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March 28, 2018

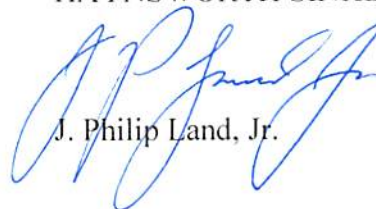
Brad and Scott Dorris
Elk Trading Company, LLC
306 S. Buncombe Road
Greer, SC 29650

Dear Brad and Scott:

Enclosed for your records please find the Closing Binder for the Lease transaction with Kapstone Container. As always, please do not hesitate to contact us with any questions or comments you might have regarding either the binder or any other aspect of this transaction.

Sincerely yours,

HAYNSWORTH SINKLER BOYD, P.A.



J. Philip Land, Jr.

JPL:jlr

Enclosure

**LEASE AGREEMENT
BETWEEN
ELK TRADING COMPANY, LLC
AND
KAPSTONE CONTAINER CORPORATION**

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LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") is made and entered into as of the 16th day of February, 2018 (the "Effective Date"), by and between **ELK TRADING COMPANY, LLC**, a South Carolina Limited Liability Company, (hereinafter referred to as "Landlord"), and **KAPSTONE CONTAINER CORPORATION**, a Georgia corporation, (hereinafter referred to as "Tenant").

RECITALS:

A. Pursuant to that certain Ground Lease Agreement by and between Dorris Properties, LLC ("Master Landlord") and Landlord dated as of February 1, 2017 (the "Ground Lease"), attached hereto as **Exhibit A**, Landlord is the ground lessee of a certain tract or parcel of land situated off Suber Mill Road in Greer, South Carolina containing approximately 8.22 acres of real property (the "Land"), being plotted as "Tract One" on that certain plan entitled "Subdivision Survey for Dorris Properties, LLC" prepared by W.R. Williams, Jr., dated January 30, 2017 and recorded in the Registry of Deeds Office for Greenville County in Plat Book 1261, at Page 0060 attached hereto as **Exhibit B**. The Premises is more specifically described in **Exhibit C** attached hereto.

B. Pursuant to that certain Lease Agreement by and between Master Landlord and Tenant dated as of February 1, 2017 (the "Dorris Lease"), attached hereto as **Exhibit D**, Tenant leases other real property and improvements from Master Landlord located adjacent to the Premises, plotted as "Tract Two" on the Plan (the "Dorris Property"), upon which Tenant conducts existing business operations.

C. Landlord has granted, and Tenant has acquired, amongst other rights, an option to (i) require Landlord to construct on the Land a 98,940 square foot building (the "Building") for the purpose of expanding the Tenant's existing business operations currently located on the Dorris Property, as more specifically described herein and in the "Landlord's Work" exhibit attached hereto as **Exhibit E**; (ii) lease all 98,940 square feet in the Building (the "Premises"); and (iii) license from Landlord for use of the unimproved portion of the Land.

D. On June 6, 2017, Tenant timely exercised the Option by delivering to Landlord an Option Notice (as defined in the Option) and Landlord and Tenant agreed to certain extensions regarding the submission of plans, budgets and entitlements, and, pursuant to Section 1 of the Option, Landlord and Tenant are obligated to execute this Lease.

NOW, THEREFORE, for good and valuable consideration, of the rents and the mutual terms, covenants and conditions stated hereinafter, the Landlord and Tenant do hereby agree as follows:

1. Lease of Premises.

(a) **Premises:** Landlord does hereby lease to the Tenant, and the Tenant does hereby take and lease from the Landlord, upon and subject to the terms, conditions, covenants and provisions hereinafter set forth, the Premises which shall be constructed on the Land.

(b) Permitted Use: Tenant and Tenant's permitted successors, assignees and sublessees shall use and occupy the Premises for the manufacture and inventory of cardboard boxes, packaging supplies, corrugated dunnage, and specialty shipping containers and any ancillary use related thereto or any other uses to which Landlord consents in writing (collectively, the "Permitted Use").

(c) No Interference. So long as no Event of Default is then continuing, Landlord covenants that Tenant shall quietly hold, occupy and enjoy the Premises throughout the Term, and Landlord shall not interfere, in any material respect, with any or all of (i) Tenant's rights to occupy and use the Premises (in the manner and for the Permitted Use contemplated hereunder), or (ii) Tenant's right of access, ingress and egress to and from the Premises.

2. Grant of License. Landlord hereby grants to Tenant, its agents, invitees and permitted, a non-exclusive license for the period of the Dorris Lease to use any unimproved portion of the Land for storage purposes only and in an area as reasonably determined by Landlord, so long as Tenant's use of the Land does not unreasonably interfere with Landlord's ability to (a) construct future improvements on the land, (b) lease the land to Third Party Tenant, subject to the leasing restrictions of Prospective Landlord set forth below in Section 15(b), or (c) a Third Party Tenant's ability to reasonably use the Premises. Tenant shall repair any damage to the Land as a result of Tenant's use of the Land. Landlord shall have the exclusive right to relocate Tenant on the unimproved portion of the Land as necessary.

3. Term and Renewal.

(a) Initial Term: The term of this Agreement shall begin on the Effective Date (the "Commencement Date"), and terminate at midnight on the 31st day of January 2042 (the "Initial Term"). It is understood and agreed that every twelve calendar months from the Effective Date shall constitute a lease year (a "Lease Year").

(b) Renewal Terms: Tenant shall have two (2) options to renew the Term of the Lease for successive periods of five (5) years each (each a "Renewal Term" and collectively the "Renewal Terms"). The Renewal Terms may be exercised by Tenant's written notice to Landlord (the "Renewal Exercise Notice") delivered at least ninety (90) days prior to the end of the Initial Term and/or the first Renewal Term, as applicable.

The Renewal Terms will be upon the same terms and conditions as during the Initial Term, except as otherwise provided herein.

As used in this Lease, "Term" means both the Initial Term and the Renewal Terms, unless the context clearly requires otherwise.

4. Rental.

(a) Rent. Annual rents shall be payable in equal monthly installments, in advance on the first day of each month commencing on the Rent Commencement Date (as defined below). Tenant shall pay to Landlord annual rents in the amount of \$3.60 per square foot of the Premises which Tenant agrees to occupy. Thereafter, rent shall increase by 2.5% each and every five (5) Lease Years during the Term. In the event Landlord's reasonable out of pocket hard and soft costs, pursuant to the Approved Budget and Change Orders and the terms and

conditions contained within Exhibit F, to construct the Premises (for which Landlord provides Tenant with paid receipts thereof, which receipts are reasonably satisfactory to Tenant) exceed Five Million Dollars (\$5,000,000) (the “Additional Costs”), 7.2% of Tenant’s proportionate share of the Additional Costs shall be included in the annual rent for the remainder of the Term (collectively, the “Rent”). By way of example, if (i) Tenant agrees to occupy all of the 100,000 square foot Premises, and (ii) Landlord’s out of pocket costs to construct the Premises total Five Million Three Hundred Thousand Dollars (\$5,300,000), Twenty-One Thousand Six Hundred Dollars (\$21,600) shall be added to the annual rent for the remainder of the Term. Landlord and Tenant acknowledge that given the Rent cannot be determined unless and until (i) Tenant makes a determination in connection with the amount of square footage in the Premises it will occupy, and (ii) the Additional Costs are determined, Landlord and Tenant hereby agreed, once such information is available, to (i) create a fixed Rent Schedule, and (ii) append it to the Lease as Exhibit I.

(b) Rent Commencement Date. Tenant shall commence paying Rent and Additional Rent upon (i) Landlord obtaining a certificate of occupancy and all related local approvals in connection with Landlord’s Work (as defined below), and (ii) providing Tenant with occupancy of the Substantial Completion of the Building, as defined in **Exhibit F**.

5. Additional Rent. This Lease is a “true” net lease. Tenant shall pay as additional rent throughout the Term of this Lease, the following expenses:

(a) Real Estate Taxes. All real estate taxes and assessments of every kind or nature which are now or may hereafter be imposed or assessed upon the Premises by federal, state, or local government authority (collectively, “Property Taxes”). Such items shall be prorated for periods outstanding at the commencement or the termination of this Lease based upon the period that Landlord and Tenant were in possession of the Premises. Tenant shall have the right to contest the amount or validity, in whole or in part, of any Property Tax or to seek a reduction in the valuation of the Premises, or any portion thereof, as assessed for real estate property tax purposes by appropriate proceedings diligently conducted in good faith (but only after the deposit or payments (whether under protest or otherwise) of any amounts required by applicable law to stay or prevent collection activities). If Tenant desires to contest the validity of any Property Tax, Tenant shall, on or before ten (10) calendar days prior to the due date thereof, notify Landlord, in writing, that Tenant intends to so contest same.

Tenant shall, on or before the date Property Taxes become delinquent, make such payments directly to the intended recipient thereof. Prorations of such amounts at the commencement and termination of this Lease, as set forth above, shall be based upon bills for the immediately prior period unless actual amounts can be determined. Upon receipt of the actual bill for such period, the party receiving such bill shall promptly forward same to the other party, and Landlord and Tenant shall then make such adjustment and payment as shall be required to make such proration accurate. Landlord shall be entitled, but shall have no obligation, to pay any taxes, utilities, or insurance not promptly paid by Tenant as required above, in which case the amount of such payment must be reimbursed to Landlord by Tenant (with interest thereon at one and one half percent (1-1/2%) per month until paid) within ten (10) days after notice of such payment is given by Landlord to Tenant.

(b) Utilities. All charges for air conditioning, heat, water, sewer, garbage collection, security, gas, electricity, light, telephone, or any communication or utility service used in or rendered or supplied to the Premises through the term of this Lease. Such items shall be prorated for periods outstanding at the commencement or the termination of this Lease.

(c) Insurance. All premiums for the insurance coverage on the Premises or respecting business operations thereon as set forth in Section 6 hereof.

(d) Personal Property Taxes. Tenant shall report, file and pay all taxes and assessments due and payable on the personal property of Tenant located on and in the Premises.

6. Landlord's Work.

(a) Landlord's Work Requirements. Landlord, at Landlord's expense, shall perform such work as is set forth in the description of Landlord's Work attached hereto as **Exhibit F** (the "Landlord's Work"). Landlord will cause Landlord's Work to be carried out, at its own cost and expense, in a good and workmanlike manner, in accordance with the provisions of this Lease, and in compliance with all applicable federal, state and local laws, orders, ordinances and rules and regulations, and any other lawful authority having or asserting jurisdiction over the Building. Landlord shall be responsible for obtaining all necessary permits and approvals for Landlord's Work at its own cost and expense. Landlord shall use commercially reasonable efforts to complete the Landlord's Work and deliver the Premises to Tenant in accordance with this Lease and **Exhibit F**.

(b) Inspection Prior to Delivery of Premises to Tenant. Prior to the delivery of possession of the Premises to Tenant, Landlord and Tenant shall inspect the Premises, and Tenant shall give Landlord written notice of any material defects in Landlord's Work and of any material variances of Landlord's Work from the description of Landlord's Work set forth in **Exhibit F**. Any such defect or variance not so set forth shall be deemed waived by Tenant. Landlord shall use commercially reasonable efforts to promptly resolve or correct any such defect or variance with reasonable dispatch. If Tenant shall notify Landlord of any defects and takes possession of the Premises without resolution or correction of any such defect by Landlord, the Premises shall be conclusively deemed accepted by Tenant subject to the defects or variances set forth in the notice unless the parties have agreed that Landlord may resolve or correct same after the delivery of the Premises to Tenant.

7. Insurance Coverage. Tenant shall at all times maintain the following insurance coverage respecting the Premises and its business operations thereon: Extended coverage fire and hazard insurance on the buildings constituting portions of the Premises for not less than the full replacement cost thereof; comprehensive public liability insurance for personal injury and property damage as reasonably and customarily carried on businesses such as that to be conducted by the Tenant at the Premises, but not less than One Million and no/100 (\$1,000,000.00) Dollars in respect to one person or one occurrence and Five Million and no/100 (\$5,000,000.00) Dollars in the aggregate; workers' compensation insurance required by South Carolina law; hazard insurance on all contents and property of Tenant at the Premises; and such other insurance coverages required by this Lease. All such insurance coverage shall (except in the case of workers' compensation insurance or hazard insurance on the contents and property of Tenant at the Premises and the property of other persons temporarily stored at the Premises)

name Landlord as an additional insured, and Tenant shall provide Landlord with at least thirty (30) days prior written notice of cancellation, non-renewal, or material amendment. All insurance shall be obtained from a reputable, highly rated national insurance company licensed and in good standing in South Carolina, but the required amount of coverage of any such policy will not exceed the amount which can be obtained at standard market rates. Tenant shall furnish the Landlord with a copy of a certificate of the insurer showing the correct insurance coverages at least five (5) days prior to the expiration of the previous policies.

8. Waiver of Subrogation. Each party waives, for itself and its respective insurance companies and for its officers, employees and agents, any and all rights of recovery and claims by way of subrogation against the other party, its officers, agents or employees, for the full amount of any loss to the extent covered by any insurance.

9. Use and Condition of Premises. The Landlord acknowledges that the Tenant contemplates using the Premises for the Permitted Uses.

10. Maintenance of Premises and Repairs.

(a) Tenant's Obligations: Except for (i) Landlord's Obligations set forth in Section 9(b) and 10 below, (ii) as set forth in Sections 16 and 17, and (iii) any maintenance and repair costs due exclusively to the negligence or willful misconduct of Landlord and/or its agents, servants or employees, Tenant covenants and agrees that it will, at its own expense, keep and maintain the Premises in good order, condition and repair, reasonable wear and tear excepted. Routine upkeep and cleaning of the improvements, parking surfaces and driveways; and mowing of grass and care of shrubbery and other landscaping shall be the responsibility of Tenant. The Premises shall be surrendered to Landlord no later than noon on the last day of the Term with the entire Premises and all improvements thereon in as good repair as when delivered to Tenant, reasonable wear and tear excepted.

(b) Landlord's Obligations: Except for the Tenant's obligations set forth herein, Landlord shall promptly perform all necessary maintenance, repair and replacement to the structural elements of the Premises (whether now existing or to be constructed), including maintaining the same in good condition and repair and having no less than the quality of fit, finishes, systems, and appearance as exists as of the Effective Date, minor wear and tear excepted, and otherwise in compliance with all applicable Laws (provided such repairs are not necessitated or occasioned by a Tenant) which shall include: the foundation, roof, exterior walls and load bearing walls. Landlord agrees to promptly assign to Tenant all warranties received in connection with the construction of the Premises which are desired by Tenant, or, if any warranty is not assignable, Landlord agrees to diligently enforce such warranty on Tenant's behalf. Notwithstanding the foregoing, Tenant shall pay any costs of maintenance, replacement and repair due exclusively to any act, omission, misuse or abuse or default of Tenant and/or its agents, servants or employees. Provided it meets the requirements and standards set forth in this Lease, Landlord shall, in its reasonable discretion, determine the appropriate remedial action required of it to satisfy its maintenance obligations hereunder.

11. Voluntary Cleanup Contract. The Land is the subject of a Voluntary Cleanup Contract between the Master Landlord and the South Carolina Department of Health and Environmental Control ("SCDHEC") dated June 29, 2006, and designated as 06-5385(I)-NRP

(the "VCC") pursuant to the Brownfields/Voluntary Cleanup Program (S.C. Code § 44-56-710, *et. seq.*), the Comprehensive Environmental Response Compensation and Liability Act (42 U.S.C. § 9601, *et seq.*), and the South Carolina Hazardous Waste Management Act (S.C. Code § 44-56-200, *et seq.*). The Land contains Hazardous Materials and contaminants in excess of allowable concentrations for the unrestricted use of the Land. The Land is undergoing investigation and remediation by Textron, Inc. ("Textron") which was a former owner of the Premises. Homelite and John Deere also formally owned the premises. The VCC permits the Land to be used for commercial and industrial uses, but not residential uses. As part of its obligations under the VCC, the Landlord executed a Declaration of Covenants and Restrictions (the "Restrictive Covenants") which was recorded on August 24, 2006, in the Office of the Register of Deeds for Greenville County in Deed Book 2223 at pages 1474-1480. A copy of the VCC and the Restrictive Covenants are attached as **Exhibit G** to this Lease.

