

LEASE AGREEMENT

This lease made this 9th day of September 2004, by and between Washington Mutual Bank, FA, hereinafter called the Landlord, and ROCK-TENN CONVERTING COMPANY, hereinafter called the Tenant,

WITNESSETH:

CONSIDERATION AND PREMISES: In consideration of the rents hereinafter reserved and agreed to be paid, and the covenants, agreements, and stipulations hereinafter set out to be performed by Tenant, Landlord does hereby lease to Tenant and Tenant does hereby lease from Landlord the premises described as follows:

The interior only of Building 4, (75,000) Rentable Square Feet of which is located in Knoxville, Tennessee with the address of 1605 Prosser Road, TN.

Said premises are a portion of the Mullins Warehouse Park, as depicted on Exhibit A, attached hereto and hereinafter referred to as the "Leased Premises".

I. TERM: TO HAVE AND TO HOLD the above described Leased Premises for a term of 5 years, beginning on the first day of October 2004, and ending on the first day of October, 2009 ("Term"), unless the said term be sooner terminated as hereinafter provided, upon the following terms and conditions.

II. BASIC RENTAL: For each year of the term of this Lease, Tenant shall pay, without demand, deduction or offset, as basic rent for the Leased Premises the annual sum of \$171,000, payable \$14,250 per month, beginning October 1, 2004. All payments shall be paid in advance on the first day of each month at the office of Landlord's Agent, Jeffrey Duignan, 1605 Rentals Inc., 1605, Prosser Road, or mailed to Jeffrey Duignan, 1605 Rentals Inc., 1605 Prosser Road, Knoxville, Tennessee 37914 or such other address as Landlord shall designate in writing; and

any payment, not paid when due, shall at the option of the Landlord bear service charges at the rate of 10% per annum from the date payment was due. If the commencement of the lease term does not coincide with the first day of the calendar month, the monthly rental payment for the first and last months of the term shall be paid in a prorated amount, which shall be computed on the number of days the Tenant occupied the Leased Premises during such months. In addition to the aforesaid service charges on late payments, Tenant shall pay a late fee of \$100.00 to Landlord in the event that (1) Tenant's check is not accepted by Landlord's bank for any reason, or (2) if Tenant's rental payment is not received in Landlord's office by the due date or on a Monday following a due date falling on a Saturday or Sunday. Said service charge shall be immediately due and payable with the rent on the first succeeding rental payment date.

III. USE AND OCCUPANCY OBLIGATIONS OF TENANT: Tenant covenants and agrees not to commit nor permit any waste whatever on the Leased Premises and to allow no nuisance to exist thereon and in its occupancy and use of the Leased Premises to comply with all the laws, statutes, ordinances, rules and regulations of the City of Knoxville, the County of Knox, and the State of Tennessee, and constituted authority pursuant thereto.

Tenant agrees that to the extent it is responsible for the care and condition of the Leased Premises, it will comply with the rules, requirements and regulations of the Fire Department of the City of Knoxville and the Office of the State Fire Marshall, including but not limited to the providing, placement and maintenance of fire extinguishers, the use of wiring and wiring devices, and all connections to electrical outlets, the management of trash and other hazardous or flammable materials, and the keeping of exits.

Tenant agrees to use the Leased Premises as general office and warehouse use only, and Tenant agrees not to make any use of the Leased Premises as would or does cause an increase in

the insurance rate upon the building of which the same is a part and to immediately upon notice cease and desist from any such use in the event of threatened or actual increase in such rate or premium; provided, if Landlord consents to such use in writing, Tenant shall pay any increase in the cost of insurance associated with such use.

Tenant does covenant and agree to keep the Leased Premises in a reasonably neat, clean and orderly condition; not to mark, deface or damage the walls, floors, ceilings or other interior surfaces, the parking lots or loading docks, or any part of the Leased Premises. Upon the termination of this Lease, for whatever reason, Tenant shall surrender the Leased Premises to Landlord in as good a condition as it is now, or as it is received by Tenant, whichever is later, the usual wear and tear excepted.

IV. TENANT IMPROVEMENTS: On the commencement date of the Term of the Lease, Landlord shall deliver the Leased Premises to Tenant in good and operable condition. Landlord agrees to perform those items of work described on Exhibit B attached hereto and by this reference incorporated herein ("Tenant Improvements"). Tenant's occupancy of the Leased Premises constitutes acceptance of the Tenant Improvements, unless Tenant provides Landlord with a list of Tenant Improvements to be corrected; after correction and acceptance by Tenant, the Leased Premises shall be accepted by Tenant.

