pneumatically actuated automatic tracking systems will be utilized for both the upper and lower belts. Each system will consist of a rubber covered tracking roller mounted in pillow block housings, automatic servo-regulator unit with tracking finger, and a belt over track detector (limit switch) to automatically shut the unit down in the event of a failure in the Tracking System.

BELT SHOWERING SYSTEMS (2) – Fixed fan or oscillating fan/needle showers with stainless steel enclosures for both top and bottom belts. Inlet and discharge piping by customer.

DEFLECTION ROLLERS (4) - For belt direction; steel tubing with rubber covers mounted in pillow block housings.

PRESSATE COLLECTION TRAY - Stainless steel construction; for the collection of machine pressate. Discharge piping by customer.

WATER DOCTOR (1) - Carbon and stainless steel construction; with rubber wipers; for removal of water from the nip section.

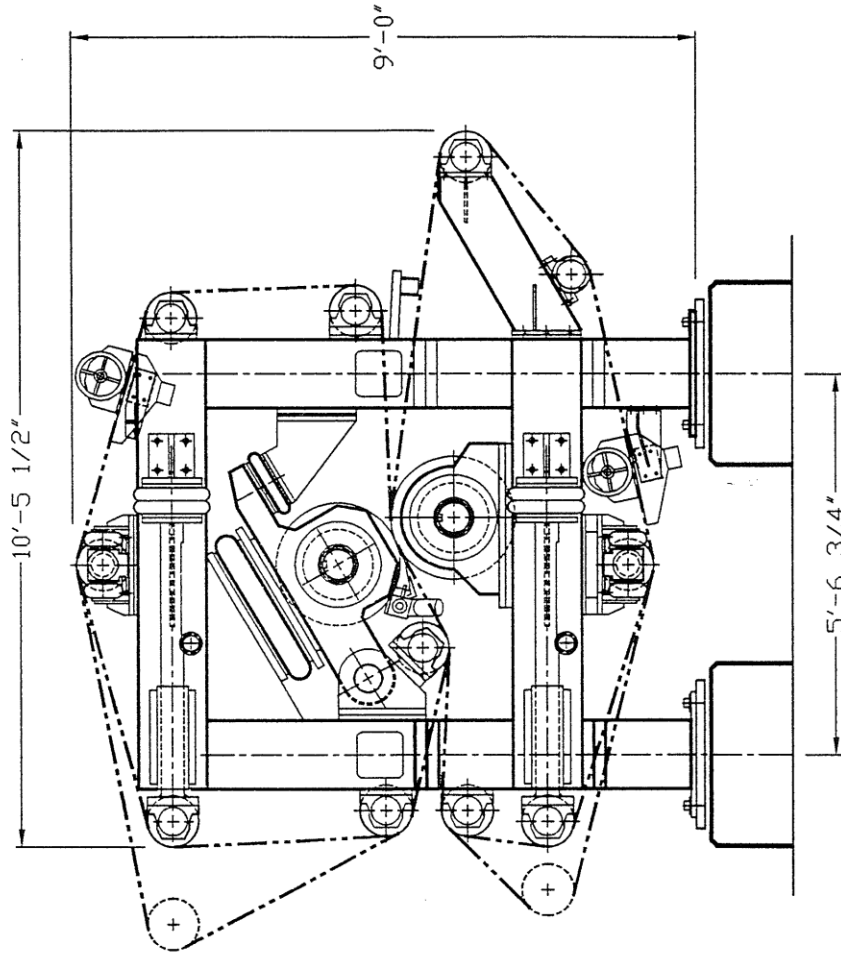
BEARING ASSEMBLIES - All bearings are spherical roller type, load designed and having a B-10 rating in excess of 100,000 hours (SKF or equal). Multiple non-contact sealing system.

MACHINE FRAME - Fabricated of tubular carbon steel. Designed to permit direct mounting of rollers and components, and of cantilever design to allow the use of endless belts. Coated with multiple coats of epoxy paint.

CONTROLS - Coordinates with main press/cutter layboy controls.