The terms and conditions of the Voluntary Cleanup Contract apply to and inure to the benefit of both the Landlord and the Tenant. The Landlord warrants and represents that, to the best of its knowledge, Master Landlord has (i) completed its obligations under Sections 5, 6 and 12 of the Voluntary Cleanup Contract, (ii) obtained a Certificate of Completion under Section 15 of the Voluntary Cleanup Contract, and (iii) executed and recorded the Restrictive Covenants in accordance with Section 16 of the Voluntary Cleanup Contract (hereinafter collectively referred to as the "Completed VCC Obligations"). Subsection 2(K) of the Voluntary Cleanup Contract provides that the intended use of the Premises is for the manufacture and inventory of cardboard boxes, packaging supplies, corrugated dunnage, and specialty shipping containers. The Tenant understands that Section 19 of the Voluntary Cleanup Contract provides that if the business activities on the Land or the use of the Land change such that they are inconsistent with the terms and conditions of the Voluntary Cleanup Contract, then the releases/contribution protections afforded the Landlord and the Tenant shall be null and void and the Tenant agrees not to make any change to the business activities or uses of the Land that would be inconsistent with the Voluntary Cleanup Contract. In addition, the Restrictive Covenants impose certain restrictions and covenants on the Land and the Landlord and the Tenant shall be bound by the terms and conditions of the Restrictive Covenants and the Tenant shall be responsible for complying with the terms and conditions of the Restrictive Covenants, including but not limited to, the certification and statement of maintenance specified in Section 6 of the Restrictive Covenants.

The Tenant understands that the Voluntary Cleanup Contract provides that SCDHEC, applicable federal agencies, and "Responsible Parties," including Textron shall have the right of access to the Land and also the right to perform "response actions" on and under the Land, and the Tenant agrees that it will not deny access to the Land and shall permit SCDHEC, applicable federal agencies, and Responsible Parties to perform response actions on the Land.

12. Alterations. Except for structural alterations to the Premises which shall require Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed, Tenant may make any alterations to the Premises without Landlord's consent. Notwithstanding the foregoing, if required by Landlord, in advance of the expiration or earlier termination of the Lease, Tenant shall be required to remove such alterations and return the Premises to the condition existing prior to the Effective Date.

13. Entry by Landlord. Landlord, its agents, officers or assigns shall have the right to enter the Premises upon twenty-four (24) hours advance written notice during normal working

hours throughout the term of this Lease for the following purposes: (i) to inspect the general condition and state of repair of the Premises; (ii) to perform such maintenance as may be required or permitted of Landlord; (iii) to show the Premises to any prospective tenant or purchaser; (iv) to inspect the Premises as required by governmental agencies or insurance companies; or (v) for any other reasonable purpose. In addition, Landlord, its agents, officers or assigns, may enter the Premises at any time in an emergency to take any action which Landlord reasonably deems necessary to protect the Premises or Land. Notwithstanding the foregoing, prior to Landlord entering the Premises, for any reason, Landlord shall execute a confidentiality and indemnification agreement in form and substance reasonably acceptable to Tenant.

14. Signs. Tenant shall have the right at its own cost and expense, throughout the Term of this Lease to install and maintain signs at such places upon the Premises as Tenant, in its sole discretion, may desire; provided said installment complies with applicable laws, zoning restrictions and restrictive covenants affecting said location. Upon the expiration of this Lease, Tenant shall remove any such signs placed upon Premises and shall repair any damage to the Premises caused by the erection or removal thereof.

15. Assignment and Subletting.

(a) Tenant's Rights. Except as provided herein, Tenant shall not, directly or indirectly, without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed, assign this Lease or any interest herein, or sublease the Premises or any part thereof. Notwithstanding the foregoing, or anything to the contrary contained in this Lease, Tenant may, without the prior written consent of Landlord assign the Lease or sublease any portion of the Premises to (i) an Affiliate of Tenant, (ii) a successor by merger or other corporate reorganization of Tenant, or (iii) the purchaser of all or substantially all of Tenant's business operations being conducted on the Premises. For purposes hereof, "Affiliate" means any, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust, trustee(s) of a trust, unincorporated organization, or government or governmental authority, agency or political subdivision thereof (collectively, a "Person"), Controlled by, Controlling, or under Common Control with another Person. Unless otherwise specified, all references herein to an "Affiliate" or to "Affiliates" shall refer to an Affiliate or Affiliates of Tenant. For purposes hereof, an Affiliate of any of the Persons which then comprise the Tenant hereunder shall be deemed to be an Affiliate of the Tenant (regardless of whether such Person is an Affiliate of all of the Persons which then comprise the Tenant hereunder). For purposes hereof, "Control" including with correlative meanings, the terms "Controlling," "Controlled by" and "under Common Control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting interests or securities, by contracts or otherwise. In the event Tenant assigns or subleases the Lease, as set forth herein, Tenant shall remain primarily liable for obligations of the tenant under the Lease.

(b) Landlord's Rights. In the event (i) Landlord constructs the Building which is 100,000 square feet, and (ii) Tenant agrees to occupy less than 90,000 square feet of the Building, Landlord may lease the unoccupied portion of the Building to a third party ("Third Party Tenant") (the "Unoccupied Space Lease"); provided, however, in no event shall Landlord enter into an Unoccupied Space Lease with (i) any competitor of Tenant, as reasonably determined by Tenant, or (ii) any other third party without first obtaining Tenant's prior written

consent, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, any such new tenant of an Unoccupied Space Lease must first be approved in writing by the South Carolina Department of Health and Environmental Control ("SCDHEC") so long as the Voluntary Cleanup Contract, dated May 2006 between Master Landlord and the SCDHEC remains in effect.

16. Default of Tenant.

(a) Events of Default. The occurrence of any of the following events shall constitute a breach of this Lease:

(i) The failure of Tenant to pay Rent or to make any other payment of money as herein required when due for a period of ten (10) days after delivery by Landlord of a written notice to Tenant of any such failure.

(ii) The expiration of a period of sixty (60) days following (i) the adjudication of Tenant as a bankrupt by any court of competent jurisdiction, (ii) the entry of an order approving a petition filed by one other than Tenant, seeking reorganization of Tenant under the bankruptcy laws of the United States or of any state, (iii) the appointment of a trustee or receiver of all or substantially all of the business or property of Tenant, or (iv) the levy of any attachments, execution or garnishment upon the interest of Tenant hereunder, or upon the leasehold estate hereby created, unless during such period such adjudication, order or appointment of a receiver or trustee, attachment, execution or garnishment shall be vacated or unless within such period Tenant shall have taken proper action to vacate such adjudication, order or appointment of a receiver or trustee, attachment, execution or garnishment, and in such event such occurrence shall not constitute a breach of this Lease until final adjudication of the matter.

(iii) The filing by Tenant of a voluntary petition in bankruptcy or the making of an assignment for the benefit of creditors, the consenting by Tenant to the appointment of a receiver or trustee of all or any part of its property, the filing by Tenant of a petition or answer seeking reorganization under bankruptcy law or any other applicable law, or the filing by Tenant of a petition to take advantage of any insolvency act.

(b) The failure of Tenant to correct any nonmonetary default hereunder, within thirty (30) days after delivery by Landlord to Tenant of a written notice of such default, or if the default is of such a nature that it cannot be corrected within thirty (30) days after such notice, then the failure of Tenant within such period to commence and thereafter proceed diligently to cure such default.

(c) Remedies upon Default. No delay or omission of Landlord to execute any right or power arising from any default set forth in this Section 15 shall impair any such right or power or shall be construed to be a waiver of any such default or any acquiescence therein. Landlord shall have the following remedies upon Tenant's default:

(i) Upon the occurrence of any event of default described above, Landlord, in addition to and without prejudice to any other rights or remedies it might have, will have the immediate right to re-enter and repossess the Premises or any part thereof, removing all

persons and property, which property may be stored in a public warehouse or elsewhere at the cost and risk of Tenant. In addition to or in lieu of such re-entry, and without prejudice to any other rights or remedies it may have, Landlord will have the right to either (i) terminate this Lease, accelerate the due date of all rents due or to come due hereunder, and recover from Tenant all damages incurred by Landlord as a result of Tenant's default, or (ii) continue this Lease in effect and recover rent and other charges and amounts as they become due.

(ii) Even if Tenant is in default, this Lease will continue in effect for so long as Landlord does not terminate this Lease as provided below and Landlord may enforce all of its rights and remedies under this Lease, including the right to:

A. bring suit for the collection of the rent or other amounts for which Tenant may be in default, or for the performance of any other obligation of Tenant hereunder, all without entering into possession or terminating this Lease;

B. re-enter the Premises, without thereby terminating this Lease, and re-let the Premises, applying the rent it receives first to the payment of the reasonable expense of such re-entry and re-letting, then to the payment of the monthly rent accruing hereunder, and the balance, if any, will be held for the benefit of Tenant to be used to pay for any subsequent amounts due from Tenant. Whether or not the Premises are re-let, Tenant will remain liable for any deficiency in rent; and

C. terminate this Lease effective on the date there is ten (10) days following receipt by Tenant of Landlord's notice of such termination and recover from Tenant all damages incurred by Landlord as provided in subsection 14(c) above, whereupon Tenant will be wholly discharged from this Lease.

Without limiting its rights as stated above, Landlord will use good faith efforts to re-let the Premises and mitigate damages

17. Landlord Default/Ground Lease Assignment.

(a) Default. In the event Landlord (i) defaults in its obligations contained in this Lease, or (ii) fails to complete the Building upon the terms as set forth in this Lease or Exhibit F, subject to Tenant Delay or Unavoidable Delay or Change Orders (including, without limitation, failure to complete the Building prior to the Anticipated Substantial Completion Date), Landlord shall, within five (5) Business Days after Tenant's written request therefor (the "Assignment Notice"), which Assignment Notice shall be delivered by Tenant prior to Substantial Completion of the Building, assign (i) the Ground Lease, (ii) to the extent assignable all applicable warranties and contracts desired by Landlord, and (iii) to the extent assignable any land use approvals or permits previously obtained by Landlord to Tenant thereby authorizing and granting Tenant with any and all rights to complete the development, permitting and construction of the Building (collectively, the "Assignment"). Subsequent to the Assignment, Landlord shall cooperate with Tenant in good faith and perform, in a prompt manner and at Landlord's sole cost and expense, any and all requests made by Tenant reasonably related to completion of the Building, including, but not limited to land use, environmental permitting and financing of the Building.

(b) Assignment. In the event of an Assignment, Tenant shall reimburse Landlord for any reasonable out of pocket expenses in connection with the design and construction of the Building (i) incurred by Landlord prior to Tenant's delivery of the Assignment Notice, and (ii) for which Landlord can provide paid invoices (such invoices to be a commercially reasonable form) ("**Landlord's Costs**"); provided, however, in no event shall Tenant be obligated to pay any prepayment penalty, or other costs, fees, expenses, charges, penalties or interest, in connection with Landlord's financing of the Building.

The rights and obligations in this Section 17 shall survive the termination of this Lease.

18. Holding Over. In case Tenant holds over after the end of the Term herein provided, such tenancy shall be from month-to-month only, and not a renewal hereof; subject, however, to every other term, covenant and condition of this Lease, and the Rent shall be 125% of the monthly rate of the last year of the applicable Lease Year.

19. Damage or Destruction.

(a) If any building or improvement upon the Premises is totally or partially destroyed or damaged as a result of a casualty or hazard against which Tenant is required to carry insurance and all or part of the insurance proceeds are due or required to be paid to Landlord, Tenant shall immediately notify Landlord of such fact. Tenant may then, at its expense, either (1) promptly repair, replace or rebuild such building or other improvement at least to the condition existing prior to the casualty, or (2) delay the commencement of the work until the proceeds of all insurance policies covering the casualty or hazard are made available to it for such purpose, unless such delay would be the cause of additional material damage to the Premises. Tenant shall continue the commenced work with reasonable diligence until its completion.

(b) Tenant shall make any repair, replacement or rebuilding in accordance with applicable plans and specifications. If the estimated cost of the work is more than \$50,000.00, the plans and specifications shall first be submitted to and approved in writing by the Landlord, which approval shall not be unreasonably withheld, conditioned or delayed. Before any work is commenced the plans and specifications shall be filed with and approved by all applicable municipal or other governmental authorities. Before commencing the work, Tenant shall procure at its expense and deliver to Landlord all policies of insurance usually required in connection with such work.

(c) For purposes of paying the cost of repair, replacement or rebuilding, the Tenant shall keep the insurance proceeds in an escrow account and disburse the same during the course of the work. If the proceeds are insufficient to pay the cost of the work, the Tenant shall pay the deficiency. If the proceeds exceed the cost of such work, the Tenant may retain the excess.

(d) If at any time within six months before the end of the Initial Term or any Renewal Term, the buildings and improvements on the Premises are completely destroyed or so damaged by fire or other casualty, regardless of whether covered by insurance, so as to render them unfit for their Permitted Use, and repair or restoration is not economically feasible, either party may terminate this Lease by giving at least ten (10) days but not more than thirty (30) days'

notice. Such notice must be given within sixty (60) days after the date of such damage or destruction. If this Lease is so terminated, all base and additional rents shall be apportioned to the date of termination and all insurance proceeds shall belong to the Landlord.

(e) To the extent that the Premises are rendered partly or wholly untenantable during any repair, replacement or rebuilding, Rent shall abate proportionately; provided however that if such damage or destruction was caused by Tenant, no Rent shall abate and Tenant shall continue to be responsible for the payment of such Rent hereunder.

(f) Tenant agrees that any and all property of the Tenant of any kind that may be on the Land or in the Building shall be at the sole risk of Tenant.

20. Condemnation. If the Premises, or any part thereof, shall be taken or condemned by any government or governmental authority, by eminent domain proceedings, condemnation, or otherwise, for any purposes whatsoever, and such taking shall render the Premises unsuitable in the commercially reasonable opinion of Tenant for the operation of a business which engages in the manufacturing, sale and distribution of corrugated products, then Tenant shall have the right to terminate this Lease within thirty (30) days after physical possession by such governmental authority by serving upon Landlord notice in writing of its election to do so. Said termination, however, shall be subject to all the rights and liabilities of the parties hereto that may have accrued hereunder at the time of such termination. If such taking shall not make the Premises unsuitable for the operation of a packaging business, then from and after the taking as aforesaid, the rent herein shall abate proportionally. Each party shall, upon receipt of notice of any such taking, immediately notify the other of any such proceedings and each party may file claims concerning its rights thereunder. Neither Landlord nor Tenant shall have any rights in or to any award made to the other by the condemning authority. In the event of a partial taking, Landlord's proceeds from the taking shall be used, to the extent reasonably necessary, if at all, to repair any damage to the Premises so that it may be used for the purposes herein described. Tenant shall be responsible for the making, at Landlord's expense, of such repairs, subject to Landlord's reasonable prior approval of repairs to be made and associated costs which shall not be unreasonably withheld.

21. Quiet Enjoyment. Landlord covenants, agrees and warrants that Tenant, keeping and performing the covenants herein contained on the part of Tenant to be kept and performed, may peaceably and quietly have, hold, occupy and enjoy the Premises in accordance with the terms of the Lease without hindrance or molestation from Landlord or any persons lawfully claiming through Landlord or otherwise.