V. MAINTENANCE AND REPAIRS: The Tenant will make, at its own expense during the term and option terms hereof, all replacements, repairs, alterations and improvements, including capital items, of the Leased Premises which are damaged by Tenant, its agents, employees and invitees. The Tenant will make, at its own expense during the term and option terms hereof, all replacements, repairs, alterations and improvements, including capital items, of the interior of the Leased Premises consisting of docks, the electrical system, the heating system,

doors and bumpers. To the extent that any of the heating units are replaced during the term of the lease, the Tenant and the Landlord will share the cost, with the sharing based upon the ratio of remaining months during the term of the Lease to the midpoint of the useful life of such heating unit based upon the depreciation schedule approved by the Internal Revenue Service, which will be the Tenant's portion, and the balance, which will be the Landlord's portion. The Landlord shall make, at its own expense during the term and option terms, all replacements, repairs, alterations and improvements, including capital items, to maintain the Leased Premises, the building and the common areas, other than the obligations of Tenant above, including snow removal, in substantially the same condition as existed at the inception of this Lease, reasonable wear and tear excepted.

In the event that either party fails to maintain and repair the Leased Premises (the building or the common areas) in accordance with the terms in the above paragraph as determined by the other party in its absolute discretion, such party may, after giving the other party written notice that it intends to do so (upon the other party's failure to take the necessary action to maintain and repair within ten (10) days after such notification), take such action to maintain and repair; and the costs of such maintenance and repair paid by such party shall be paid by the other party on demand, together with interest thereon calculated at the maximum rate per annum allowed by law from the date of payment thereof by the other party, and if not so paid, may be collected by such party.

In addition, Landlord shall make and pay for all repairs, structural or otherwise, to the exterior of the Leased Premises, the building and the common areas, including roof with drains, down spouts, flashing and parapets, exterior walls, foundations, floor slabs and conduit, wires and pipes leading to the Leased Premises from utility connections and all repairs to the interior of

the Leased Premises which are of a structural nature and are not made necessary by any unusual use of the Leased Premises by Tenant.

VI. ALTERATIONS: Tenant shall make no alterations in, or additions to, the Leased Premises without first obtaining the Landlord's written consent, and all erections, additions and improvements made in or upon said premises, either by the Tenant or the Landlord, shall be the Landlord's sole property, and shall remain upon the Leased Premises at the termination of this Lease, without compensation therefor to the Tenant; provided, however, Tenant may remove its storage racks at the termination of this Lease so long as Tenant repairs all damage caused by such removal including, but not limited to, damage to the floor of the Leased Premises.

Tenant agrees to save Landlord harmless on account of any claim or lien of mechanics, materialmen or other, in connection with any alterations, additions or improvements of or to the Leased Premises to which Landlord may have given its consent. Tenant shall furnish such waiver or waivers of liens and appropriate affidavits from the general contractor or subcontractors as Landlord may require before Tenant starts any such work. Notice is hereby given that no mechanics' lien, materialmen's lien, or other encumbrance made or obtained against Tenant, or its interest in the Leased Premises or improvements, shall in any manner affect the title or interest of Landlord in the Leased Premises or improvements thereon; and all persons furnishing any work, labor or materials, as well as other persons whatsoever, shall be bound by this provision and the notice thereof from and after the date of this Lease.

VII. ASSIGNMENT AND SUBLETTING: The Tenant shall not assign this lease nor any interest hereunder and shall not permit any assignment at law, shall not sublet the premises or any part thereof, and shall not permit the use of the Leased Premises by any party other than the Tenant, Tenant's agents and servants without first obtaining the written consent of the

Landlord, which consent shall not be unreasonably withheld, conditioned or delayed; however, Tenant may assign or sublet the Leased Premises, without Landlord's consent, to an affiliate of Tenant, provided, such assignment shall not relieve Tenant of its obligations under this Lease. Each assignee or subtenant shall hold subject to all provisions of this Lease, and no assignment or subletting shall release Tenant from the obligations of this Lease.