FILTER BELTS - One set of upper and lower belts will be supplied with the equipment. It is recommended that the customer have a second set on hand prior to equipment start-up. **PRESS TECHNOLOGIES** will supply sizing and style recommended.

Note: Erection to be supplied by customer. Start-up and erection assistance is available from **PRESS TECHNOLOGIES**.



SIDE ELEVATION

S.F. 24

DRAWING NO.
S - 80 - HDP

PRESS TECHNOLOGIES

80" - HDP SECONDARY PRESS

17-829-1

SERVICE REQUIREMENTS - QUOTED EQUIPMENT

Water Requirements (each machine)

100-HDP: 60 USGPM; 125 PSI recommended, 80 PSI minimum

NOTE: (fresh or filtered water recommended)

Air Requirements

10 CFH average; 200 CFH at inflation; 125 PSI recommended, 80 PSI minimum

Motor List (each machine)

100-HDP Twin Wire Press	-	Two 40 HP AC
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17-829-1

PRICE SUMMARY

WET LAPPING – HEAVY DUTY SECONDARY PRESS

QUANTITY: One (1) only each item

DESCRIPTION:

- Model #100-HDP Heavy Duty Twin Wire Pulp Press with:
- Fabrics (1 set)
- Gearboxes (2)
- Drive Shafts (2)
- Sole Plates
- Pneumatic Control Panel
- **Note:** Electrical Motors, Drives, and Controls by Customer Press Technologies can supply, and will quote upon request and after further discussion with the Customer

PRICE **\$ 493,000.00**

TERMS (when included with items under Proposal 17-826-1)

Shipment: 18-20 weeks from receipt of order
EXW, Loaded, Factory, WI, USA

Payment: 30% upon receipt of order
30% eight (8) weeks ARO
30% twelve (12) weeks ARO
10% at notification of ready to ship

TERMS (When purchased independent of other offers)

Shipment: 14-16 weeks from receipt of order
EXW, Loaded, Factory, WI, USA

Payment: 45% upon receipt of order
45% six (6) weeks ARO
10% ready to ship

All prices quoted are in U. S. funds.

Applicable taxes and duties are the responsibility of the purchasing party.

Auxiliary equipment such as additional material handling equipment, conveyors, etc. can be provided at additional cost, and will be quoted upon request.

**Columbia Pulp, LLC
Lyons Ferry Straw Pulp Plant
Purchase Order Terms and Conditions**

August 2, 2017

SECTION 1 - DEFINITIONS

Agreement – shall mean this Purchase Order and these Terms and Conditions, all attachments and exhibits and any changes to this agreement approved according to Section 3.

As Sold Proposal – shall mean the Seller's proposal as attached to the purchase order, if any.

Delivery Point – shall mean Facility Site unloading area located at 1403 State Highway 261, Starbuck Washington, 99359 or, as specified in the Purchase Order.

Delivery Dates – shall mean, collectively, the Drawing and Data Document Delivery Dates and the Equipment Delivery Dates.

Effective Date – shall have the meaning as set forth in Section 9.

Engineering Requisition – shall mean any supplemental requirements or specifications attached to this purchase order and labeled "Engineering Requisition".

Engineering Specification – shall mean the specification attached to the Purchase Order and any attachments thereto.

Equipment – shall have the meaning as set forth in the Purchase Order or in the As Sold Proposal.

Facility – shall mean the Lyons Ferry Straw Pulp Plant near Starbuck, WA.

Incoterms CIP – shall mean Incoterms 2010, Carriage and Insurance Paid to the Delivery Point.

Notice – shall mean a written correspondence between the Parties. Notices to the Owner shall be presented to:

Columbia Pulp I, LLC
164 East Main Street
Dayton, WA 99328

Attention:
Larry Tantalo
Phone: 206-940-9527

Email: larry.tantalo@columbiapulp.com

Notices to the Seller shall be presented to the Seller at the address shown under 'Sold By:' in the Purchase Order.