22. Indemnity by Tenant. Tenant shall protect, indemnify and save Landlord and Landlord's officers, employees and agents (a "Landlord Party") harmless from and against all liabilities, damages, costs, expenses (including all reasonable attorneys' fees and expenses incurred by Landlord or a Landlord Party), causes of action, suits, demands, judgments and claims of any nature whatsoever which may result from a breach by Tenant of any of its covenants, representations and warranties set forth in Section 24 below or elsewhere in this Lease, except to the extent caused by the negligence or willful misconduct of Landlord or a Landlord Party. Without limiting the generality of the foregoing, Tenant shall protect, indemnify and save Landlord harmless from and against any and all mechanics' and materialmen's liens which may be placed upon the Premises arising out of work performed or materials furnished to

the Premises during the term hereof. Nothing contained in this Lease shall be deemed to give the Tenant any right, power or authority to contract for or permit the rendering of any services or the furnishing of any materials which might give rise to a lien against the Landlord's interest in the Building or Land. This indemnification obligation shall survive the termination of this Lease and shall be in addition to the indemnification obligations contained in Section 11 hereof.

23. Indemnity by Landlord. Landlord shall protect, indemnify and save Tenant and Tenant's officers, employees and agents (a "Tenant Party") harmless from and against all liabilities, damages, costs, expenses (including all reasonable attorneys' fees and expenses incurred by Tenant or a Tenant Party), causes of action, suits, demands, judgments and claims of any nature whatsoever which may (i) arise at any time out of Landlord's use and occupancy of the Building or Land prior to the commencement of this Lease, without regard to the source, nature or validity of the claim or action, except to the extent caused by the negligence or willful misconduct of Tenant or a Tenant Party, (ii) result from a breach by Landlord of any of its covenants, representations and warranties set forth in Section 24 below or elsewhere in this Lease, or (iii) be caused by any environmental condition relating to the Premises (except as caused by Tenant). Without limiting the generality of the foregoing, Landlord shall protect, indemnify and save Tenant harmless from and against any and all mechanics' and materialmen's liens which may be placed upon the Building or Land arising out of work performed or materials furnished to the Premises prior to and during the term hereof. This indemnification obligation shall survive the termination, of this Lease.

24. Representations, Covenants and Warranties of Landlord. Landlord hereby warrants, represents and covenants as follows:

(a) Organization and Good Standing. Landlord is a limited liability company duly organized and validly existing, in good standing, under the laws of the State of South Carolina, and has full power to carry on its business and to own and operate its properties and assets as presently owned and operated. Landlord has taken all action necessary to approve and authorize the execution of this Lease, and to consummate the transactions contemplated hereby in all material respects. When executed and delivered, this Lease shall constitute valid and binding obligations of Landlord, enforceable in accordance with its terms and conditions except as enforcement may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally and by principles of equity. Neither the execution nor the delivery of this Lease nor the consummation of the transactions contemplated hereby, nor compliance with all of the terms and conditions hereof, will result in the breach by Landlord of any of the terms, conditions or provisions of any indenture, mortgage, deed of trust, order, judgment, law, or other contract, agreement or instrument to which it is a party, or by which it is bound, or constitute a default of such indenture, mortgage, deed of trust, order, judgment, law, or other contract, agreement or instrument.

(b) Title. Master Landlord has fee simple title to the entire Premises.

(c) Ground Lease.

(i) Landlord agrees, for the benefit of Tenant, to abide by and perform during the Term all of the terms and provisions set forth in the Ground Lease pertaining to the Land, except as otherwise expressly provided by this Lease. Landlord shall neither commit nor

permit to be committed on the Land any act or omission that in any way violates any term or condition of the Ground Lease.

(ii) Landlord agrees to maintain the Ground Lease in full force and effect during the Term.

(iii) Upon Tenant's written request, Lessee shall promptly request any and all easements from Master Landlord pursuant to Section 4(b) of the Ground Lease.

(iv) Landlord shall not provide any consent to an easement requested by Master Landlord, pursuant to Section 4(c) of the Ground Lease, without first obtaining Tenant's consent.

(d) Consents and Approvals. No consent or approval of any third party is required in connection with Landlord's lease of the Premises hereunder, including but not limited to, any approvals related to the Master Landlord's and Landlord's pending subdivision (the "Subdivision") of the tax lot of which the Premises is a portion of.

(e) Litigation. There are no judicial or administrative actions or proceedings pending, or to the best of Landlord's knowledge threatened, that question the validity of this Lease or any transaction contemplated hereby.

(f) Payables and Taxes. Landlord will pay all payables and taxes, assessments, and charges respecting the Premises incurred prior to the commencement of the term of this Lease within a reasonable amount of time following the execution and delivery of this Lease.

(g) Environmental.

(i) Landlord is in full compliance with the terms and conditions of the VCC and Restrictive Covenants (as defined in Section 11 above).

(ii) Landlord has notified SCDHEC of the Lease as required by Section 9 of the VCC.

(iii) To the best of Landlord's knowledge, the Land is in full compliance with all applicable environmental laws.

(iv) Landlord is not aware of any other release, contamination or condition at the Land other than the Homelite, Textron and John Deere related contamination that is the subject of the VCC.

(v) If Tenant constructs the Building in accordance with this Lease, Tenant shall not be prohibited or otherwise restricted from satisfactorily completing the Building as a result of the VCC, or any other environmental restrictions or obligations.

(vi) Landlord shall continue to fully comply with the terms and conditions of the VCC for the entire Term.

(vii) Landlord shall comply with all Environmental Laws while constructing the Building.

25. Representations, Covenant and Warranties of Tenant. Tenant hereby warrants, represents, and covenants as follows:

(a) Organization and Good Standing. Tenant is a Corporation duly organized, validly existing, and in good standing under the laws of the State of Georgia and has full corporate power to carry on its business and to own and operate its properties and assets as presently owned and operated. Tenant has taken all corporate action necessary to approve and authorize the execution of this Lease, and to consummate the transactions contemplated hereby. When executed and delivered, this Lease shall constitute valid and binding obligations of Tenant, enforceable in accordance with its terms and conditions except as enforcement may be limited by applicable bankrupt, insolvency or similar laws affecting creditors' rights generally and by principles of equity. Neither the execution nor delivery of this Lease nor the consummation of the transactions contemplated hereby, nor compliance with all of the terms and conditions hereof, will result in the breach by Tenant of any of the terms, conditions or provisions of any constitutive instrument, indenture, mortgage, deed of trust, order, judgment, law or other contract, agreement or instrument to which it is a party, or by which it is bound, or constitute a default of such indenture, mortgage, deed of trust, order, judgment, law, or other contract, agreement or instrument.

(b) Consents. No consent of any third party is required in connection with Tenant's lease of the Premises hereunder.

(c) Litigation. There are no judicial or administrative actions or proceedings pending, or to the best of Tenant's knowledge threatened, that question the validity of this Lease or any transaction contemplated hereby.

(d) Compliance with Laws. Tenant shall comply, at its sole cost and expense with all laws with respect to its use or occupation of the Premises.

(e) Upon the expiration or earlier termination of the Lease and the Dorris Lease, Tenant, upon Landlord's request, shall reasonably cooperate with Landlord and execute commercially reasonable documentation to memorialize Tenant's rights to the Land or Building arising under the Lease or the Dorris Lease.

The foregoing covenants, representations and warranties are express covenants, representations and warranties upon which Landlord shall be entitled to rely regardless of any investigation or inquiry made by, or any knowledge of, Landlord. Tenant shall indemnify and hold Landlord forever harmless from and against any and all claims, actions, judgments, liabilities, liens, damages, penalties, fines, costs and expenses, including, but not limited to, attorneys' fees, asserted against, imposed on, suffered or incurred by Landlord (or the Premises) directly or indirectly arising out of or in connection with any breach of the foregoing covenants, representations and warranties and whether known to or discovered by Landlord before, on or after the Effective Date. Consummation of this Lease by Landlord of any claims arising out of or in connection with such breach. Notwithstanding anything contained in this Lease to the

contrary, the foregoing covenants, representations and warranties, and the foregoing indemnity obligations shall survive the expiration or earlier termination of this Lease, as the case may be.

26. Omitted.

27. Subordination. Concurrently with the execution of this Lease, Landlord shall obtain a commercially reasonable subordination, non-disturbance and attornment agreement from any existing Landlord's Mortgagee (as defined below), in a form reasonably acceptable to such Tenant and Landlord's Mortgagee. This Lease may be subordinated to any future deed of trust, mortgage, or other security instrument (each, a "Mortgage"), or any ground lease, master lease, or primary lease (each, a "Primary Lease"), that now or hereafter covers all or any part of the Premises (the mortgagee under any such Mortgage, beneficiary under any such deed of trust, or the lessor under any such Primary Lease is referred to herein as a "Landlord's Mortgagee") pursuant to a commercially reasonable subordination and non-disturbance agreement executed by and between Tenant and Landlord's Mortgagee, and if applicable, Landlord, acceptable to Tenant. The subordination of Tenant's rights hereunder to any Landlord's Mortgagee shall be conditioned upon such Landlord's Mortgagee's and Tenant's (and if applicable, Landlord's) execution and delivery of a commercially reasonable subordination, non-disturbance and attornment agreement which is acceptable to Tenant.

28. Estoppel Certificate. At any time and from time to time during the Term, Landlord shall, within fifteen (15) business days after written request by Tenant, execute, acknowledge and deliver to Tenant a certificate certifying: (i) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect as modified, and stating the date and nature of each modification); (ii) all Rent and other sums payable hereunder have been paid; (iii) as to the amount of Rent currently payable monthly, (iv) that no notice has been received by Landlord of any default by Landlord hereunder which has not been cured, except as to defaults specified in such certificate; (v) that Tenant is not in default under this Lease, except as to defaults specified in such certificate; and (vi) as to such other matters as may be reasonably requested by Tenant or any actual or prospective permitted successor, assignee or subtenant. Any such certificate may be relied upon by any actual or prospective permitted successor, assignee or subtenant of the Premises or any part thereof.

29. Tenant Grants of Security Interests in Tenant's Property.

(a) Tenant's Property Security Party. Notwithstanding anything to the contrary contained in this Lease, Tenant shall have the right, from time to time and at any time, to pledge, mortgage, assign, convey or grant security interests in all or any part of Tenant's property to any Person (a "Tenant's Property Security Party") for purposes of evidencing and/or securing any financing of Tenant or its Affiliates. "Tenant's Property" shall be defined as any personal property, furniture, trade fixtures or other movable property not attached to the Premises. Landlord acknowledges that, as of the Effective Date of this Lease, certain of Tenant's Property may be subject to security interests in favor of Tenant's existing lenders or will become subject to security interests in favor of additional lenders in connection with the refinancing of certain of Tenant's existing loans, and that the grantee of any such currently existing security interests or security interests in connection with such refinancing shall constitute a Tenant's Property Security Party for purposes hereof.

Any Tenant's Property Security Party shall have the right to exercise its rights and/or remedies with respect to Tenant's Property without the consent of Landlord. Further, in the event of a termination of this Lease (or Tenant's right of possession hereunder) by reason of an event of default or any rejection of this Lease by Tenant in a bankruptcy of Tenant, Landlord shall permit a Tenant's Property Security Party to enter the Premises for a reasonable period of time after such termination or rejection (as applicable) for purposes of removing from the Premises Tenant's property in which such Tenant's Property Security Party has a security interest, provided such Tenant's Property Security Party agrees to restore any damage to the Premises resulting from such removal. Landlord agrees, from time to time, to execute and deliver (and to request any Mortgagee to execute and deliver) to Tenant or any Tenant's Property Security Party such reasonable and customary documents and agreements as any Tenant's Property Security Party may require in order to evidence and/or secure the foregoing rights.

Landlord does hereby fully and forever waive and release any and all rights and interests (whether previously or now existing, or arising in the future) in and to any lien (whether possessory, statutory or otherwise, and including any rights of levy or distraint for rent) on, against or with respect to any and all of Tenant's property and/or any other Person which may, from time to time, have any such assets, trade fixtures, equipment or other property located at the Premises (or any portion thereof). Landlord agrees that it will, from time to time upon Tenant's request, execute and deliver to Tenant such documents and instruments as Tenant or any Tenant's Property Security Party may reasonably request in order to confirm that Landlord has no lien or lien rights with respect to any of Tenant's property (or of any such other Person described in the preceding sentence)

(b) Leasehold Mortgage. Tenant shall have the right to grant a leasehold mortgage on Tenant's leasehold interest in the Premises. Any leasehold mortgagee shall be deemed to be a third party beneficiary of any subordination, non-disturbance and attornment agreement granted to Tenant hereunder, but (i) any such leasehold mortgage otherwise shall be in all respects subject and subordinate to Landlord's interest in this Lease and to any Mortgage granted by Landlord, and to any renewals, modifications, consolidations, replacements and extensions of any such Mortgage, whether such Mortgage or any renewal, modification, consolidation, replacement or extension thereof, is granted by Landlord prior or subsequent to any leasehold mortgage granted by Tenant; and (ii) the leasehold mortgage shall attach to and be a lien on Tenant's leasehold interest in the Premises, shall convey no interest or rights in and to Landlord's interest in this Lease or the Premises which are greater than Tenant's interest or rights in this Lease or the Premises, and shall be in form and substance reasonably satisfactory to Landlord and Tenant.

30. Mechanics Liens. Except for Liens created through the act of Landlord or any leasehold mortgage procured by Tenant, Tenant shall not permit any mechanic's lien or other lien to be filed or recorded against the Premises, or any portion thereof, through or under Tenant. If any such mechanic's lien or other lien shall at any time be filed or recorded against the Premises, or any portion thereof, Tenant shall cause the same to be discharged of record or bonded over within ten (10) calendar days after the date on which Tenant becomes aware of such filing or recording of the same.

31. Incorporation of the Option. To the extent binding upon the Landlord and Tenant, any and all applicable terms contained within the Option shall be incorporated into, and made a part of, this Lease.

32. Binding Effect. This Lease shall inure to the benefit of the heirs, successors, representatives, and permitted assigns of the parties hereto, and shall bind the heirs, successors, representatives, and assigns of the parties hereto.

33. References to Gender and Number Terms. Whenever the context requires, the singular number shall include the plural, the singular, and the use of any gender shall include all genders.

34. Days Defined. Any reference in this Lease to a number of days shall mean calendar days unless otherwise expressly provided.

35. Attorneys' Fees. If any action at law or in equity shall be brought to recover any rent under this Lease, or for or on account of any breach of or to enforce or interpret any of the covenants, terms or conditions of this Lease, or for the recovery of the possession of the Premises, the prevailing party shall be entitled to recover from the other party as part of the prevailing party's costs a reasonable attorneys' fee, the amount of which shall be fixed by the court and shall be made a part of any judgment rendered.

36. Headings. The headings of the paragraphs of this Lease are for convenience or reference only and are not a part of this Lease.

37. Modifications. This Lease can only be modified by a written agreement duly signed by authorized representatives of each party hereto. Moreover, in order to avoid uncertainty, ambiguity and misunderstandings in their relationships, the parties hereby covenant and agree not to enter into any oral agreement or understanding inconsistent or in conflict with this Lease; and the parties hereto further covenant and agree that any oral communication allegedly or purportedly constituting such an agreement or understanding shall be absolutely null, void and without effect.

38. Waiver. Any waiver by either party of any breach or any term or condition hereof shall be effective only if in writing and such writing shall not be deemed to be a waiver of any subsequent or other breach, term or condition of this Lease.