VIII. DAMAGE AND INTERRUPTED OPERATION: The Landlord shall not be liable for any damage either to person or property, sustained by the Tenant, due to the building or any part thereof or any appurtenances thereof becoming out of repair or due to the happenings of any accidents in or about said building, or due to any act or negligence of any tenant or occupant of said building, or of any other person, excepting, however, Landlord shall be liable for any damage caused by the negligence of Landlord or its agents or employees. This provision shall apply especially (but not exclusively) to damage caused by water, snow, frost, steam, sewerage, illuminating gas, sewer gas, or odors, or by the bursting or leaking of pipes and shall apply equally whether such damage be caused by the act or negligence of other tenants or of any other person excepting, however, Landlord shall be liable for any damage caused by the negligence of Landlord or its agents or employees. If any damage shall be caused by the negligent act or omission of the Tenant, the Landlord may, at its option, repair such damage whether caused to the building or to tenants thereof and the Tenant shall thereupon reimburse the Landlord the total cost of such damage both to the building and to the tenants thereof. The Tenant agrees that all personal property upon the Leased Premises shall be at the risk of the Tenant only and that the Landlord shall not be liable for any damage thereto or theft thereof. The Landlord shall not be liable for the stoppage or interruption of water, light or heat caused by riot, strike, accident or by any cause over which the Landlord has no control.

Any provisions herein to the contrary notwithstanding, Landlord and Tenant mutually agree that in respect to any loss which is covered by insurance then being carried by them respectively, the one carrying such insurance and suffering said loss, releases the other of and from any and all claims with respect to such loss, to the extent reimbursed by such insurance.

IX. TAXES AND ASSESSMENTS: Landlord agrees to pay, when due and prior to delinquency, all property taxes, licenses, fees and special charges or assessments levied by any taxing authority on the Leased Premises.

X. UTILITIES AND INSURANCE: To the extent that Utilities are metered separately from other tenants, Tenant shall make all deposits and promptly pay all utility charges in connection with the Leased Premises directly to the vendor, as the same shall become due and payable during the term of this Lease. If utilities are not metered separately, Tenant shall pay its prorated share. Landlord agrees to provide and pay for parking lot, parking area and common area maintenance, management fees, and fire and extended coverage casualty insurance premiums (on the building, but not on Tenant's contents). Landlord shall maintain, at its expense, with an insurer reasonably acceptable to Tenant:

A. Standard Commercial General Liability Insurance. The limits of liability of such insurance shall be an amount not less than Two Million Dollars (\$2,000,000) per occurrence, Bodily Injury including death and Two Million Dollars (\$2,000,000) per occurrence, Property Damage Liability or Two Million Dollars (\$2,000,000) combined single limit for Bodily Injury and Property Damage Liability. Such policies shall list Tenant as additional insured; and

B. "all risk" property insurance on the building, the Leased Premises and the common areas insuring one hundred percent (100%) of the replacement value thereof. This insurance shall include, but not be limited to, fire and extended coverage perils. The policy will

contain appropriate endorsements waiving the insurer's right of subrogation against the Tenant. The property to be insured by Landlord shall also include all improvements and betterment in the Leased Premises, but shall not include Tenant's furniture and furnishings or any fixture or equipment removable by Tenant under the provisions of this Lease; and

C. Landlord shall deliver a certificate of insurance evidencing the coverages described in this Section (or such other evidence as Tenant may reasonably request) not earlier than thirty (30) days prior to the commencement date of this Lease and not later than the commencement date, and at such other time, within thirty (30) days of Tenant's written request. Each policy will provide that Tenant shall receive at least thirty (30) days' prior written notice of cancellation, material alteration or non-renewal of the policy.

XI. RIGHT OF ENTRY: Landlord or its agents shall have the right to enter the Leased Premises at all reasonable hours during the day to examine the same or to make such repairs and alterations as may be necessary for the safety and preservation of the Leased Premises, the building and the common areas or to exhibit the Leased Premises to prospective Tenants and to put therein a notice of rental up to three months preceding the expiration of this Lease. Said notice shall not be removed by the Tenant.

XII. SIGNS AND MARKERS: Tenant shall not, without the written consent of the Landlord, place or fix any sign, symbol or marker on or about the Leased Premises, the building of which they are a part, or any part of the Mullins Warehouse Park.

XIII. LIABILITY INSURANCE: Tenant shall hold Landlord harmless and Landlord shall not be held responsible for and is hereby expressly relieved, from any and all liability by reason of any injury, loss or damage to any person or property in or about the Leased Premises, caused by the negligence of the Tenant, its agents, employees or invitees; and Tenant shall carry

public liability and property damage insurance for this purpose in the amount of \$2,000,000 for injury to one person, \$2,000,000 for injuries in one casualty and \$2,000,000 for damage to property. Tenant shall furnish to Landlord certificates evidencing such insurance is in effect continuously during the term of this Lease and such policies shall provide they may not be cancelled on less than 20 days' prior written notice to Landlord. Landlord shall be named as an additional insured under said policy and so identified in the Certificate of Insurance. Such insurance shall be written by a company reasonably satisfactory to Landlord.