Owner – shall mean the Columbia Pulp, LLC, Lyons Ferry Straw Pulp Plant, its successors and assigns (which may include a lessor of premises upon which the Facility is situated, a lender or its trustee, or a guarantor of loans for the construction of the Facility, or who has entered into contract with the issuer of the Construction Contract to acquire the Facility), who has contracted with Owner to provide a Facility for which Owner is entering into this Agreement with Seller to supply the Work covered by this Agreement.

Party(ies) – shall mean individually and/or collectively the Owner and Seller as named Named in the Purchase Order.

Agreement Price – shall have the meaning as set forth in the Purchase Order.

Remedy - shall mean correction of a Warranty nonconformity or defect by Seller.

Seller – shall mean the party named in the Purchase Order under 'Sold By'..

Services – shall include start-up and commissioning requirements for the Acceptance Test which shall be billed at Seller's published rates at the date of this contract.

Subcontractors – shall mean Seller's suppliers and subcontractors of any tier.

Warranty – shall mean the Mechanical and Performance warranty terms as presented in the Seller's As Sold Proposal...

Work – shall mean the Equipment and Services for which Owner is entering into this Agreement.

SECTION 2 - SCOPE OF WORK

Seller shall furnish, design, fabricate, test, as required, and deliver to the Delivery Point, the goods and services as specified in the Purchase Order and as further detailed in the Engineering Requisition, if attached, (collectively the "Work").

SECTION 3 - DOCUMENTS AND ORDER OF PRECEDENCE

The following list of documents shall be the sole documents that comprise this Agreement and contain all of the terms, conditions and provisions of this Agreement. The documents have been listed in order of precedence in the event of a conflict. Any conflict arising in any single document shall be brought to the other Party's attention as soon as practical. In the case of a conflict, the conflicting item(s) having the highest order of precedence shall prevail.

Any Change Order to this Agreement as per Section 12,
The Purchase Order,
The Engineering Requisition, if attached,
These Purchase Order Terms and Conditions,
Seller's As -Sold Proposal as attached to the Purchase Order
The Engineering Specification for the Work,

SECTION 4 – AGREEMENT MILESTONES AND SCHEDULE

4.1- Drawing and Data Document Schedule
Drawing and Data Document Delivery Dates shall be as outlined in the As Sold Proposal.

4.2- Equipment Delivery
Equipment Delivery Dates shall be as stated in the As Sold Proposal.

4.3- Force Majeure:
Shipment dates are based upon the Seller's commitment at the date of the As Sold Proposal. The Seller will exercise its best efforts to ship on schedule, but shall not be liable for any damages or losses caused by any delay in delivery caused by strikes, floods, fires, accidents or any legislative, administrative or exclusive law, order, or requisition of the Federal Government or any State or Municipal Government or any subdivision, department or office thereof.

SECTION 5 - AGREEMENT PRICE

The price to be paid for the Work the Seller is to perform under this Agreement is as shown on the Purchase Order. Shipping and Hauling charges between the FOB point, as shown in the Purchase Order, and the Delivery Point will be as shown on the Purchase Order.

The terms of payments shall be as shown in the purchase order, or if not shown, payment of the net invoice amount in 30 days.

SECTION 6 - DELIVERY

Seller shall deliver the Equipment CIP (Incoterms 2010) to the Delivery Point.

6.1 - Importer of Record
Seller shall be Importer of Record for all goods shipped by it in fulfillment of its obligations under this Agreement.

6.2 - Delivery Point
The Delivery Point for any shipments will be as shown on the Purchase Order.

The facility address for the Lyons Ferry Straw Pulp Plant is:

Facility Site: 1403 Highway 261
Starbuck, WA 99359

6.3 - Receiving Hours

Equipment will be received by the Owner during regular working hours at the Delivery Point. Seller shall provide the Owner's representative with 10 days' notice prior to major equipment deliveries to ensure the availability of unloading personnel and equipment.

6.4 – Partial Shipments

The Seller will not accept partial shipments made by third parties to the Delivery Point except under the following conditions:

1. The shipment is accompanied by paperwork that clearly identifies the Seller and the component of the Work being shipped.
2. The item(s) being shipped are clearly identified with tags, labels or identifying marks indicating which components of the Work the item(s) are part of.
3. Clear instructions regarding how these components are to be incorporated into the Work including, as appropriate, drawings, lists, installation manuals and/or operating and maintenance manuals.
4. The notice specified in 6.3 above has been given including the origin and shipment method of delivery of the item(s).