39. Relationship of the Parties. Nothing herein shall be deemed to create any partnership, joint venture, or agency relationship between the parties. Neither party shall make any representation or statement (whether oral or written) to any person or entity inconsistent with this paragraph.

40. Third Parties. The provisions of this Lease are not intended to be for the benefit of any third parties, and no third party shall be deemed to have any privity of contract with either of the parties hereto by virtue of this Lease.

41. Time of Essence. The parties acknowledge and agree that time is of the essence in the performance of this Lease.

42. Severability. If any provision or provisions of this Lease shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

43. Governing Law. The construction and interpretation of this Lease shall at all times and in all respects be governed by the laws of the State of South Carolina.

44. No Inference Against Author. No provision of this Lease shall be interpreted against any party because such party or its legal representative drafted such provision.

45. Entire Lease. Except for the Option, and as otherwise set forth herein, this Lease constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior contemporaneous written or oral agreements and representations between the parties with respect thereto.

46. Notice of Lease. The parties agree to promptly execute a recordable Memorandum of Lease (the "Memorandum of Lease") with respect to the Lease substantially in the form and substance attached hereto as **Exhibit J**, and either of the parties shall have the right, without notice to the other party, to record such Memorandum of Lease in the real estate records of the jurisdiction in which the Premises are located. Tenant shall pay all costs of recording such Memorandum of Lease. Landlord and Tenant shall execute such customary amendments and terminations related thereto as may be reasonably required or requested by the other party within ten (10) Business Days of receipt thereof.

47. Notices. Any notice, request, approval, consent, demand or other communication shall be effective upon the first to occur of the following: (i) upon receipt by the party to whom such notice, request, approval, consent, demand or other communication is being given; or (ii) three (3) business days after being duly deposited in the United States mail, certified or registered, return receipt requested, and addressed as follows:

<u>Landlord:</u>	Elk Trading Company, LLC c/o Scott Dorris 306 S. Buncombe Road Greer, SC 29650
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With a copy to:	Haynsworth Sinkler Boyd, P.A. c/o Frank T. Davis ONE N. Main St. 2 nd Fl. Greenville, SC 29602
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<u>Tenant:</u>	KapStone Container Corporation
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1101 Skokie Blvd, Suite 300
Northbrook, IL 60062
Attn: General Counsel

The parties hereto may change their respective addresses by notice in writing given to the other party to this Lease.

48. Broker's Commission. The parties represent to each other that neither party has done anything nor will do anything which will entitle any person or firm to receive any broker's fees or real estate commissions as a result of the transactions provided for under this Lease, and each party hereto agrees to indemnify the other with respect to any fees or commissions which may be owed to any third party with respect to any breach of this representation.

49. No Merger. If both Master Landlord and Landlord's estates in the Premises have both become vested in the Landlord, this Lease shall not be terminated by application of the doctrine of merger unless agreed in writing by Tenant.

50. Lease Guaranty Agreement. This Lease shall be subject to and conditioned upon the execution by William Scott Dorris and Bradley Franklin Dorris (the "Guarantors") and delivery to Tenant of the Lease Guaranty Agreement attached hereto as **Exhibit H** (the "Lease Guaranty"), and the continued validity, enforceability and effectiveness of said Lease Guaranty during the entire Term of this Lease.

51. Security Deposit. None

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Lease to be legally binding and effective as of the Effective Date.

LANDLORD:

ELK TRADING COMPANY, LLC

By: William S. Davis
Name:
Title:

TENANT:

KAPSTONE CONTAINER CORPORATION

By: Matthew Kaplan
Name: Matthew Kaplan
Title: Chief Executive Officer

STATE OF South Carolina
COUNTY OF Greenville

Then personally appeared before me on this 16th day of February, 2018, the above-named William S. Davis, the Member of ELK TRADING COMPANY, LLC, who acknowledged the foregoing instrument to be his free act and deed and the free act and deed of ELK TRADING COMPANY, LLC.

Elizabeth L Weisner
Notary Public
Print Name: Elizabeth L Weisner
My commission expires: 11-17-2021

STATE OF Illinois
COUNTY OF Cook

Then personally appeared before me on this 16th day of February, 2018, the above-named Matthew Kaplan, the CEO of KAPSTONE CONTAINER CORPORATION, who acknowledged the foregoing instrument to be his/her free act and deed and the free act and deed of KAPSTONE CONTAINER CORPORATION.

Christine M Schnitzer
Notary Public
Print Name: Christine M. Schnitzer
My commission expires: 2/17/2022



EXHIBIT A

Ground Lease

<See attached>

**THIS AGREEMENT IS SUBJECT TO THE SOUTH CAROLINA UNIFORM
ARBITRATION ACT, § 15-48-10, ET. SEQ., CODE OF LAWS OF SOUTH CAROLINA
(1976), AS AMENDED**

GROUND LEASE AGREEMENT

THIS GROUND LEASE (the "***Lease***") is made and entered into this 1st day of February, 2017 (the "***Effective Date***"), by and between **DORRIS PROPERTIES, LLC**, a South Carolina limited liability company ("***Lessor***") and **ELK TRADING COMPANY, LLC**, a South Carolina limited liability company ("***Lessee***").

W I T N E S S E T H:

1. **Premises.** In consideration of the obligation of Lessee to pay rent as hereinafter provided and in consideration of the other terms, provisions and covenants hereof, Lessor hereby demises and leases to Lessee that certain tract or parcel of real property located in Greenville County, South Carolina, as more particularly described on the attached **Exhibit A**, and plotted as "Tract One" on that certain Plan attached hereto as **Exhibit A-1** (the "***Plan***"), together with all improvements located on the real property from time to time and all permanent attachments thereto and all replacements and substitutions for the foregoing (collectively the "***Improvements***") located thereon from time to time and all and singular the appurtenances, rights, privileges, rights-of-way and/or easements thereto (the "***Premises***").

2. **Term.** The lease term shall commence on the Effective Date, as first set forth above, and shall continue for a period of ninety-nine (99) years thereafter (the "***Term***").

3. **Rent.**

(a) Lessee, in consideration of the leasing of the Premises to Lessee by Lessor, hereby covenants and agrees to pay to Lessor annual ground rent in the amount of One Dollar (\$1.00) (the "***Ground Rent***").

(b) All Ground Rent shall be payable in annual installments in advance on the anniversary of the Effective Date.

(c) All payments of Ground Rent or any other sums due hereunder shall be made to Lessor at the same address provided herein for notices to Lessor or to such other address as Lessor may direct by written notice to Lessee.

(d) The Ground Rent prescribed in this Article shall be net to Lessor, with Lessee to be responsible for all costs, expenses and obligations of every kind related to the Premises, unless Lessor is expressly made responsible for such cost, expense or obligation under this Lease.

4. Construction of New Facility on the Premises; Easements.

(a) Lessee, at its sole cost and expense, may construct in accordance with the Option (as defined in Section 24) a building and related improvements (collectively, the "**New Facility**") on the Premises. Lessee shall supervise all construction work and do all things necessary to complete construction of the New Facility and related improvements with due diligence in accordance with all applicable laws, governmental regulations and permits. Notwithstanding any term to the contrary contained herein, no consent from Lessor is required in order for the construction of the New Facility.

(b) Upon Lessee's written request, Lessor shall promptly grant to Lessee, in Lessee's sole discretion, any recordable stand-alone commercially reasonable easements in form and substance acceptable to Lessee, over adjacent land owned by Lessor (shown as "Tract Two" on the Plan) necessary to (i) accommodate any business operations on the Premises of Lessee or its tenants, (ii) connect "Tract Two" to the New Facility, and (iii) accomplish any other reasonably necessary request made by Lessee.

(c) Lessor shall not convey any other easements encumbering the Premises without first obtaining Lessee's written consent.

5. Permitted Uses

The Premises may be used for any lawful purpose subject to the limitations set forth in that certain Voluntary Cleanup Contract between the South Carolina Department of Health and Environmental Control and Lessor as of June 29, 2006 (the "**VCC**").

6. Utilities/Permits.

Lessee shall be responsible for and shall pay all charges (including tap, transformer, connection, availability, and impact charges) incurred for the connection to and use of any and all utility services at the Premises and for any permits, approvals or consents necessary to construct any improvements contemplated hereby on the Premises. Lessor shall cooperate in connection with the efforts of Lessee to obtain any such permits, approvals or consents.

7. Taxes.

(a) Lessee shall pay directly to the appropriate taxing authority prior to delinquency, all taxes, including, without limitation, all real and personal property taxes, general or special assessments, impositions, fees, levies and charges or surcharges, whether general or special, ordinary or extraordinary, foreseen or unforeseen (including "in-lieu" taxes), which are directly or indirectly levied, charged, assessed or imposed on or against the Premises during the Term, or which shall or may become a lien on any part of the Premises or personal property situated thereon and all fees and assessments for governmental service(s) to the Premises, including service payments in lieu of taxes, together with any and all interest or other penalties on any of the foregoing (collectively, "**Taxes**"), and submit evidence of the discharge of such Taxes to Lessor promptly following such payment or discharge.

(b) Lessee shall have the right to contest, at Lessee's expense, the amount of Taxes, provided that Lessee promptly notifies Lessor of any such protest and makes such payments and filings as necessary to avoid any exposure of the Premises (or other property of Lessor) to sale for delinquent taxes. Lessee shall immediately pay or discharge any Taxes, together with all costs, charges, interest and penalties incidental thereto, determined to be due as a result of any such final proceeding or contest. If Lessee fails to make all payments required by this Article, Lessor shall have the right to make such payments, and Lessee shall promptly reimburse Lessor for all such payments and any related costs or expenses incurred by Lessor, including reasonable attorneys' fees. If any portion of the Premises, or other property of Lessor should be sold for delinquent taxes due to nonpayment by Lessee, Lessee shall be liable to Lessor for actual costs and expenses incurred to restore ownership to Lessor, including reasonable attorneys' fees.

8. Insurance and Indemnity.

(a) Lessee shall, throughout the Term, at its sole cost and expense, maintain liability insurance insuring Lessee against any and all claims and demands made by any person or persons whomsoever for injuries received or damages incurred in connection with the construction, operation or maintenance of the Premises or for any other risks normally and customarily insured against by such policies, with such policies to have combined single limits of not less than \$5,000,000.00 for damages incurred or claimed by one or more persons for bodily injury and not less than \$1,000,000.00 for damages to property. The amount of such required coverages may be increased by Lessor in its reasonable discretion during the Term of this Lease as may be appropriate to reflect CPI increases or amounts customarily required in similar commercial leases in the Greer South Carolina market.

(b) Except as otherwise provided in this Lease, Lessee covenants and agrees with Lessor that from the date hereof and continuing during the Term, Lessee will indemnify and save Lessor harmless from and against any and all claims, actions, demands, damages, liabilities or expenses which may be made against Lessor or Lessor's title in the Premises, arising by reason of, or in connection with, any negligent act or omission by Lessee or other person claiming under, by or through Lessee in connection with any negligent act or omission in connection with this Lease, except to the extent caused by Lessor's or Lessor's agents gross negligence or willful misconduct; and if it becomes necessary for the Lessor to defend any action seeking to impose any such liability, then unless Lessee disputes Lessee's obligation to pay such sums, the Lessee shall pay to Lessor as additional rent all court costs and reasonable attorneys' fees incurred by Lessor in such defense, in addition to any other sums which Lessor may be called upon to pay by reason of the entry of a judgment against Lessor in the litigation in which such claim is asserted, and if Lessee disputes Lessee's obligations to pay such sums, and such dispute remains unresolved for fifteen (15) days from the Lessee's first, then either party hereto will have a right to seek resolution via the arbitration provisions set forth in Section 23 of this Lease.

(c) Throughout the Term of this Lease, Lessee at its expense shall keep all Improvements on the Premises insured against loss or damage by fire or other casualty

customarily included within the term "extended coverage" in an amount not less than the full insurable value thereof.

(d) All insurance policies required under this Article shall be issued by an insurance company licensed to do business in the State of South Carolina and having a rating by Best Insurance Reports of A/10 or higher (or if such rating is no longer published or is modified, then such rating or qualification as Lessor shall determine in its reasonable discretion to be generally equivalent thereto) and shall name Lessor as an additional insured thereunder. Lessee agrees to furnish to Lessor certificates of insurance to the effect that the above policies of insurance are in force and that the same will not be canceled without fifteen (15) days advance written notice to Lessor.

9. Maintenance.

During the Term, Lessee shall, at Lessee's sole cost and expense, maintain the Premises in first class condition and repair consistent, ordinary wear and tear excepted, and in accordance with all applicable laws, and the requirements of all insurance companies insuring all or any part of the Premises. All repairs, alterations, replacements and additions to any improvements made during the Term shall, unless otherwise approved by Lessor, be at least equal to the value and quality of the improvements. At the end of the Term or other termination of this Lease, Lessee shall deliver to Lessor the Premises in good repair and condition, ordinary wear and tear, depreciation, obsolescence and casualty and condemnation loss being excepted.

10. Improvements/Alterations.

(a) Subject to Section 4 hereof, with the written consent of Lessor, not to be unreasonably withheld, conditioned or delayed, and at Lessee's expense, Lessee may from time to time make further alterations, additions or improvements to the Premises in addition to the New Facility.

(b) In connection with the alteration, construction, repair or maintenance of any improvements, Lessee covenants and agrees with Lessor that Lessee will not permit or suffer to be filed or claimed against Lessor or against the Premises or any building or improvement constructed thereon any mechanics', materialmen's or similar lien. In the event any such lien shall be filed, Lessee shall, at its own expense, cause the same to be canceled or bonded and discharged of record within thirty (30) days after the filing thereof, provided that Lessee shall have the right to contest the validity or amount thereof so long as such lien is discharged of record by bonding or any other method permitted by law. In the event Lessee fails to timely discharge any such liens by payment or bond, Lessor may (but shall not be obligated to) pay the amount of such lien or discharge the same by bonding, and the amount so paid or the costs of such bond shall be deemed to be additional rent due hereunder and shall be due and payable with the next installment of rent thereafter becoming due. Lessee hereby indemnifies and agrees to hold Lessor harmless from any loss, liability or expense (including reasonable attorneys' fees) incurred or suffered by Lessor as a result of any such lien.

(c) Lessor is not responsible to third parties for improvements or repairs made by or for Lessee, regardless of any approval given to Lessee to have the improvements or repairs made. In no event shall the terms of the Lease, or any consent given hereunder by Lessor, be construed as consent of Lessor that would entitle a person furnishing labor or materials to be paid by Lessor or to place a lien against the Premises or the property of Lessor under the South Carolina Mechanic's Lien Statute, S. C. Code Ann. §29-5-10, *et seq.*, or under any similar or related provisions.

11. Condemnation.

(a) Condemnation.

(i) If all the Premises (or if less than all but the remaining portion cannot be feasibly operated as then used or intended to be used) shall be acquired by the right of condemnation or eminent domain for any public or quasi-public use or purpose, or be sold to a condemning authority under threat of condemnation, then the Lease shall be terminated as of the effective date of the condemnation, and all rental shall be paid up to that date.

(ii) Lessor and Lessee each covenant and agree to seek separate awards in all such condemnation proceedings and to use their respective best efforts to see that such separate awards are made at all stages of all proceedings.

12. Assignment; Sublease.

(a) Lessee may not assign this Lease or sublease the Premises at any time without Lessor's consent, not to be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, Lessee may assign the Lease or sublease the Premises, without Lessor's consent, to Kapstone Container Corporation ("**KapStone**").

(b) Lessee, without Lessor's consent, may conditionally assign this Lease to a lender or lenders providing financing to Lessee.

(c) Lessor will not assign or transfer this Lease at any time without obtaining Lessee's consent, not to be unreasonably withheld.