XIV. FIRE AND CASUALTY LOSS:

A. If any portion of the Leased Premises, the building or the common areas is damaged by fire or other casualty, then, except as provided below, the damage shall be promptly repaired by and at the expense of Landlord. Until such repairs and restoration are completed, the rent shall be abated in proportion to the portion of the Leased Premises which is rendered unusable by Tenant in the normal conduct of its business. If (1) such damage shall adversely affect Tenant's business operations, (2) shall not be susceptible of complete repair and restoration within ninety (90) days after the occurrence of such casualty or (3) Landlord is unable to lease comparable warehouse space to Tenant in the Mullins Warehouse Park at the same rental rate provided herein, then either party may, by written notice to the other, terminate this Lease as of the date of occurrence of such damage, provided such notice is given within thirty (30) days after the date of such casualty. If such damage can be repaired within ninety (90) days and Landlord fails to repair or restore such damage within such period, then Tenant may terminate this Lease, by fifteen (15) days' prior written notice to Landlord, in addition to all other remedies Tenant may have under this Lease, at law or in equity.

B. Landlord and Tenant do each hereby release and discharge the other party and any officer, agent, employee or representative of such party from any liability for loss or damage to property caused by fire or other casualty for which insurance (permitting waiver of liability and containing waiver of subrogation) is required to be carried by the injured party under the terms of this Lease.

C. Landlord shall have no obligation to repair or restore modifications, improvements, or items of decoration made by Tenant. Tenant agrees to carry, keep in force and pay the premium upon its own policy of fire and extended coverage insurance covering contents, including but not limited to furniture, fixtures and equipment.

XV. EMINENT DOMAIN: If the whole or a part of the Leased Premises shall be taken under the power of eminent domain, or shall be conveyed to a governmental agency to avoid such taking, and such taking shall cause the remaining Leased Premises to be inadequate for use by the Tenant for the purposes for which the same are leased, either Landlord or Tenant shall have the option to terminate this Lease as of the date Tenant is required to yield possession. If a part of the Leased Premises shall be so taken that the remaining part of the Leased Premises shall be adequate for use by the Tenant, then this Lease shall terminate as to the part so taken or conveyed on the day when Tenant is required to yield possession thereof and the Landlord shall make such repairs and alterations as may be necessary in order to restore the part not taken to usable condition and the rental payable hereunder shall be reduced in proportion to the part of the Leased Premises so taken. All compensation awarded for such taking of the fee and the leasehold shall belong to and be the property of the Landlord, and the same is hereby assigned to the Landlord and the Tenant shall have no interest or claim to such award or any part thereof,

provided, however, Landlord shall not be entitled to any portion of the award made to the Tenant for loss of business and for the cost of removal of Tenant's stock and fixtures.

XVI. DEFAULT: Any of the following shall be an event of default:

A. Failure of Tenant to pay any item of basic rent or additional rent on or before the date it is due after ten (10) days prior written notice by Landlord provided Landlord shall only be required to give such written notice once in any calendar year.

B. Failure of Tenant to keep and perform, or violation by Tenant of, the terms, agreements, covenants and conditions of this Lease other than the covenant to pay rent and additional rent, which is not fully cured within thirty (30) days after written notice thereof by Landlord.

C. If Tenant should abandon the Leased Premises or leave the same vacant for a period of at least 90 consecutive days without notice in writing to Landlord.

D. If Tenant should make an assignment for the benefit of creditors or enter into a voluntary composition or arrangement with creditors.

E. If Tenant shall suffer the leasehold to be taken under any writ of execution, court order, decree or judgment.

F. If a receiver be appointed by any state or federal court for Tenant or its property and not discharged within 60 days from appointment.

G. If proceedings in bankruptcy be filed by Tenant, trustee in bankruptcy be appointed for Tenant, or if any proceedings for arrangement or reorganization or for insolvency be filed by Tenant in state or federal court.

H. If proceedings in bankruptcy be filed against Tenant and not dismissed within 60 days thereafter.

In the event of default Landlord may, in addition to all other remedies available at law or equity:

A. Terminate this Lease by written notice to Tenant, where upon this Lease shall end. Upon such termination by Landlord, Tenant will at once surrender possession of the Leased Premises to Landlord and remove all of Tenant's effects therefrom, and Landlord may forthwith re-enter the Leased Premises and repossess itself thereof, and remove all persons and effects therefrom, using such force as may be necessary, without being guilty of trespass, forcible entry, detainer or other tort. All future rent and other sums due under this Lease shall be accelerated and shall be immediately due and payable.