SECTION 7 – INVOICING AND PAYMENT

7.1 Invoicing

Invoice(s) relative to this Agreement shall be identified with Owner's identifying Purchase Order number and directed to
Columbia Pulp, LLC
164 E. Main Street
P.O. Box 183
Dayton, Washington 99328

Or as directed in the purchase order. Invoices without a Purchase Order number clearly identified will be returned without payment to the Seller.

7.2 Payment

Owner shall approve for payment invoices that are accompanied by documentation that demonstrates that the Work for which payment is requested has been completed. Such approval shall not be unreasonably withheld. If the Owner cannot confirm that the work has been completed as specified by evidence from the receiving staff at the site or by the Owner's engineer(s), the invoice will be returned to the Seller with an explanation of the deficiencies.

In no event will the Owner pay any interest, late fees or any other additional amounts claimed on invoices arriving without the required documentation.

Invoices that have been approved for payment by the Owner and the lender's construction monitor will be paid by the trustee within two business days of the day after the trustee's monthly disbursements.

SECTION 8 - TERMINATION

The Owner may cancel this Agreement upon the written notice to the Seller. If this Agreement is terminated by the Owner, the Seller is entitled to reasonable cancellation charges including but not limited to labor expended, materials obtained or expended, reasonable overhead and profit.

SECTION 9 - EFFECTIVE DATE OF THIS AGREEMENT

Effective date of this Agreement shall be the shown on the Purchaser Order and 'P.O. Date', or as modified by the text of the Purchaser Order or any subsequent change orders.

Equipment and documentation schedules shall be predicated upon the Effective Date of this Agreement.

SECTION 10 - COMPLETION AND ACCEPTANCE

Completion and Acceptance of the Work shall be granted to Seller only upon satisfactory completion of the following, all in accordance with the terms of this Agreement. Payments labeled as final payment, retention payment or payment upon startup will be subject to the following conditions:

- a. All Work has been completed;
- b. All deliverables have been provided;
Delivery by Seller to Owner of all required drawings and documentation, including instruction manuals and equipment documentation;
- c. Delivery of all installation, operations and maintenance manuals (IOM) which shall be in such detail as will enable the Owner to install, operate, maintain, repair, dismantle, reassemble and adjust all parts of the equipment supplied by Seller;
- d. All Equipment (including special tools) has been delivered to Owner; and
- e. The Acceptance Test, as defined in the Purchase Order or Engineering Requisition, if any, is passed by the installed equipment.

The Acceptance Test shall be conducted as follows:

- a. The Owner and the Seller will develop a detailed protocol for the test which states the degree of completion of the Work, the operating conditions under which the testing will be conducted, the procedure for conducting the test, the test duration and the instrumentation required for measuring the results.
- b. The acceptance criteria shall be as outlined in the As Sold Proposal. The guaranteed parameters are as shown in the Purchase Order or the Engineering Requisition.
- c. In order for the performance guarantee to be valid the system will need to be operated as per the guidelines and instructions from the Seller. The quality, temperature etc. of the incoming streams will need to meet the requirements as outlined in the Seller's proposal.
- d. If the Work fails to achieve the acceptance criteria performance, the Seller will be given 30 days to Remedy the deficiency at its own cost so as to achieve the acceptance criteria. A subsequent Acceptance Test shall then be conducted according to the protocol developed. This procedure will be repeated as long as necessary for the Seller to pass the Acceptance Test, unless the Owner cancels the Acceptance Test procedure as provided below. The Seller will reimburse the Owner for reasonable expenses in conducting any second or subsequent acceptance tests.
- e. Seller may also have the option of either providing a third party to perform the Remedy or make a request of Owner to accommodate such Remedy.