13. Lessee Default.

(a) The following events shall be "Events of Default" under this Lease:

(i) Lessee shall fail to pay any installment of Ground Rent or any other monetary payment required to be paid under this Lease as and when the same shall become due and shall not cure such default within ten (10) days after receipt of written notice from Lessor; or

(ii) Lessee shall fail to comply with any term, provision or covenant of this Lease (other than a monetary default) and shall not cure such failure within thirty

(30) days after written notice thereof is given by Lessor to Lessee; provided, however, with respect to a non-monetary default not susceptible of being cured within thirty (30) days, Lessee shall not be in default unless it fails to commence all work required to cure such default within said thirty (30)-day period or fails to diligently prosecute the same to effect such cure within a reasonable time thereafter.

(b) Upon the occurrence of an Event of Default and compliance with any subordination nondisturbance agreement or comparable agreement and leasehold mortgage with Lessee's Lender, Lessor shall have the option to pursue any one or more of the following remedies:

(i) Terminate this Lease, in which event Lessee and anyone claiming through Lessee shall immediately surrender the Premises to Lessor; and if Lessee or anyone claiming through Lessee fails to do so, Lessor may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Lessee and any other person who may be occupying the Premises, or any part thereof, with or without process of law and without being liable to prosecution or for any claim for damages.

(ii) Enter upon and take possession of the Premises and expel or remove Lessee and any other persons who may be occupying the Premises, or any part thereof, with or without process of law and without being liable to prosecution or for any claim for damages, and terminate Lessee's right of possession, without such reentry being deemed a termination of the Lease or an acceptance by Lessor of a surrender thereof, in which event Lessor shall use reasonable efforts to relet the Premises, or any part thereof, as the agent and for the account of Lessee, upon reasonable terms and conditions, with the rents received on such reletting being applied (x) first to the reasonable and actual expenses of such reletting and collection, including without limitation necessary renovation and alteration of the Premises, reasonable and actual attorneys' fees, and any reasonable and actual real estate commissions paid, and (y) thereafter toward payment of all sums due or to become due to Lessor hereunder. If a sufficient sum to pay such expenses and sums shall not be realized or secured, then Lessee shall pay Lessor any such deficiency monthly, and Lessor may bring an action therefor as such monthly deficiency shall arise. Lessor shall not, in any event, be required to pay Lessee any sums received by Lessor on a reletting of the Premises in excess of the rent provided in this Lease, but any such excess shall reduce any accrued present or future obligations of Lessee hereunder. Lessor's reentry and reletting of the Premises without termination of this Lease shall not preclude Lessor from subsequently terminating this Lease as set forth above.

(iii) Recover all rent as it becomes due under the Lease, from time to time, without terminating this Lease.

(iv) Enter upon the Premises, without being liable to prosecution or for any claim of damages, and do whatever Lessee is obligated to do under the terms of this Lease; and Lessee agrees to reimburse Lessor on demand for any reasonable expenses

which Lessor may incur in thus effecting compliance with Lessee's obligations hereunder, including reasonable attorney's fees.

Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law or in equity, nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any rent due to Lessor hereunder or of any damage accruing to Lessor by reason of the violation of any of the terms, provisions and covenants herein contained. Forbearance by Lessor to enforce one or more of the remedies herein provided upon the occurrence of an Event of Default shall not be deemed or construed to constitute a waiver of such default.

(c) Either party may recover from the other party its actual costs incurred in enforcing its rights under this Lease, including reasonable attorneys' fees, whether or not litigation is commenced.

(d) Notwithstanding any term to the contrary contained herein, during the Option Period (as defined in Section 24), as a precondition to exercising any rights or remedies as a result of any alleged default by Lessee, Lessor shall give written notice of the default to KapStone concurrently with delivery of such notice to Lessee, as applicable, specifying in detail the alleged Event of Default; provided however that KapStone shall have provided Lessor with its current address. During the Option Period, in the event the Lessor gives such a written notice of default, KapStone shall have the same period after receipt of notice of default to remedy the default, or cause the same to be remedied, as is given to Lessee.

14. Lessor Default.

(a) If Lessor fails to perform any of its obligations under this Lease, and said failure shall continue for a period of thirty (30) days after written notice thereof from Lessee, Lessor shall be deemed to be in default; provided, however, that if the nature of the Lessor's nonperformance is such that more than thirty (30) days are reasonably required for its cure, then Lessor shall not be deemed to be in default if Lessor commences such cure within said thirty (30) day period and diligently pursues such cure thereby completing as soon as possible the curing of such default. In the event of a Lessor default hereunder, Lessee shall be entitled to all rights and remedies afforded Lessee hereunder, or by law or equity, on a cumulative and non-exclusive basis.

(b) During the Option Period, as a precondition to exercising any rights or remedies as a result of any alleged default by Lessor, including but not limited to the prompt completion of the Subdivision (as defined below), Lessee shall give written notice of the default to KapStone concurrently with delivery of such notice to Lessor, as applicable, specifying in detail the alleged default; provided however that KapStone shall have provided Lessee with its current address. In the event the Lessee gives such a written notice of default, KapStone shall have the same period after receipt of notice of default to remedy the default, or cause the same to be remedied, as is given to Lessor.

15. Representations, Covenants and Warranties of Lessor. Lessor hereby warrants, represents and covenants as follows.

(a) Lessor represents and warrants that (i) it is the owner in fee simple of the Premises subject to the easements, restrictions, covenants and other matters of record as of the date hereof or as would be disclosed by a current survey and inspection of the Premises, (ii) it has full right to lease the Premises for the term set out herein and for the purposes set forth herein, and (iii) it has no knowledge of any condemnation or threat of condemnation affecting any portion of the Premises.

(b) Lessor further covenants and warrants that so long as Lessee keeps and performs all of the agreements, covenants and conditions by the Lessee to be kept and performed, Lessee shall have quiet, undisturbed and continued possession of the Premises, free from any claims of Lessor and all persons claiming by, through or under Lessor, except with respect of such portion of the Premises as may be taken under the power of eminent domain.

(c) Lessor further represents and warrants that no consent or approval of any third party is required in connection with Lessor's lease of the Premises hereunder, including but not limited to, any approvals related to the Lessor's pending subdivision (the "***Subdivision***") of the tax lot of which the Premises is a portion of.

(d) Lessor further covenants and warrants that Subsequent to the execution of this Lease, Lessor shall use best efforts to complete the Subdivision, in accordance with the specifications set forth on the Plan, as soon as possible.

(e) Lessor further represents and warrants that, other than those matters addressed in the VCC, (i) to the best of its knowledge and belief, neither the Premises nor any portion thereof has ever been used to generate, manufacture, refine, transport, treat, store, handle, or dispose of any Hazardous Substance (as that term is defined below), and (ii) to the best of its knowledge and belief, there has been no release of any Hazardous Substances in or around the Premises. Lessor further represents and warrants that there are no actions, claims, suits or proceedings pending or threatened against Lessor or the Premises or any portion thereof which relate to any violation or alleged violation of any environmental laws applicable to the Premises or surrounding areas. So long as Lessor retains an interest in the Premises or any portion thereof, Lessor shall not (i) cause any Hazardous Substances to be generated, manufactured, refined, transported, treated, stored, handled, or disposed of on the Premises, and (ii) shall notify the Lessee immediately and in writing of any actions, claims, suits or proceedings pending or threatened against Lessor or the Premises or any portion thereof which relate to any violation or alleged violation of any environmental laws applicable to the Premises or surrounding areas. For purposes hereof, "***Hazardous Substances***" shall mean and include those elements or compounds which are contained in any list of hazardous substances adopted by the United States Environmental Protection Agency (EPA) or any list of toxic pollutants designated by Congress or the EPA, or which are defined as hazardous, toxic, pollutant, infectious or radioactive by any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability (including, without limitation, strict liability) or

standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereinafter in effect (collectively "*Environmental Laws*").

(f) To the extent permitted by applicable law, Lessor agrees to fully and promptly pay, perform, defend, indemnify and hold harmless Lessee, its agents and employees from any and all claims, orders, demands, causes of action, proceedings, judgments, or suits and all liabilities, losses, costs or expenses (including without limitation, technical consultant fees, court costs, expenses paid to third parties and reasonable attorney fees) and damages arising out of, or as a result of any Hazardous Substances present on, near or within the Premises prior to the Effective Date.

16. Holding Over By Lessee. Should Lessee holdover the Premises or any part thereof after the expiration or termination of this Lease, such holdover shall not constitute a renewal of this Lease and shall constitute and be construed as a tenancy from month-to-month only, at 110% of the Ground Rent payable immediately before the expiration or termination of the Lease unless the parties agree in writing to a different Ground Rent, and otherwise subject to all of the conditions, provisions and obligations of this Lease insofar as the same are applicable to a month-to-month tenancy.

17. Hazardous Materials.

(a) Lessee agrees that its operations on the Premises will not violate any Environmental Laws, including but not limited to the following: Federal Clean Air Act, 42 U.S.C. § 1857, et seq.; Federal Clean Water Act, 33 U.S.C. § 1151, et seq.; Resource Conservation and Recovery Act, 42 U.S.C. §§ 6903, 6921, et seq.; Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA" or "SUPERFUND"), 42 U.S.C. § 1901, et seq.; National Environmental Protection Agency (40 C.F.R., Chapters 373, 380 and 403); and The South Carolina Hazardous Substance Act, S.C. Code § 23-39-10, et seq.

(b) Lessee shall not cause, permit, or permit to continue any release of Hazardous Substances on the Premises. Should Lessee cause or permit any release of Hazardous Substances onto the surface or into the subsurface of the Premises resulting in damage to soil, surface water, groundwater, flora or fauna on the Premises, within waters of the state or the United States, or on adjacent properties, Lessee shall notify Lessor and the appropriate jurisdictional government agencies.

(c) Lessee shall indemnify and save Lessor harmless from any fines, suits, claims, demands, losses and actions (including attorneys' fees) that (i) arise from any violation by Lessee of the foregoing provisions of this Article, or (ii) are based upon any violation by Lessee of any federal, state or local laws, rules or ordinances for environmental protection, including but not limited to those itemized above in this Article, or upon the existence of Hazardous Substances in the possession or control of Lessee, or upon any other actual damage to the environment by Lessee or its employees, agents, guests or invitees; provided that such indemnification shall not extend to any independent acts or omissions of Lessor.

18. Waiver of Subrogation. Lessor and Lessee severally waive any and every claim which arises or may arise in its favor and against the other during the Term for any and all loss of, or damage to, any of its property located within or upon, or constituting a part of, the Premises, which loss or damage is covered by valid and collectible insurance policies to the extent that such loss or damage is recoverable thereunder. Inasmuch as the above mutual waivers will preclude the assignment of any aforesaid claim by way of subrogation (or otherwise) to an insurance company (or any other person), Lessor and Lessee severally agree immediately to give each insurance company which has issued its policies of insurance, written notice of the terms of said mutual waivers, and to have said insurance policies properly endorsed, if necessary, to prevent the invalidation of said insurance coverages by reason of said waivers.

19. Notices. Any notice or document required or permitted to be delivered hereunder or by law shall be deemed to be delivered, whether actually received or not, when mailed by certified mail, return receipt requested, addressed to the parties hereto at the respective addresses below, or at such other address as theretofore specified by written notice delivered in accordance herewith:

Lessor: Dorris Properties, LLC
Attn.: William C. Dorris
4461 Hawkins Road
Greer, SC 29651

Lessee: Elk Trading Company, LLC
Attn.: Scott Dorris
306 S. Buncombe Road
Greer, SC 29650

KapStone: Kapstone Container Corporation
Attn.: President
1101 Skokie Boulevard, Suite 300
Northbrook, Illinois 60062

with a copy to:

KapStone: KapStone Container Corporation
Attn.: General Counsel
1101 Skokie Boulevard, Suite 300
Northbrook, Illinois 60062

20. Signage. Lessee may place or install signage on the Premises provided that such placement and installation is in compliance with all applicable laws.

21. Mortgages and Title.

(a) By executing this Lease, Lessor represents and warrants that no existing mortgages or liens encumber the Premises as of the Effective Date.

(b) Lessee agrees that, if requested by Lessor, this Lease shall be subject and subordinate to any mortgages or deeds of trust now or hereafter placed upon the Premises and to all modifications thereto, and to all present and future advances made with respect to any such mortgage or deed of trust, provided that Lessor first delivers to Lessee a Subordination and Non-Disturbance Agreement (defined below) from the holder of such lien or mortgage, and Lessor shall obtain the same from the holder of such lien or mortgage. Lessor agrees that any right, title or interest created by Lessor from and after the date hereof in favor of or granted to any third party shall be subject to (i) this Lease and all of Lessee's rights, title and interests created in this Lease, and (ii) any and all documents executed or to be executed by and between Lessee and Lessor in connection with this Lease. A "*Subordination and Non-Disturbance Agreement*" shall mean an agreement, in form reasonably acceptable to Lessee, between Lessee, Lessor and the holder of a lien or a mortgage that provides that the holder of such lien or a mortgage (i) agrees not to disturb Lessee's possession or rights under this Lease, (ii) agrees to provide notice of defaults under the lien or a mortgage documents to Lessee and agrees to allow Lessee and its lenders a reasonable period of time following such notice to cure such defaults on behalf of Lessor, and (iii) agrees to comply with such other requirements as may be reasonably required by Lessee or its lenders to ensure the interests of Lessee or its lenders are not interfered with. Notwithstanding any term to the contrary contained herein, in the event the Option is exercised by KapStone, KapStone shall be afforded the same rights as Lessee as set forth in this Section 21, including but not limited to, the non-disturbance rights in any Subordination and Non-Disturbance Agreement.

(c) Lessor agrees that Lessee shall have the right at any time and from time to time, to grant one or more mortgages of its interests in the Premises to lenders and, in connection therewith, to collaterally assign this Lease and all of Lessee's rights hereunder to such lenders (any such mortgage so granted by Lessee shall be hereinafter referred to as a "Leasehold Mortgage"). Lessor further agrees to, within fifteen (15) business days of request therefor, execute any additional documents or further assurances as may be reasonably requested by Lessee or any lenders of Lessee in connection with any Leasehold Mortgage or other related documents, including recognition and consent agreements, estoppel certificates, and agreements to give such parties notice and an opportunity to cure in the event of a default by Lessee under this Lease (individually, a "Mortgagee Document" and collectively, the "Mortgagee Documents"). By executing this Lease, Lessor represents and warrants that an officer of Lessor is authorized to deliver and perform or cause to be executed, delivered and performed, without further action by Lessor or consent of its governing body, any Mortgagee Document, Title Document (as defined below) and such other notices, directions, consents, approvals, orders, applications, agreements, instruments, certificates, supplements, amendments, further assurance or other communications of any kind, in the name of and on behalf of the Lessor, as such officer may deem necessary, advisable or appropriate to effect the intent of or to comply with the requirements of this Section and the other provisions of this Lease, such execution, delivery and performance or taking of any action or actions by such officer shall constitute conclusive evidence of their determination and approval of such necessity, advisability or appropriateness.

(d) Lessee or any leasehold mortgagee of Lessee shall have the right to obtain a policy or policies of title insurance in a form satisfactory to such party. In connection with any

such title insurance policy, Lessor agrees to reasonably cooperate in causing the title company to issue such title insurance policy, including without limitation, by providing the title insurance company with an owner's affidavit, documentation evidencing Lessor's due organization and authority to enter into this Lease, and such other documentation as may be reasonably required by the title company (individually, a "Title Document" and collectively, the "Title Documents").

