



Solaris Paper Inc.
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Solaris Paper, Inc. LoCor® Dispenser Lease Agreement

Thank you for choosing LoCor® paper products and dispensing systems for your facilities. Solaris Paper's high quality LoCor Dispensers are easy to load, durable and highly reliable. You will be enhancing your image, saving money and providing the best hygienic solutions for your employees, customers, students, guests and patrons. By signing this Dispenser Lease Agreement you are agreeing to use only LoCor® paper towel and bath tissue refill products in these LoCor® dispensers and accepting the agreement's End User General Terms and Conditions. You are also confirming that the monthly LoCor® product refill case volume listed below is an accurate estimate.

End User and Distributor Information		
Business Name:		Location Name:
Street Address:		
City:	State:	Zip:
Authorized End User Contact Name:	Telephone:	Email:
Authorized Solaris Paper Distributor Name/DSR Name:	Telephone:	Email:

LEASE/OWNERSHIP PLAN – Under our Lease/Ownership Plan (the "Program"), Solaris Paper, Inc. (SPI) will lease our LoCor® dispensers to you for a period of 5 years from the "Approval Date" listed below. Subject to certain exceptions (as described in our End User Terms and Conditions), the LoCor® dispensers will be loaned at a discounted or zero lease cost to you. At the end of this 5 year period, you will automatically become the owner of these LoCor® dispensers. If you use any paper products other than LoCor® brand products during the term of this agreement, Solaris Paper will have the right to terminate this agreement, in which case you agree to (1) buy out the remaining value of the LoCor® dispensers- the "List Price" listed below less a deduction of 20% for each year (or portion thereof) during which our agreement with you was in effect or return all of these LoCor® dispensers to Solaris Paper's authorized distributor (at your sole cost and expense).

PERFORMANCE GUARANTEE –Solaris Paper guarantees the performance of the LoCor® dispensers. If there is a defect with one of the dispensers supplied under this agreement during its lifetime, Solaris Paper will repair or replace the dispenser at no cost to you, provided the dispenser was properly installed, utilized as directed and supplied continuously with LoCor® brand refill products (subject to the provisions of our End User Terms and Conditions). Solaris Paper will not be responsible for the results of normal wear and tear, misuse or vandalism. Visit: www.solarispaper.com to see official rules and details.

The foregoing summaries of the Lease/Ownership Plan and the Performance Guaranty are intended for ease of reference only and are not intended to modify, in any manner whatsoever, the specific provisions of our End User Terms and Conditions which appear on page 2 of this form and which will control in all circumstances. By signing this Agreement, you will be agreeing to our End User Terms and Conditions. Before doing so, you are strongly encouraged to review them in detail.

LoCor Dispenser #	QTY	List Price/ Dispenser	Total Dispenser Value	LoCor Product SKU#	Monthly Case Volume
Totals					

End User Approval of Dispenser Lease	Distributor Approval of Dispenser Lease
Authorized End User Signature:	Authorized Distributor Signature:
Name and Title:	Name and Title:
Date Approved:	Date Approved:

Please scan and e-mail a signed copy of this Dispenser Lease Agreement to your Solaris Paper Sales Representative

**Solaris Paper, Inc. ("SPI")
End User Terms and Conditions**

BY EXECUTING THE REVERSE SIDE OF THIS FORM, END USER HEREBY CONFIRMS THE TRUTH AND ACCURACY OF THE INFORMATION IT HAS PROVIDED ON THE REVERSE SIDE OF THIS FORM AND HEREBY REPRESENTS AND WARRANTS TO SPI THAT IT HAS READ, DOES FULLY UNDERSTAND AND AGREES TO BE BOUND BY THE FOLLOWING TERMS, COVENANTS AND CONDITIONS (THIS "AGREEMENT"):