B. Continue this Lease in full force and effect and enter upon and take possession of the Leased Premises and expel or remove any person, including the Tenant, who may be occupying the Leased Premises or any part thereof, without being liable for prosecution of any claim for damages therefor, and relet the Leased Premises as agent of the Tenant and receive the rent therefor.

In either event, Tenant shall remain liable for payment of all basic rent, additional rent, and other charges and costs imposed on Tenant herein, in the amounts, at the times and upon the conditions as herein provided, but Landlord shall credit against such liability of the Tenant all net amounts received by Landlord from reletting the Leased Premises after first reimbursing itself for all costs incurred in curing Tenant's defaults and in re-entering, preparing and refinishing the Leased Premises for reletting, and reletting the Leased Premises.

All of the foregoing remedies are cumulative and the exercise by Landlord of any of the foregoing remedies, or any other remedy available at law or equity, shall not preclude Landlord from exercising any other available remedy. In the event of any default by Tenant, Landlord

shall have the right to declare all rent and additional rent due for the remaining term of this Lease to be immediately due and payable.

XVII. HOLDOVER: Should Tenant hold over after the end of the term hereby created, Tenant shall become a tenant at will at 125% of the monthly basic rental payable hereunder for the prior month, and otherwise upon the covenants and conditions in the Lease contained, and shall vacate the Leased Premises immediately upon written notice from Landlord.

XVIII. ATTORNEY FEES & EXPENSES: Tenant shall pay all reasonable and actual attorney fees and expenses which Landlord incurs in enforcing any of the obligations of the Tenant under this lease, or in any litigation or negotiations in which the Landlord shall, become involved through or on account of this Lease. In the event that either party to this Lease brings legal proceedings (or both parties agree to mediate or arbitrate) to enforce its rights under this Lease, the prevailing party shall be entitled to recover its reasonable attorney's fees and costs.

XIV. NOTICES: All notices required herein to be given by the Tenant to the Landlord shall be in writing and shall be given by certified mail, return receipt requested, and sent to Mr. Jeffrey Duignan, 1605 Rentals Inc., 1605 Prosser Road, Knoxville, Tennessee, 37914 or to such other person or place as shall be designated in writing by the Landlord. All notices required herein to be given by Landlord to the Tenant shall be in writing and shall be given by certified mail, return receipt requested, and sent to:

Rock-Tenn Converting Company
504 Thrasher Street
Norcross, Georgia 30071
Attention: General Counsel

or to such other person or place as shall be designated in writing by Landlord or Tenant. Notices shall be deemed to be given, if properly addressed and bearing the proper amount of prepaid

postage, one day after being deposited in the United States mail, as evidenced by receipt from the United States Post Office.

XX. SECURITY DEPOSIT: Upon delivery of this Lease to Landlord, Tenant shall deposit \$14,250 with Landlord as a security deposit for, at Landlord's option, (1) application toward payment for repairs to the Leased Premises not due to normal wear and tear upon Landlord's determining the need for repairs, during the lease term, to restore the Leased Premises after damage attributable to Tenant's acts or failure to repair under the provisions of this Lease, or upon expiration or early termination of this Lease, or, (2) for application toward payment of any rental payments in default. If said deposit shall have been applied as provided herein, Tenant shall upon 10 days' written notice from Landlord, deposit sufficient money to restore the said fund to its original amount. If Tenant shall perform all of its obligations under this Lease, upon expiration or earlier termination of this Lease, Landlord shall return all of the remaining Security Deposit to Tenant no later than 60 days after the end of the Term. Said deposit account shall be a non-interest bearing account and Landlord may, at its option, commingle such funds with its other assets. Should Landlord transfer its interest in the Leased Premises to a third party, Landlord may deliver the remaining Security Deposit to such transferee and shall thereupon be released from any obligation to Tenant with respect to such Security Deposit.

XXI. SUCCESSORS: This Lease shall be binding upon the parties hereto, their heirs, personal representatives, successors and assigns, and shall inure to their benefit. The use of one gender in this Lease shall include any gender and the singular shall include the plural or the plural the singular, as the context hereof may require.