22. Arbitration. Except as otherwise provided below, any claim, dispute or controversy arising under, out of or in connection with this Lease, at the request of either party by written notice to the other party, shall be resolved by binding arbitration, and judgment upon the award of the arbitrator may be entered in any court of competent jurisdiction. The claims, disputes and controversies covered by this provision include, but are not limited to: contractual violations and other statutory and common law claims and disputes. The arbitrator will be agreed upon by the parties within ten (10) days after receipt of the written request for arbitration referred to above. If the parties cannot agree upon a single arbitrator, then each party shall designate one arbitrator, and the two arbitrators so designated shall select a third arbitrator. The decision of the arbitrator or arbitrators will be binding and conclusive upon the parties. The arbitration will be conducted in Greenville, South Carolina. Each party will pay its own attorney's fees and expenses (including the fees and expenses of its witnesses) in connection with such arbitration, and the parties will share equally in the administrative fees, the arbitrator's fees and expenses and any other expenses of the arbitration.

23. Third Party Beneficiary. During the Option Period, KapStone is and shall be an express third party beneficiary of the provisions of this Lease, and shall be entitled to compel the performance of the obligations of Lessee and Lessor under this Lease.

24. Option to Lease and License Agreement. During the Option Period, Lessor hereby acknowledges and expressly approves and consents, without condition, to all of the terms contained within the Option to Lease and License Agreement by and between Lessee and KapStone, dated on the Effective Date, and attached hereto as Exhibit C (the "*Option*"). As used herein "*Option Period*" shall mean: that period of time prior to the four (4) year anniversary of the Effective Date; provided, however, if Kapstone exercises the Option, said period of time is extended for the entire duration of the term of that certain to-be-executed Lease Agreement by and between Lessee and Kapstone in connection with the Premises.

25. Miscellaneous.

(a) This Lease contains the entire agreement of the parties hereto with respect to the subject matter hereof and can be altered, terminated, amended or modified only by written instrument executed by all such parties and KapStone.

(b) This Lease shall be governed by and construed in accordance with the laws of the State of South Carolina.

(c) Time is of the essence with respect to each of the provisions of this Lease.

(d) This Lease shall be binding upon and shall inure to the benefit of the undersigned parties and their respective successors and assigns.

(e) Words of any gender used in this Lease shall be construed to include any other gender, and words in the singular shall include the plural and vice versa, unless the context requires otherwise.

(f) The captions used in this Lease are for convenience only and shall not be deemed to amplify, modify or limit the provisions hereof.

(g) The relationship between Lessor and Lessee at all times shall remain solely that of Lessor and Lessee and shall not be deemed a partnership or joint venture.

(h) In case any one or more of the provisions contained in this Lease shall for any reason be held invalid, illegal or unenforceable in any respects, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Lease shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

(i) The rights and remedies provided by this Lease are cumulative and the use of any one right or remedy by either party shall not preclude or waive its right to use any or all other available remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

(j) This Lease shall not be recorded unless required by applicable law. The parties hereto shall (i) execute a short form memorandum of this Lease in form set forth on Exhibit B, and (ii) record the same in the Registry of Deeds Office for Greenville County. Upon termination or cancellation of this Lease, Lessee agrees to execute a termination of the short form memorandum of lease in recordable form. Lessee shall execute and deliver to Lessor on the expiration or termination of this Lease immediately on Lessor's request a quitclaim deed to the Premises, in recordable form, designating Lessor or such other Person as Lessor may designate, as grantee.

(k) If both Lessor's and Lessee's estates in the Premises have both become vested in the same owner, this Lease shall nevertheless not be terminated by application of a doctrine of merger unless agreed in writing by Lessor, Lessee and KapStone.

(l) Lessor and Lessee each warrants and represents to the other party that it has not dealt with any real estate broker, agent or finder in connection with this transaction. Lessor and Lessee agree to hold each other harmless from and against any and all claims for brokerage commissions arising by virtue of this lease and claimed by any broker, agent or finder claiming under and through the indemnitor.

(m) Lessor and Lessee agree to execute and deliver to each other, within twenty (20) business days after requested by the other party, a certificate evidencing:

(i) whether or not this Lease is in full force and effect;

- (ii) whether or not this Lease has been modified or amended in any respect, and submitting copies of such modifications or amendments, if any;
- (iii) whether or not there are existing defaults hereunder to the knowledge of the party executing such certificate, and specifying the nature of such defaults, if any; and
- (iv) such other matters as may be reasonably requested by the other party.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Lease under seal as of the day and year first above written.

Signed, sealed and delivered
in the presence of:

LESSOR:

DORRIS PROPERTIES, LLC

Sammy Frady
Witness

By: William C. Dorris (SEAL)
WILLIAM C. DORRIS
Its: MANAGING PARTNER

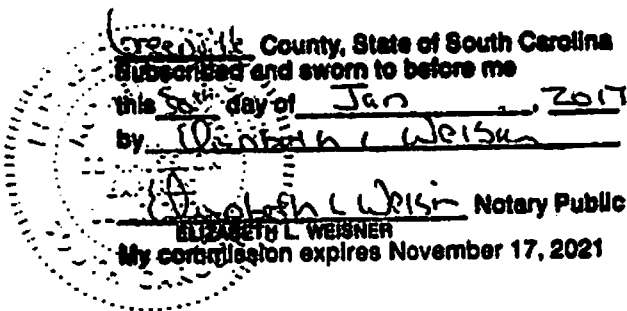
Signed, sealed and delivered
in the presence of:

LESSEE:

ELK TRADING COMPANY, LLC

Michael All
Witness

By: William S Dorris (SEAL)
Its: MEMBER



The Plan

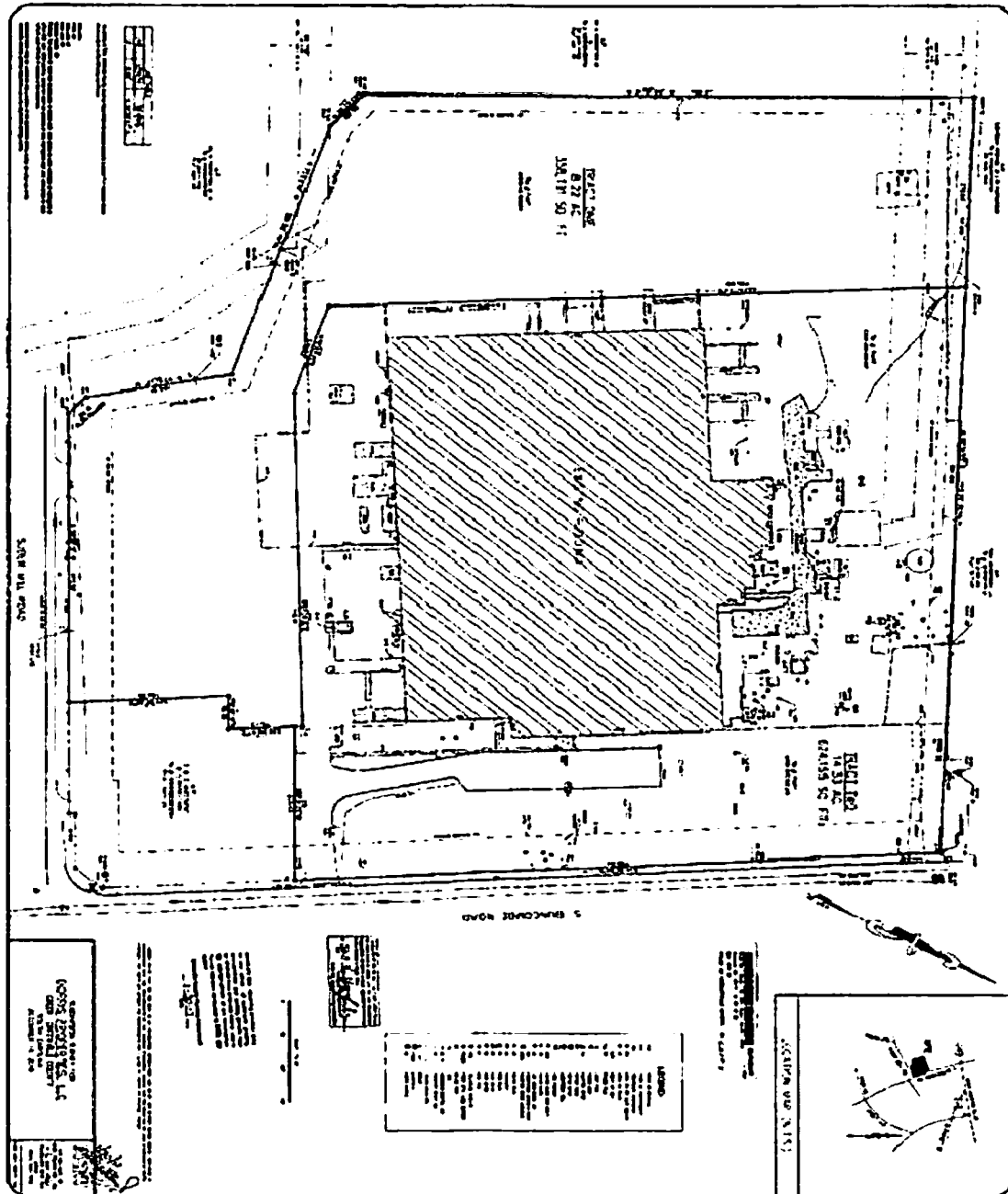


EXHIBIT C

Premises Legal Description

All that piece, parcel and tract of land in Greenville County, South Carolina, on the north side of Suber Mill Road and shown as "Tract One, 8.22 acres" (358,191 Sq. Feet) on that certain plat entitled "Subdivision Survey for Dorris Properties, LLC" prepared by W.R. Williams, Jr., dated January 30, 2017 and recorded in the Registry of Deeds Office for Greenville County in Plat Book 1261, at Page 0060, more particularly described as follows.

To Find the Point of Beginning, begin at a 5/8" rebar on the southwestern side of S. Buncombe Road at the joint northeastern corner of Tract Two and southeastern corner of property now or formerly of Todd Enterprises, LLC (TM#G006000300101) thence S 60-35-55 W 831.66 feet to a point on the eastern line of Tract One at the joint corner of Tract One and Tract Two being the POINT OF BEGINNING, thence along the common line of Tracts One and Two the following courses and distances: S 33-41-24 E 730.54 feet to a point; N 75-23-32 E 132.03 feet to a point; N 57-24-20 E 715.01 feet to a point and S 34-29-47 E 8.99 feet to a point on the property now or formerly of D & D Investment & Construction (TM #G006000300204), thence along the line of D & D Investment & Construction the following courses and distances: S 34-29-47 E 75.13 feet to a point, S 58-29-19 W 50.06 feet to a point and S 34-30-20 E 182.59 feet to a point on the north side of Suber Mill Road; thence along the northern side of Suber Mill Road S 58-28-15 W 423.59 feet to a 1/2" rebar at the corner of property now or formerly of Delta Properties of SC (TM#G006000300203); thence leaving Suber Mill Road and along the line of Delta Properties of SC the following courses and distances: N 80-09-02 W 31.58 feet a nail; N 42-41-13 W 169.31 feet to a spike; S 75-23-32 W 381.02 to a 5/8" rebar; N 82-42-35 W 60.98 feet to a 5/8" rebar bent and N 31-01-29 W 700.21 feet to a point on the line of property now or formerly of Suburban Propane LP Ltd Partnership; thence along the line of Suburban Propane LP Ltd Partnership N 60-35-55 E 278.54 feet to the point of beginning.

EXHIBIT D

The Dorris Lease

<See attached>

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") is made and entered into as of the 1st day of February, 2017 (the "Effective Date"), by and between **DORRIS PROPERTIES, LLC**, a South Carolina Limited Liability Company, (hereinafter referred to as "Landlord"), and **KAPSTONE CONTAINER CORPORATION**, a Georgia corporation, (hereinafter referred to as "Tenant").

WITNESSETH:

FOR AND IN CONSIDERATION of the rents and the mutual terms, covenants and conditions stated hereinafter, the Landlord and Tenant do hereby agree as follows:

1. Lease of Premises.

(a) **Premises:** The Landlord does hereby lease and demise to the Tenant, and the Tenant does hereby take and lease from the Landlord, upon and subject to the terms, conditions, covenants and provisions hereinafter set forth, all that certain piece, parcel or lot of land, together with the buildings and improvements thereon, located at 306 South Buncombe Road in Greenville County, South Carolina, (hereinafter collectively referred to as the "Premises"), consisting of 14.33 acres, being more fully described on **Exhibit A** attached hereto, and depicted as "Tract Two" on that certain survey entitled "Subdivision Survey for Dorris Properties, LLC" prepared by W.R. Williams, Jr., dated January 30, 2017 and recorded in the Registry of Deeds Office for Greenville County in Plat Book 1261, at Page 0060 (the "Survey") attached hereto as **Exhibit A-1**.

(b) **Permitted Use:** Tenant and Tenant's permitted successors, assignees and sublessees shall use and occupy the Premises for the manufacture and inventory of cardboard boxes, packaging supplies, corrugated dunnage, and specialty shipping containers and any ancillary use related thereto (collectively, the "Permitted Use").

(c) **No Interference.** So long as no Event of Default is then continuing, Landlord covenants that Tenant shall quietly hold, occupy and enjoy the Premises throughout the Term, and Landlord shall not interfere, in any material respect, with any or all of (i) Tenant's rights to occupy and use the Premises (in the manner and for the Permitted Use contemplated hereunder), or (ii) Tenant's right of access, ingress and egress to and from the Premises.

2. Term and Renewal.

(a) **Initial Term:** Twenty-five (25) years, said term beginning on the Effective Date (the "Commencement-Date"), and terminating at midnight on the 31st day of January, 2042 (the "Initial Term"). It is understood and agreed that every twelve calendar months from February 1, 2017 shall constitute a lease year (a "Lease Year").

(b) **Renewal Terms:** Tenant shall have two (2) options to renew the Term of the Lease for successive periods of five (5) years each (each a "Renewal Term" and collectively the "Renewal Terms"). The Renewal Terms may be exercised by Tenant's written notice to

Landlord (the "Renewal Exercise Notice") delivered at least ninety (90) days prior to the end of the Initial Term and/or the first Renewal Term, as applicable.

The Renewal Terms will be upon the same terms and conditions as during the Initial Term, except as otherwise provided herein.

As used in this Lease, "Term" means both the Initial Term and the Renewal Terms, unless the context clearly requires otherwise.

3. Rental. Annual rents shall be payable in equal monthly installments, in advance on the first day of each month. During the first five (5) Lease Years of the Initial Term, Tenant shall pay to Landlord annual rents in the amount of Five Hundred Sixty Thousand Nine Hundred Ninety-Five Dollars (\$560,995.00), payable in equal monthly installments of Forty-Six Thousand Seven Hundred Fifty Dollars (\$46,749.58). Thereafter, rent shall increase by 2.5% each and every five (5) Lease Years during the Term, as set forth below (the "Rent"):

	<u>Annual</u>	<u>Monthly</u>
Lease Years 1-5	\$560,995.00	\$46,749.58
Lease Year 6-10	\$575,019.86	\$47,918.32
Lease Year 11-15	\$589,395.36	\$49,116.28
Lease Year 16-20	\$604,130.24	\$50,344.19
Lease Year 21-25	\$619,233.50	\$51,602.79
Renewal Term One	\$634,714.38	\$52,892.87
Renewal Term Two	\$650,582.20	\$54,215.18

4. Additional Rent. This Lease is a "true" net lease. Tenant shall pay as additional rent throughout the Term of this Lease, the following expenses:

(a) Real Estate Taxes. All real estate taxes and assessments of every kind or nature which are now or may hereafter be imposed or assessed upon the Premises by federal, state, or local government authority (collectively, "Property Taxes"). Such items shall be prorated for periods outstanding at the commencement or the termination of this Lease based upon the period that Landlord and Tenant were in possession of the Premises. Tenant shall have the right to contest the amount or validity, in whole or in part, of any Property Tax or to seek a reduction in the valuation of the Premises, or any portion thereof, as assessed for real estate property tax purposes by appropriate proceedings diligently conducted in good faith (but only after the deposit or payments (whether under protest or otherwise) of any amounts required by applicable law to stay or prevent collection activities). If Tenant desires to contest the validity of any Property Tax, Tenant shall, on or before ten (10) calendar days prior to the due date thereof, notify Landlord, in writing, that Tenant intends to so contest same.