1. The dispensers subject to this Agreement shall be those LoCor® dispensers listed on the reverse side of this form (the "**Dispensers**").
2. SPI hereby leases to End User the Dispensers for a period of 5 years, commencing on the "Approval Date" listed on the reverse side of this form, no matter when the Dispensers are actually delivered to End User (the "**Term**"). This Agreement shall continue in full force and effect until it either expires at the end of the Term or is terminated prior to the end of the Term either by End User or SPI in accordance with the terms of this Agreement.
3. At the end of the Term, title to the Dispensers in their "as is", "where is", "with all faults" and "without representation or warranty" condition shall pass automatically and without further action to End User, at which point neither End User nor SPI shall have any further obligations towards each other under this Agreement, except as otherwise specifically provided in this Agreement.
4. End User shall not use, or allow to be used, in the LoCor® dispensers any paper products other than SPI's LoCor® branded paper products purchased from SPI's authorized distributors ("**Authorized Distributors**"). Such products are referred to in this Agreement as the "**Authorized Products**". SPI shall be permitted to change the Authorized Products or discontinue its support of the Dispensers at any time during the Term upon written notice to End User.
5. SPI shall be permitted to terminate this Agreement upon 90 days' prior written notice to End User (a) in the event SPI changes the Authorized Products or discontinues its support of the Dispensers, or (b) upon the expiration or early termination of the Distributor Dispenser Placement Agreement (DDPA) which governs the business relationship between Authorized Distributor and SPI as it pertains to LoCor® brand dispensers and products.
6. SPI shall be permitted to terminate this Agreement upon 7 days' prior written notice to End User in the event End User breaches this Agreement and fails to remedy such breach within such 7 day period; provided, however, SPI shall be permitted to terminate this Agreement immediately upon written notice to End User in the event End User breaches Paragraph 4 above.
7. End User shall be permitted to terminate this Agreement upon at least 60 days prior written notice to SPI.
8. Upon any termination of this Agreement pursuant to Paragraph 4, 5, 6 or 7 above, End User shall be required to either: (1) buyout all Dispensers at the **Unamortized List Price** equaling to the "List Price" listed on the reverse side of this form less a deduction of 20% for each year (or portion thereof) during which this Agreement was in effect, or promptly return to SPI's authorized distributor (at End User's sole cost and expense) all Dispensers.
9. In the event End User fails to, within 30 days of the date of the termination of this Agreement, pay to SPI the Unamortized List value of, or return all of, the Dispensers to SPI's Authorized LoCor® Distributor, SPI shall be permitted reasonable access to End User's premises for the purpose of removing any unreturned Dispensers (at End User's sole cost and expense) and SPI shall not be responsible for any resulting damage to End User's property or premises.
10. End User shall be responsible for the installation, use, maintenance and removal of all Dispensers (at End User's sole cost and expense) in accordance with SPI's written specifications, including, without limitation, monitoring and replacing the Dispensers' batteries as needed for proper operation. Upon being installed, the Dispensers shall not become or be deemed to have become End User's fixtures.
11. SPI warrants that all Dispensers shall be free from defects in materials and workmanship and shall function in substantial compliance with SPI's written specifications throughout the Term. This warranty shall not apply to, and SPI shall not be responsible for, any injuries or damage caused by any Dispensers which have been (a) installed, used, maintained or removed other than in accordance with SPI's written specifications, (b) used with paper products other than the Authorized Products, or (c) lost, stolen, vandalized or otherwise damaged by the acts or omissions of persons other than SPI.
12. Other than the warranty in Paragraph 11 above, SPI makes no representations or warranties of any kind whatsoever with regard to the Dispensers, either express or implied, including, without limitation, representations or warranties concerning any patents, trademarks or other intellectual property rights applicable to the Dispensers (collectively, "**IP**"). SPI's obligations with regard to any alleged or actual infringement of any IP shall be limited to those indemnifications (if any) provided to SPI by the Dispenser's designer(s) and/or manufacturer(s), whether express, implied or so deemed by operation of law.
13. In the event of any defect in or malfunction of any Dispenser, SPI shall in SPI's sole discretion either repair or replace such Dispenser (at SPI's sole cost and expense). End User shall permit SPI reasonable access to its premises for such purpose. **THIS SHALL BE END USER'S SOLE AND EXCLUSIVE REMEDY. SPI SHALL NOT BE LIABLE TO END USER UNDER ANY CIRCUMSTANCES WHATSOEVER FOR ANY MONETARY DAMAGES WHATSOEVER, INCLUDING, WITHOUT LIMITATION, LOSS PROFITS OR ANY OTHER INCIDENTAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES, WHETHER OR NOT SPI HAS BEEN ADVISED OF THE POSSIBILITY OF THE SAME.**
14. SPI shall not be liable to End User for any failure or delay in the shipment or delivery of any Dispensers to End User or for any resulting damages.
15. The Dispensers shall be deemed to be acceptable to End User and in full compliance with the warranty in Paragraph 11 above unless, within 30 days from the date of their delivery, End User shall have notified SPI in writing to the contrary. Any claims by End User for shortages of or in transit damage to any Dispensers must be made to SPI in writing within 10 days the date of delivery of such Dispensers. All returns must be authorized in advance by SPI and may be subject to a re-stocking charge.
16. End User shall be prohibited from tampering with, altering or otherwise modifying in any respect any of the Dispensers, including, without limitation, removing any of SPI's trademarks, trade names or logos, or permitting any other person to do the same.
17. End User shall not be permitted to sell, lease, sublease, license, sublicense, lien, pledge, encumber or otherwise transfer to any person any Dispensers or any interest in any Dispensers without the prior written consent of SPI.
18. End User shall be responsible for all reasonable costs and expenses (including, without limitation, reasonable attorneys' fees and actual court costs) incurred by SPI in connection with the collection of any sums owing by End User to SPI or in connection with SPI's enforcement of any provision of this Agreement.
19. Enforcement of this Agreement shall be governed by the laws of the State of California. Any court action or proceeding of any nature whatsoever, in law or equity, related to this agreement shall be instituted only in the courts of Orange County in the State of California and only such courts shall have jurisdiction over any such action or proceeding. By entering into this agreement, you shall be deemed to have consented irrevocably to the jurisdiction of such courts in connection with any such action or proceeding. Before any court action or any other proceeding is filed by either of SPI or you against the other, SPI and you hereby agree to participate in a mandatory mediation which will last a minimum of four (4) hours.
20. This Agreement constitutes a binding agreement between SPI and End User. If any of the provisions of this Agreement differ or conflict with the provisions listed on the reverse side of this form or set forth in any credit application, purchase order or other document submitted by End User to SPI, the provisions of this Agreement shall control in all circumstances. No addition to or modification of any of the provisions of this Agreement shall be effective unless made in a separate writing signed by SPI and End User.
21. Certain terms, covenants and conditions of this Agreement are intended by their terms to survive the expiration or earlier termination of this Agreement.
22. By acceptance of the Dispensers, End User shall be deemed to have accepted all of the terms, covenants and conditions of this Agreement.

THE PERSON EXECUTING THIS AGREEMENT ON BEHALF OF END USER HEREBY REPRESENTS AND WARRANTS TO SPI THAT HE/SHE HAS THE AUTHORITY TO DO SO AND TO BIND END USER TO THE ALL OF THE TERMS, COVENANTS AND CONDITIONS SET FORTH IN THIS AGREEMENT.