XXII. QUIET POSSESSION: Landlord warrants Tenant's quiet possession of the Leased Premises without hindrance on the part of Landlord for so long as Tenant is not in default under the terms of this Lease.

XXIII. TENANT'S CERTIFICATE: Upon the request of Landlord or any lender who holds or will be conveyed a lien against the Leased Premises, Tenant agrees to furnish "estoppel certifications", in letter form, regarding the status of this Lease, rent payments, defaults by either party, deposits or rental payments made in advance, any claims for reimbursement by Tenant or Tenant's rights of set-off against accruing rentals and whether Tenant is in occupancy of the Leased Premises and actively conducting its business therein.

XXIV. MORTGAGE SUBORDINATION: Upon written request or notice by Landlord, concurred in by any mortgagee or trustee of the Mullins Warehouse Park or by any person, firm or corporation intending to become such a mortgagee or trustee, Tenant agrees to subordinate its rights under this Lease to the liens of any mortgages or deeds of trust that may hereafter be placed upon the Mullins Warehouse Park and the Leased Premises and to any and all advances to be made thereunder, and to the interest thereon, and all renewals, replacements and extensions thereof, provided the mortgagee or trustee named in said mortgages or deeds of trust shall provide Tenant with a non-disturbance agreement containing commercially reasonable terms and agree to recognize the lease of Tenant in the event of foreclosure as long as Tenant is not in default. Tenant also agrees that any mortgagee or trustee may elect to have this Lease prior to the lien of its mortgagee or deed of trust, and upon notification by such mortgagee or trustee to Tenant to that effect, this Lease shall be deemed prior in lien to the said mortgage or deed of trust, whether this Lease is dated prior to or subsequent to the date of said mortgage or trust deed. Tenant agrees that, upon the request of Landlord, any mortgagee, or any trustee named in such

mortgages or trust deeds, it shall execute and deliver whatever instruments may be reasonably required for such purposes and to carry out the intent of this Section.

XXV. GOVERNING LAW & SEVERABILITY: This Lease shall be interpreted in accordance with the laws of the State of Tennessee. If any clause or provision hereof should be determined to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Lease or any renewal term hereof, then and in that event, it is the express intention of the parties hereto for the remainder of this Lease shall not be affected thereby, and it is also the express intentions of the parties hereto that in lieu of each clause or provision of this lease which may be determined to be illegal, invalid, or unenforceable, there may be added as a part of this lease a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

XXVI. PARKING: Tenant is granted as an appurtenance to the Leased Premises the right to the use of a fair and equitable portion of the available parking spaces in the Mullins Warehouse Park for the use of its employees, guests, clients, customers and invitees, subject to such reasonable requirements, as Landlord may uniformly apply without discrimination as to the use of the entire parking area surrounding the building of which Leased Premises are a part, including but not limited to the right of Landlord to mark off, number, and assign spaces to tenants and their employees, reserving a reasonable number for visitors and guests and to enforce the use of the same as hereinafter provided. Tenant agrees to supervise the use of all such parking areas and parking spaces by its employees, guests, customers, clients and invitees in accordance with the rules, regulations and requirements of the Landlord. Tenant understands that it is of paramount importance to the Landlord that unauthorized parking and violations of said rules, regulations and requirements be prevented and corrected and accordingly Tenant for itself,

its employees, guests, customers, clients and invitees does agree that Landlord shall have the right to take, move, impound and tow off automobiles and other vehicles blocking streets and aisles, parked in unauthorized areas, parked in unauthorized spaces or otherwise improperly parked, and Tenant for itself, its employees, guests, customers, clients and invitees does agree to indemnify and hold harmless Landlord for all claim, loss or liability arising from Landlord's exercise of this power.

XXVII. INTERIOR UTILITIES: Landlord hereby retains the right to install and maintain water, electrical, telephone and sewer services to all Tenants and reserves the right to enter leased premises when necessary to install, inspect or maintain these services.

XXVIII. NON-WAIVER: The failure of Landlord to terminate this Lease or exercise any other right or remedy in the event of Tenant's default or breach of any covenants, agreements or conditions contained herein shall not constitute a waiver of Landlord's right to terminate this Lease or exercise any other right or remedy in the event of Tenant's subsequent default or breach of any covenants, agreements or conditions herein contained. No acceptance by Landlord of any partial payment shall constitute an accord and satisfaction, but shall only be deemed a partial payment on account.

Failure of Landlord to insist on the strict performance of the terms, agreements and conditions herein contained, or any of them, shall not constitute nor be construed as a waiver or relinquishment of Landlord's right thereafter to enforce any such term, agreement or condition, and the same shall continue in full force and effect.