Tenant shall, on or before the date Property Taxes become delinquent, make such payments directly to the intended recipient thereof. Prorations of such amounts at the commencement and termination of this Lease, as set forth above, shall be based upon bills for the immediately prior period unless actual amounts can be determined. Upon receipt of the actual bill for such period, the party receiving such bill shall promptly forward same to the other party,

and Landlord and Tenant shall then make such adjustment and payment as shall be required to make such proration accurate. Landlord shall be entitled, but shall have no obligation, to pay any taxes, utilities, or insurance not promptly paid by Tenant as required above, in which case the amount of such payment must be reimbursed to Landlord by Tenant (with interest thereon at one and one half percent (1-1/2%) per month until paid) within ten (10) days after notice of such payment is given by Landlord to Tenant.

(b) Utilities. All charges for air conditioning, heat, water, sewer, garbage collection, security, gas, electricity, light, telephone, or any communication or utility service used in or rendered or supplied to the Premises through the term of this Lease. Such items shall be prorated for periods outstanding at the commencement or the termination of this Lease.

(c) Insurance. All premiums for the insurance coverage on the Premises or respecting business operations thereon as set forth in Section 5 hereof.

(d) Personal Property Taxes. Tenant shall report, file and pay all taxes and assessments due and payable on the personal property of Tenant located on and in the Premises.

5. Insurance Coverage. Tenant shall at all times maintain the following insurance coverage respecting the Premises and its business operations thereon: fire and hazard insurance on the buildings constituting portions of the Premises for not less than the full replacement cost thereof; liability insurance for personal injury and property not less than One Million and no/100 (\$1,000,000.00) Dollars in respect to one person or one occurrence and Five Million and no/100 (\$5,000,000.00) Dollars in the aggregate; workers' compensation insurance required by South Carolina law; hazard insurance on all contents and property of Tenant at the Premises; and such other insurance coverages required by this Lease. All such insurance coverage shall (except in the case of workers' compensation insurance or hazard insurance on the contents and property of Tenant at the Premises and the property of other persons temporarily stored at the Premises) name Landlord as an additional insured, and Tenant shall use its best efforts to provide Landlord with at least thirty (30) days prior written notice of cancellation, non-renewal, or material amendment. All insurance shall be obtained from a reputable, highly rated national insurance company licensed and in good standing in South Carolina, but the required amount of coverage of any such policy will not exceed the amount which can be obtained at standard market rates. Tenant shall furnish the Landlord with a certificate of the insurer showing the correct insurance coverages at least five (5) days prior to the expiration of the previous policies.

6. Waiver of Subrogation. Each party waives, for itself and its respective insurance companies and for its officers, employees and agents, any and all rights of recovery and claims by way of subrogation against the other party, its officers, agents or employees, for the full amount of any loss to the extent covered by any insurance.

7. Use and Condition of Premises. The Landlord acknowledges that the Tenant contemplates using the Premises for offices, storage, sale, manufacturing and distribution of packaging products. Except as otherwise set forth herein and in that certain Asset Purchase Agreement, dated as of January 17, 2017, by and among Tenant, Associated Packaging, Inc., a South Carolina corporation, Fast Pak, LLC a South Carolina limited liability company, William Scott Dorris and Bradley Franklin Dorris, Tenant has fully inspected the Premises, is fully aware

of the physical condition of the same and hereby accepts the Premises in their present, "AS IS" condition as fully suitable for the purposes for which the same are leased.

8. Maintenance of Premises and Repairs.

(a) Tenant's Obligations: Except for (i) Landlord's Obligations set forth in Section 8(b) and 9 below, (ii) as set forth in Sections 16 and 17, and (iii) any maintenance and repair costs due exclusively to the negligence or willful misconduct of Landlord and/or its agents, servants or employees, Tenant covenants and agrees that it will, at its own expense, keep and maintain the Premises in good order, condition and repair, reasonable wear and tear excepted. Routine upkeep and cleaning of the buildings, parking surfaces and driveways; and mowing of grass and care of shrubbery and other landscaping shall be the responsibility of Tenant. The Premises shall be surrendered to Landlord no later than noon on the last day of the Term with the entire Premises and all improvements thereon in as good repair as when delivered to Tenant, reasonable wear and tear excepted.

(b) Landlord's Obligations: Landlord shall promptly perform all necessary maintenance, repair and replacement to the structural elements of the Premises (whether now existing or to be constructed), including maintaining the same in good condition and repair and having no less than the quality of fit, finishes, systems, and appearance as exists as of the Effective Date, minor wear and tear excepted, and otherwise in compliance with all applicable Laws (provided such repairs are not necessitated or occasioned by a Tenant) which shall include: the foundation, roof, exterior walls and load bearing walls. Notwithstanding the foregoing, Tenant shall pay any costs of maintenance, replacement and repair due exclusively to any act, omission, misuse or abuse or default of Tenant and/or its agents, servants or employees. Provided it meets the requirements and standards set forth in this Lease, Landlord shall, in its reasonable discretion, determine the appropriate remedial action required of it to satisfy its maintenance obligations hereunder.

9. Voluntary Cleanup Contract. The Premises is the subject of a Voluntary Cleanup Contract between the Landlord and the South Carolina Department of Health and Environmental Control ("SCDHEC") dated June 29, 2006, and designated as 06-5385(I)-NRP (the "Voluntary Cleanup Contract") pursuant to the Brownfields/Voluntary Cleanup Program (S.C. Code § 44-56-710, *et seq.*), the Comprehensive Environmental Response Compensation and Liability Act (42 U.S.C. § 9601, *et seq.*), and the South Carolina Hazardous Waste Management Act (S.C. Code § 44-56-200, *et seq.*). The Premises contains Hazardous Materials and contaminants in excess of allowable concentrations for the unrestricted use of the Premises. The Premises are undergoing investigation and remediation by Textron, Inc. ("Textron") which was a former owner of the Premises. Homelite and John Deere also formally owned the premises. The Voluntary Cleanup Contract permits the Premises to be used for commercial and industrial uses, but not residential uses. As part of its obligations under the Voluntary Cleanup Contract, the Landlord executed a Declaration of Covenants and Restrictions (the "Restrictive Covenants") which was recorded on August 24, 2006, in the Office of the Register of Deeds for Greenville County in Deed Book 2223 at pages 1474-1480. A copy of the Voluntary Cleanup Contract and the Restrictive Covenants are attached as Exhibit B to this Lease.

The terms and conditions of the Voluntary Cleanup Contract apply to and inure to the benefit of both the Landlord and the Tenant. The Landlord warrants and represents that it has completed its obligations under Sections 5, 6 and 12 of the Voluntary Cleanup Contract, it has obtained a Certificate of Completion under Section 15 of the Voluntary Cleanup Contract, and it has executed and recorded the Restrictive Covenants in accordance with Section 16 of the Voluntary Cleanup Contract (hereinafter collectively referred to as the "Completed VCC Obligations"). Subsection 2(K) of the Voluntary Cleanup Contract provides that the intended use of the Premises is for the manufacture and inventory of cardboard boxes, packaging supplies, corrugated dunnage, and specialty shipping containers. The Tenant understands that Section 19 of the Voluntary Cleanup Contract provides that if the business activities on the Premises or the use of the Premises change such that they are inconsistent with the terms and conditions of the Voluntary Cleanup Contract, then the releases/contribution protections afforded the Landlord and the Tenant shall be null and void and the Tenant agrees not to make any change to the business activities or uses of the Premises that would be inconsistent with the Voluntary Cleanup Contract. In addition, the Restrictive Covenants impose certain restrictions and covenants on the Premises and the Landlord and the Tenant shall be bound by the terms and conditions of the Restrictive Covenants and the Tenant shall be responsible for complying with the terms and conditions of the Restrictive Covenants, including but not limited to, the certification and statement of maintenance specified in Section 6 of the Restrictive Covenants.

The Tenant understands that the Voluntary Cleanup Contract provides that SCDHEC, applicable federal agencies, and "Responsible Parties," including Textron shall have the right of access to the Premises and also the right to perform "response actions" on and under the Premises, and the Tenant agrees that it will not deny access to the Premises and shall permit SCDHEC, applicable federal agencies, and Responsible Parties to perform response actions on the Premises.

10. Alterations. Except for structural alterations to the Premises which shall require Landlord's prior consent, which consent shall not be unreasonably withheld, conditioned or delayed, Tenant may make any alterations to the improvements on the Premises without Landlord's consent. Notwithstanding the foregoing, if required by Landlord, in advance of the expiration or earlier termination of the Lease, Tenant shall be required to remove such alterations and return the Property to the condition existing prior to the Effective Date.

11. Entry by Landlord. Landlord, its agents, officers or assigns shall have the right to enter the Premises upon twenty-four (24) hours advance written notice during normal working hours throughout the term of this Lease for the following purposes: (i) to inspect the general condition and state of repair of the Premises; (ii) to perform such maintenance as may be required or permitted of Landlord; (iii) to show the Premises to any prospective tenant or purchaser; (iv) to inspect the Premises as required by governmental agencies or insurance companies; or (v) for any other reasonable purpose. In addition, Landlord, its agents, officers or assigns, may enter the Premises at any time in an emergency to take any action which Landlord reasonably deems necessary to protect the Premises. Notwithstanding the foregoing, prior to Landlord entering the Premises, for any reason, Landlord shall execute a confidentiality and indemnification agreement in form and substance reasonably acceptable to Tenant.

12. Signs. Tenant shall have the right at its own cost and expense, throughout the Term of this Lease to install and maintain signs at such places upon the Premises as Tenant, in its sole discretion, may desire; provided said installment complies with applicable laws, zoning restrictions and restrictive covenants affecting said location. Upon the expiration of this Lease, Tenant shall remove any such signs placed upon said premises and shall repair any damage to the Premises caused by the erection or removal thereof.

13. Assignment and Subletting. Except as provided herein, Tenant shall not, directly or indirectly, without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed, assign this Lease or any interest herein, or sublease the Premises or any part thereof. Notwithstanding the foregoing, or anything to the contrary contained in this Lease, Tenant may, without the prior written consent of Landlord assign the Lease or sublease any portion of the Premises to (i) an Affiliate of Tenant, (ii) a successor by merger or other corporate reorganization of Tenant, or (iii) the purchaser of all or substantially all of Tenant's business operations being conducted on the Premises. For purposes hereof, "Affiliate" means any, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust, trustee(s) of a trust, unincorporated organization, or government or governmental authority, agency or political subdivision thereof (collectively, a "Person"), Controlled by, Controlling, or under Common Control with another Person. Unless otherwise specified, all references herein to an "Affiliate" or to "Affiliates" shall refer to an Affiliate or Affiliates of Tenant. For purposes hereof, an Affiliate of any of the Persons which then comprise the Tenant hereunder shall be deemed to be an Affiliate of the Tenant (regardless of whether such Person is an Affiliate of all of the Persons which then comprise the Tenant hereunder). For purposes hereof, "Control" including with correlative meanings, the terms "Controlling," "Controlled by" and "under Common Control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting interests or securities, by contracts or otherwise.

14. Default of Tenant.

(a) Events of Default. The occurrence of any of the following events shall constitute a breach of this Lease:

(i) The failure of Tenant to pay Rent or to make any other payment of money as herein required when due for a period of ten (10) days after delivery by Landlord of a written notice to Tenant of any such failure.

(ii) The expiration of a period of sixty (60) days following (i) the adjudication of Tenant as a bankrupt by any court of competent jurisdiction, (ii) the entry of an order approving a petition filed by one other than Tenant, seeking reorganization of Tenant under the bankruptcy laws of the United States or of any state, (iii) the appointment of a trustee or receiver of all or substantially all of the business or property of Tenant, or (iv) the levy of any attachments, execution or garnishment upon the interest of Tenant hereunder, or upon the leasehold estate hereby created, unless during such period such adjudication, order or appointment of a receiver or trustee, attachment, execution or garnishment shall be vacated or unless within such period Tenant shall have taken proper action to vacate such adjudication,

order or appointment of a receiver or trustee, attachment, execution or garnishment, and in such event such occurrence shall not constitute a breach of this Lease until final adjudication of the matter.

(iii) The filing by Tenant of a voluntary petition in bankruptcy or the making of an assignment for the benefit of creditors, the consenting by Tenant to the appointment of a receiver or trustee of all or any part of its property, the filing by Tenant of a petition or answer seeking reorganization under bankruptcy law or any other applicable law, or the filing by Tenant of a petition to take advantage of any insolvency act.

(iv) The failure of Tenant to correct any nonmonetary default hereunder, within thirty (30) days after delivery by Landlord to Tenant of a written notice of such default, or if the default is of such a nature that it cannot be corrected within thirty (30) days after such notice, then the failure of Tenant within such period to commence and thereafter proceed diligently to cure such default.

(b) Remedies upon Default. Landlord shall have the following remedies upon Tenant's default:

(i) Upon the occurrence of any event of default described above, Landlord, in addition to and without prejudice to any other rights or remedies it might have, will have the immediate right to re-enter and repossess the Premises or any part thereof, removing all persons and property, which property may be stored in a public warehouse or elsewhere at the cost and risk of Tenant. In addition to or in lieu of such re-entry, and without prejudice to any other rights or remedies it may have, Landlord will have the right to either (i) terminate this Lease, accelerate the due date of all rents due or to come due hereunder, and recover from Tenant all damages incurred by Landlord as a result of Tenant's default, or (ii) continue this Lease in effect and recover rent and other charges and amounts as they become due.

(ii) Even if Tenant is in default, this Lease will continue in effect for so long as Landlord does not terminate this Lease as provided below and Landlord may enforce all of its rights and remedies under this Lease, including the right to:

A. bring suit for the collection of the rent or other amounts for which Tenant may be in default, or for the performance of any other obligation of Tenant hereunder, all without entering into possession or terminating this Lease;

B. re-enter the Premises, without thereby terminating this Lease, and re-let the Premises, applying the rent it receives first to the payment of the reasonable expense of such re-entry and re-letting, then to the payment of the monthly rent accruing hereunder, and the balance, if any, will be held for the benefit of Tenant to be used to pay for any subsequent amounts due from Tenant. Whether or not the Premises are re-let, Tenant will remain liable for any deficiency in rent; and

C. terminate this Lease effective on the date there is ten (10) days following receipt by Tenant of Landlord's notice of such termination and recover from Tenant all damages incurred by Landlord as provided in subsection 14-B(a) above, whereupon Tenant will be wholly discharged from this Lease.

Without limiting its rights as stated above, Landlord will use good faith efforts to re-let the Premises and mitigate damages

15. Holding Over. In case Tenant holds over after the end of the Term herein provided, such tenancy shall be from month-to-month only, and not a renewal hereof; subject, however, to every other term, covenant and condition of this Lease, and the Rent shall be 125% of the monthly rate of the last year of the applicable Lease Year.

16. Damage or Destruction.

(a) If any building or improvement upon the Premises is totally or partially destroyed or damaged as a result of a casualty or hazard against which Tenant is required to carry insurance and all or part of the insurance proceeds are due or required to be paid to Landlord, Tenant shall immediately notify Landlord of such fact. Tenant may then, at its expense, either (1) promptly repair, replace or rebuild such building or other improvement at least to the condition existing prior to the casualty, or (2) delay the commencement of the work until the proceeds of all insurance policies covering the casualty or hazard are made available to it for such purpose, unless such delay would be the cause of additional material damage to the Premises. Tenant shall continue the commenced work with reasonable diligence until its completion.