If, after 90 days has elapsed from the commencement of the first Acceptance Test, and Work has not passed an Acceptance Test, the Owner shall have the right to cancel the Acceptance Test procedure and provide such Remedy as the Owner may deem to

be appropriate. Backcharges for the cost of the Remedy in this event shall be paid by the Seller.

If the Seller and the Owner do not agree as to the amount or appropriateness of the backcharges, the dispute will be handled according to the procedure in Section 11.

SECTION 11 - DISPUTE RESOLUTION

Any dispute between the parties shall be handled in the following manner:

- a. Mediation. In the event that any dispute ("Dispute") arises between the parties related to this Agreement, the parties agree to submit the Dispute to non-binding mediation upon either party providing the other with written notice describing the Dispute in detail within 3 days after the Dispute is identified. The parties shall cooperate in selecting the mediator, and the mediation shall occur within 30 days of a party providing written notice to the other party of the Dispute. The mediation shall take place in Seattle, Washington.
- b. Arbitration. If mediation does not take place and resolve the Dispute within 30 days after the notice of the Dispute is given, such Dispute shall be submitted to final and binding arbitration pursuant to the Washington version of the Uniform Arbitration Act (RCW 7.04A). The arbitration shall be conducted pursuant to the American Arbitration Associations Construction Industry Arbitration Rules, and it shall take place in Seattle, Washington. The arbitrator does not have to be an American Arbitration Association arbiter. The substantially prevailing party in any such arbitration shall be entitled to recover its reasonable costs and attorney fees.

SECTION 12 – CHANGE ORDERS

Changes to this Agreement shall be in written form and signed by both the Owner and Seller.

SECTION 13 – MECHANICAL WARRANTY

The Seller will provide a mechanical warranty against defects in manufacture and design as shown in the Purchase Order or as in the As Sold Proposal.

SECTION 14 - SECURITY INTEREST

Seller hereby grants to Owner a first priority security interest (the "Security Interest") in all of Owner's right, title, and interest in and to the Work and related accessories, including but not limited to all parts, drawings, documents, manuals, inventory, appurtenances or materials relating to the construction, furnishing, designing, fabricating or testing such equipment and accessories, identified by this Agreement (the "Collateral"). From time to time at Owner's request, Seller shall execute and deliver all further instruments and documents and take all further action as may be reasonably necessary to perfect the first priority security interest granted in the Collateral pursuant to this Agreement or to enable the Owner to exercise and enforce its rights and remedies with respect to the aforementioned Collateral. Seller authorizes the Owner or the Owner's Lender to file a financing statement describing the Owner's Security Interest in the Collateral

SECTION 15 - ASSIGNMENT AND COOPERATION WITH COMPANY'S LENDER.

The Owner may assign its rights or delegate its obligations under this Agreement and its Security Interest in the Collateral to any lender ("Lender") which is financing the Owner's acquisition of the Collateral as collateral security for the performance of the Owner's obligations to the Lender upon prior written notice to Seller. Seller shall cooperate with the Owner and the Owner's Lender in satisfying any reasonable requirements for financing of the Work. Seller shall, upon request, execute in favor of the Owner's Lender a waiver and right of entry to Supplier's premises, permitting the Lender party to inspect Collateral and the Work under construction pursuant to this Agreement and enforce Lender's security interests in the equipment and related accessories to be provided by Seller to the Owner pursuant to this Agreement. Seller shall subordinate Seller's lien rights in and to the equipment and related accessories to the Security Interest and any security interest of the Owner's Lender.

SECTION 16 - TECHNICAL ADVISORY SERVICES

Seller shall make available and provide, upon request of Owner, the services of competent, qualified field personnel to assist Owner in the unloading, installation/erection and commissioning of the Equipment furnished hereunder. Owner will compensate Seller for said services in accordance with Seller's, and Seller's subcontractors, published rate sheet in effect as of the Effective Date of this contract...

SECTION 17 - TAXES

This Agreement is exempt from Washington State Sales Tax. Tax Purchase Exemption Certificate will be provided.

SECTION 18 – APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

SECTION 19 - AGREEMENT ACCEPTANCE

This Agreement shall be deemed to be accepted by both parties upon the acceptance of any payment by the Seller by the Owner.