XXIX. OPTION TO RENEW: [Intentionally Omitted]

XXX. RIGHT OF FIRST NOTICE: Landlord agrees that if the premises marked as "White Lily" on Exhibit C ("White Lily Premise") are vacated by the party occupying the White

Lily Premises, Landlord shall promptly give notice to Tenant of such fact. Landlord agrees to give Tenant a 15-day exclusive period within which to negotiate with Landlord to lease the White Lily Premises.

XXXI. ENVIRONMENTAL: Tenant represents, warrants and acknowledges that it has entered into this Lease on the basis of its own full investigation of all facts and conditions underlying or related to the development and Leased Premises, including without limitation, sub-surface conditions; and it has relied solely upon its own inspection and investigation. Tenant will maintain the Leased Premises in a clean and orderly manner and will comply with all requirements of the local, state and federal laws and administration thereof, including but not limited to, police and fire departments, municipal, state and federal environmental laws, regulations and requirements (collectively "Environmental Laws"), including without limitations the Environmental Laws regulating (1) solid waste, (2) hazardous waste, (3) toxic or hazardous substances or materials, (4) use and handling of petroleum products, (5) above-ground storage tanks, (6) discharges, and (7) air control regulations.

Except in the normal course of business and in accordance with applicable Environmental Laws, Tenant hereby warrants that it will not store or use on the Leased Premises, nor transport from the Leased Premises, nor release in, upon or under the Leased Premises, any hazardous wastes, hazardous substances, hazardous materials, toxic substances, hazardous air pollutants or toxic pollutants as those terms are used in the Resource Conservation and Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act, the Hazardous Materials Transportation Act, the Toxic Substances Control Act, the Clean Air Act, the Clean Water Act, and any amendments or regulation hereto.

Tenant agrees to indemnify and hold harmless Landlord from all lawsuits, losses, damages and expenses, including attorneys', accountants', engineers' and consultants' fees, resulting from any and all claims, demands or rights of action that may be asserted at any time against Landlord for violation of any of the above-named acts or any other legislation dealing with the storage, use or transportation of hazardous or toxic materials, wastes or substances, and which arise as a result of or in connection with Tenant's use of or activities upon the Leased Premises. This indemnification includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remediation, removal, or restoration required by any governmental agency or entity because of hazardous or toxic materials in the soil or ground water on or under the Leased Premises caused by Tenant, its agents, its employees or invitees.

Landlord agrees to indemnify and hold harmless Tenant from all lawsuits, losses, damages and expenses, including attorneys', accountants', engineers' and consultants' fees, resulting from any and all claims, demands or rights of action that may be asserted at any time against Tenant for violation of any of the above-named acts or any other legislation dealing with the storage, use or transportation of hazardous or toxic materials, wastes or substances, by Landlord or prior tenants. This indemnification includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remediation, removal, or restoration required by any governmental agency or entity because of hazardous or toxic materials in the soil or ground water on or under the Leased Premises.

The covenants, warranties, agreements and indemnities contained in this section shall survive the termination of this Lease.


XXXII. CANCELLATION OPTION. Tenant shall have the option, upon not less than ninety (90) days notice, commencing on the third anniversary of the commencement date of this Lease and thereafter, to cancel this Lease on such day (which day is referred to herein as the "Surrender Date"). As of the Surrender Date, Tenant shall be relieved of any further obligations under this Lease upon the payment of twelve (12) months rent in the amount of \$171,000, and Tenant shall vacate the Premises in accordance with the provisions of this Lease. This option to cancel this Lease shall be self-operative and no additional agreement between Landlord and Tenant will be necessary to effectuate such release; provided, however, Landlord and Tenant shall, for their mutual convenience, execute a Lease Terminate Agreement within thirty (30) days following the Surrender Date.

XXXIII. ENTIRE AGREEMENT: This instrument, and the short form lease of even date herewith executed between the parties, contains the entire agreement between the parties and shall not be modified in any manner except by instrument in writing, signed by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Lease.


LANDLORD:

WASHINGTON MUTUAL BANK, FA

By 
Jack Jacob
Its Vice President
Date 9/13/04

TENANT:

ROCK-TENN CONVERTING
COMPANY

By 
By Steven C. Voorhees
(Print Name)
Its CFO
Date 9/9/04

ny

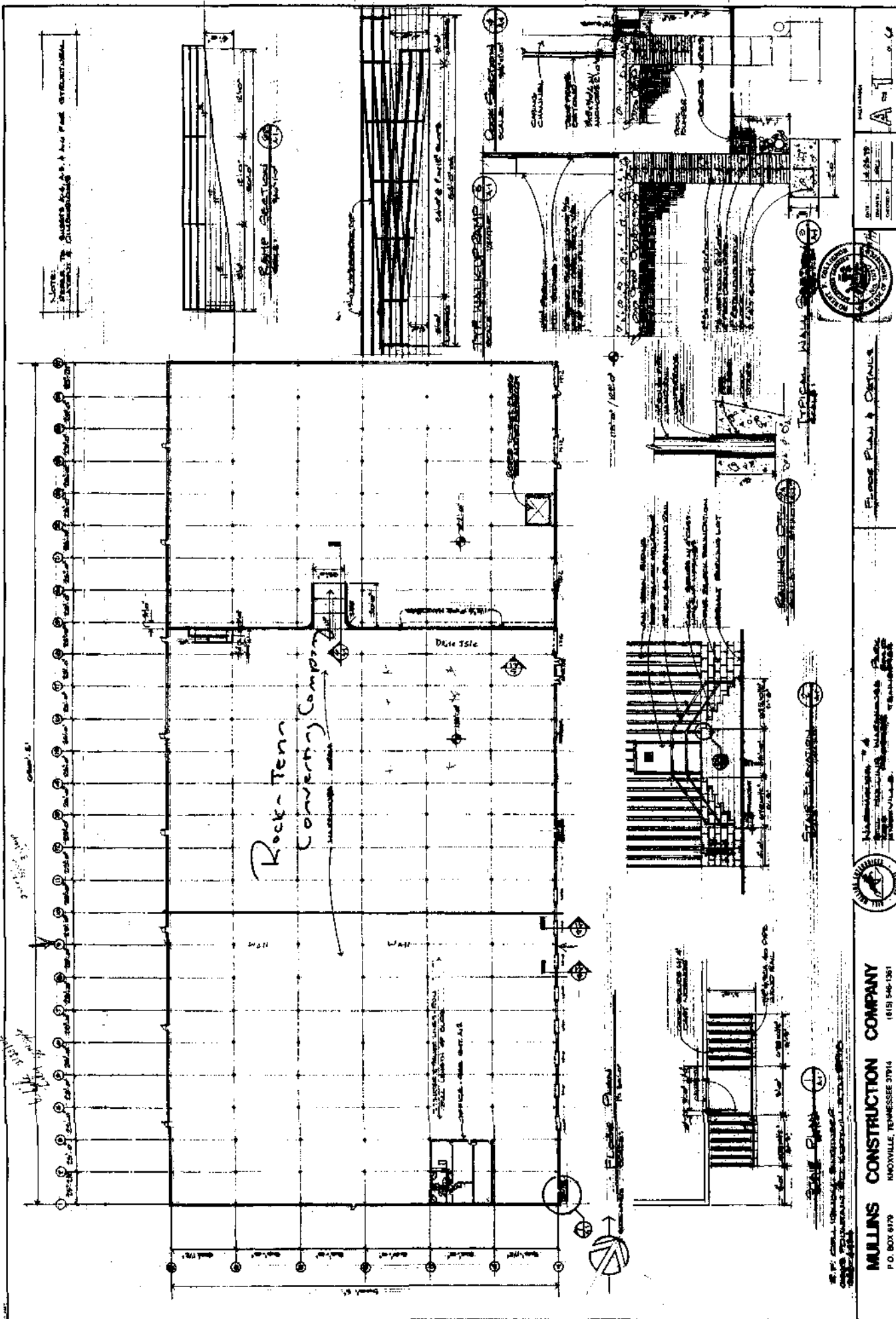


Exhibit "A"

EXHIBIT B

On or before the commencement of the Term of the Lease, Landlord shall deliver the Leased Premises to the Tenant with the following Tenant Improvements:

1. Landlord shall clean all sidewall and ceiling areas for dust and spider webs;
2. Landlord shall install 6' high x 300 foot chain link fence;
3. Landlord shall install six (6) dock locks and enclosures; and
4. Landlord shall clean and paint restrooms of Leased Premises.

In the event that any governmental authority having jurisdiction over the Leased Premises requires the installation of a "fire wall" to separate the Leased Premises from the balance of the space in Building 4, Tenant shall erect such "fire wall" at Tenant's expense.

(Intentionally Left Blank)