(b) Tenant shall make any repair, replacement or rebuilding in accordance with applicable plans and specifications. If the estimated cost of the work is more than \$50,000.00, the plans and specifications shall first be submitted to and approved in writing by the Landlord, which approval shall not be unreasonably withheld, conditioned or delayed. Before any work is commenced the plans and specifications shall be filed with and approved by all applicable municipal or other governmental authorities. Before commencing the work, Tenant shall procure at its expense and deliver to Landlord all policies of insurance usually required in connection with such work.

(c) For purposes of paying the cost of repair, replacement or rebuilding, the Tenant shall keep the insurance proceeds in an escrow account and disburse the same during the course of the work. If the proceeds are insufficient to pay the cost of the work, the Tenant shall pay the deficiency. If the proceeds exceed the cost of such work, the Tenant may retain the excess.

(d) If at any time within six months before the end of the Initial Term or any Renewal Term, the buildings and improvements on the Premises are completely destroyed or so damaged by fire or other casualty, regardless of whether covered by insurance, so as to render them unfit for their intended use, and repair or restoration is not economically feasible, either party may terminate this Lease by giving at least ten (10) days but not more than thirty (30) days notice. Such notice must be given within sixty (60) days after the date of such damage or destruction. If this Lease is so terminated, all base and additional rents shall be apportioned to the date of termination and all insurance proceeds shall belong to the Landlord.

(e) To the extent that the Premises are rendered partly or wholly untenable during any repair, replacement or rebuilding, Rent shall abate proportionately; provided however

that if such damage or destruction was caused by Tenant, no Rent shall abate and Tenant shall continue to be responsible for the payment of such Rent hereunder.

17. Condemnation. If the Premises, or any part thereof, shall be taken or condemned by any government or governmental authority, by eminent domain proceedings, condemnation, or otherwise, for any purposes whatsoever, and such taking shall render the Premises unsuitable in the commercially reasonable opinion of Tenant for the operation of a business which engages in the manufacturing, sale and distribution of corrugated products, then Tenant shall have the right to terminate this Lease within thirty (30) days after physical possession by such governmental authority by serving upon Landlord notice in writing of its election to do so. Said termination, however, shall be subject to all the rights and liabilities of the parties hereto that may have accrued hereunder at the time of such termination. If such taking shall not make the Premises unsuitable for the operation of a packaging business, then from and after the taking as aforesaid, the rent herein shall abate proportionally. Each party shall, upon receipt of notice of any such taking, immediately notify the other of any such proceedings and each party may file claims concerning its rights thereunder. Neither Landlord nor Tenant shall have any rights in or to any award made to the other by the condemning authority. In the event of a partial taking, Landlord's proceeds from the taking shall be used, to the extent reasonably necessary, if at all, to repair any damage to the Premises so that it may be used for the purposes herein described. Tenant shall be responsible for the making, at Landlord's expense, of such repairs, subject to Landlord's reasonable prior approval of repairs to be made and associated costs which shall not be unreasonably withheld.

18. Quiet Enjoyment. Landlord covenants, agrees and warrants that Tenant, keeping and performing the covenants herein contained on the part of Tenant to be kept and performed, may peaceably and quietly have, hold, occupy and enjoy the Premises in accordance with the terms of the Lease without hindrance or molestation from Landlord or any persons lawfully claiming through Landlord or otherwise.

19. Indemnity by Tenant. Tenant shall protect, indemnify and save Landlord and Landlord's officers, employees and agents (a "Landlord Party") harmless from and against all liabilities, damages, costs, expenses (including all reasonable attorneys' fees and expenses incurred by Landlord or a Landlord Party), causes of action, suits, demands, judgments and claims of any nature whatsoever which may result from a breach by Tenant of any of its covenants, representations and warranties set forth in Section 22 below or elsewhere in this Lease, except to the extent caused by the negligence or willful misconduct of Landlord or a Landlord Party. Without limiting the generality of the foregoing, Tenant shall protect, indemnify and save Landlord harmless from and against any and all mechanics' and materialmen's liens which may be placed upon the Premises arising out of work performed or materials furnished to the Premises during the term hereof. Nothing contained in this Lease shall be deemed to give the Tenant any right, power or authority to contract for or permit the rendering of any services or the furnishing of any materials which might give rise to a lien against the Landlord's interest in the Premises. This indemnification obligation shall survive the termination of this Lease and shall be in addition to the indemnification obligations contained in Section 9 hereof.

20. Indemnity by Landlord. Landlord shall protect, indemnify and save Tenant and Tenant's officers, employees and agents (a "Tenant Party") harmless from and against all

liabilities, damages, costs, expenses (including all reasonable attorneys' fees and expenses incurred by Tenant or a Tenant Party), causes of action, suits, demands, judgments and claims of any nature whatsoever which may (i) arise at any time out of Landlord's use and occupancy of the Premises prior to the commencement of this Lease, without regard to the source, nature or validity of the claim or action, except to the extent caused by the negligence or willful misconduct of Tenant or a Tenant Party, (ii) result from a breach by Landlord of any of its covenants, representations and warranties set forth in Section 21 below or elsewhere in this Lease, or (iii) be caused by any environmental condition relating to the Premises (except as caused by Tenant). Without limiting the generality of the foregoing, Landlord shall protect, indemnify and save Tenant harmless from and against any and all mechanics' and materialmen's liens which may be placed upon the Premises arising out of work performed or materials furnished to the Premises prior to and during the term hereof. This indemnification obligation shall survive the termination, of this Lease.

21. Representations, Covenants and Warranties of Landlord. Landlord hereby warrants, represents and covenants as follows:

(a) Organization and Good Standing. Landlord is a limited liability company duly organized and validly existing, in good standing, under the laws of the State of South Carolina, and has full power to carry on its business and to own and operate its properties and assets as presently owned and operated. Landlord has taken all action necessary to approve and authorize the execution of this Lease, and to consummate the transactions contemplated hereby. When executed and delivered, this Lease shall constitute valid and binding obligations of Landlord, enforceable in accordance with its terms and conditions except as enforcement may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors rights generally and by principles of equity. Neither the execution nor the delivery of this Lease nor the consummation of the transactions contemplated hereby, nor compliance with all of the terms and conditions hereof, will result in the breach by Landlord of any of the terms, conditions or provisions of any indenture, mortgage, deed of trust, order, judgment, law, or other contract, agreement or instrument to which it is a party, or by which it is bound, or constitute a default of such indenture, mortgage, deed of trust, order, judgment, law, or other contract, agreement or instrument.

(b) Title. Landlord has fee simple title to the entire Premises.

(c) Consents and Approvals. No consent or approval of any third party is required in connection with Landlord's lease of the Premises hereunder, including but not limited to, any approvals related to the Landlord's pending subdivision (the "Subdivision") of the tax lot of which the Premises is a portion of.

(d) Litigation. There are no judicial or administrative actions or proceedings pending, or to the best of Landlord's knowledge threatened, that question the validity of this Lease or any transaction contemplated hereby.

(e) Payables and Taxes. Landlord will pay all payables and taxes, assessments, and charges respecting the Premises incurred prior to the commencement of the

Term of this Lease within a reasonable amount of time following the execution and delivery of this Lease.

(f) Environmental.

(i) Landlord is in full compliance with the terms and conditions of the Voluntary Cleanup Contract, dated May 2006, and the related restrictive covenants, covering the Property (collectively, the "VCC").

(ii) Landlord has notified the SC Department of Health and Environmental Control (the "DHEC") of the Lease as required by Section 9 of the VCC.

(iii) To the best of Landlord's knowledge, the Premises are in full compliance with all applicable environmental laws.

(iv) Landlord is not aware of any other release, contamination or condition at the Property other than the Homelite, Textron and John Deere related contamination that is the subject of the VCC.

(v) If Tenant exercises the option to build a new building(s) on certain premises located adjacent to the Premises owned by Landlord shown as "Tract 1" on the Survey (the "Adjacent Premises"), which Adjacent Premises is ground leased by Landlord to Elk Trading Company, LLC ("Elk") pursuant to that certain Ground Lease Agreement dated on the Effective Date (the "Ground Lease"), attached hereto as Exhibit C, as set forth in that certain Option to Lease Agreement (the "Option") entered into by and between Tenant and Elk on the Effective Date, attached hereto as Exhibit D, neither Tenant nor Elk shall be prohibited or otherwise restricted from satisfactorily completing such new building(s) contemplated in the Option and Ground Lease as a result of the VCC, or any other environmental restrictions or obligations.

(vi) Landlord shall continue to fully comply with the terms and conditions of the VCC for the entire term of the VCC.

22. Representations, Covenant and Warranties of Tenant. Tenant hereby warrants, represents, and covenants as follows:

(a) Organization and Good Standing. Tenant is a Corporation duly organized, validly existing, and in good standing under the laws of the State of Georgia and has full corporate power to carry on its business and to own and operate its properties and assets as presently owned and operated. Tenant has taken all corporate action necessary to approve and authorize the execution of this Lease, and to consummate the transactions contemplated hereby. When executed and delivered, this Lease shall constitute valid and binding obligations of Tenant, enforceable in accordance with its terms and conditions except as enforcement may be limited by applicable bankrupt, insolvency or similar laws affecting creditors' rights generally and by principles of equity. Neither the execution nor delivery of this Lease nor the consummation of the transactions contemplated hereby, nor compliance with all of the terms and conditions hereof, will result in the breach by Tenant of any of the terms, conditions or provisions of any constitutive instrument, indenture, mortgage, deed of trust, order, judgment, law or other

contract, agreement or instrument to which it is a party, or by which it is bound, or constitute a default of such indenture, mortgage, deed of trust, order, judgment, law, or other contract, agreement or instrument.

(b) Consents. No consent of any third party is required in connection with Tenant's lease of the Premises hereunder.

(c) Litigation. There are no judicial or administrative actions or proceedings pending, or to the best of Tenant's knowledge threatened, that question the validity of this Lease or any transaction contemplated hereby.

23. Right of First Offer; Right of First Refusal.

(a) Sale Initiated by Landlord. If Landlord desires to solicit offers from third-party purchasers for (i) the purchase of the Premises during the Term, (ii) a sale of equity in the Landlord, or (iii) a merger or other corporate reorganization of Landlord (collectively, a "Landlord Transfer"), Landlord shall first deliver to Tenant a written proposal setting forth the business terms and conditions on which Landlord would be willing to enter into the Landlord Transfer in connection with the sale of the Premises. In such case, the following terms and provisions shall be applicable:

(i) Tenant shall have thirty (45) business days after such written proposal is delivered to Tenant by Landlord to elect (by so notifying Landlord in writing) to accept Landlord's proposal and to finalize and execute a purchase and sale agreement which memorializes the purchase and sale of the Premises in accordance with such proposal.

(ii) If Tenant elects not to accept Landlord's proposal to sell the Premises (as evidenced either by Tenant's written notice to Landlord to that effect or by Tenant's failure to respond to Landlord within the forty-five (45) business day period provided for such purpose), and if Tenant does not timely deliver a counteroffer to Landlord, or if Tenant timely delivers a counteroffer to Landlord as provided above but Landlord and Tenant fail to reach agreement regarding the terms of the purchase and sale of the Premises within the forty-five (45) business day period provided above for such purpose, then Landlord shall be entitled to solicit offers for the purchase of the Premises from third parties without regard to any rights of Tenant relative to such sale, except as provided below in this Paragraph 23(a) or in Paragraph 23(b) below. In such case, if Landlord receives an offer from a third party to purchase the Premises (which offer may be in the form of a non-binding "letter of intent" or similar agreement, instrument or document delivered to Landlord by such third party) which offer is acceptable to Landlord and is no less favorable to Landlord, in the aggregate, than the last terms previously offered to or by Tenant, then, prior to entering into a binding purchase and sale agreement with such third party for the sale of the Premises, Landlord shall notify Tenant of the prospective sale (and of Landlord's receipt from the prospective purchaser of a written offer or proposal relating thereto which is acceptable to Landlord) and such notification from Landlord to Tenant shall be accompanied by a copy of the prospective purchaser's written offer or proposal; provided, however, Landlord shall not be required to notify Tenant of the identity of the prospective purchaser, and Landlord shall be entitled to obliterate any references or information in the copy of the written third-party offer or proposal delivered to Tenant which would identify the

prospective purchaser. In such case, Tenant shall have twenty (20) business days after such notification is delivered to Tenant to elect (by so notifying Landlord in writing) to match the third party's offer to purchase the Premises. If Tenant timely elects to match the third-party offer, Tenant and Landlord shall proceed, within thirty (30) business days after Tenant notifies Landlord that Tenant is electing to match the third-party offer, to finalize and execute a purchase and sale agreement which memorializes such purchase and sale of the Premises.

(b) Right of First Refusal. Notwithstanding anything in this Lease to the contrary and without limiting the rights granted to Tenant in Paragraph 23(a) of this Lease, if Landlord has received an unsolicited offer for a Landlord Transfer (including, but not limited to, a letter of intent, proposal or similar agreement, instrument or document) from any Person, which offer Landlord desires to accept, Landlord shall offer to sell the Premises to (i) Brad and Scott Dorris first, and upon their waiver of said right (it being understood that any failure by Brad or Scott Dorris to (A) accept Landlord's offer within twenty (20) days of receipt thereof and/or (B) close on such sale within sixty (60) days following receipt of such offer, shall constitute waiver of said right), (ii) Tenant, upon the terms set forth in such offer, which terms shall be set forth in a formal letter of intent ("Landlord's Right of First Refusal Offer"). Upon receipt of Landlord's Right of First Refusal Offer, Tenant shall have the right, exercisable by written notice to Landlord given within forty-five (45) business days ("Tenant's Right of First Refusal Acceptance Period") following Tenant's receipt of Landlord's Right of First Refusal Offer, to elect to purchase the Premises on the terms and conditions set forth in Landlord's Right of First Refusal Offer.

(c) Conveyance to Brad and Scott Dorris. Upon the death of Bill Dorris, the Premises shall be conveyed to Brad and Scott Dorris (the "Conveyance"). Notwithstanding any term to the contrary contained herein, in the event the Conveyance occurs during the Term, said Conveyance shall not be subject to the rights of Tenant contained in this Section 23.

24. Subordination. Concurrently with the execution of this Lease, Landlord shall obtain a commercially reasonable subordination, non-disturbance and attornment agreement from any existing Landlord's Mortgagee (as defined below), in a form reasonably acceptable to such Tenant and Landlord's Mortgagee. This Lease may be subordinated to any future deed of trust, mortgage, or other security instrument (each, a "Mortgage"), or any ground lease, master lease, or primary lease (each, a "Primary Lease"), that now or hereafter covers all or any part of the Premises (the mortgagee under any such Mortgage, beneficiary under any such deed of trust, or the lessor under any such Primary Lease is referred to herein as a "Landlord's Mortgagee") pursuant to a commercially reasonable subordination and non-disturbance agreement executed by and between Tenant and Landlord's Mortgagee, and if applicable, Landlord, acceptable to Tenant. The subordination of Tenant's rights hereunder to any Landlord's Mortgagee shall be conditioned upon such Landlord's Mortgagee's and Tenant's (and if applicable, Landlord's) execution and delivery of a commercially reasonable subordination, non-disturbance and attornment agreement which is acceptable to Tenant.

25. Estoppel Certificate. At any time and from time to time during the Term, Landlord shall, within fifteen (15) business days after written request by Tenant, execute, acknowledge and deliver to Tenant a certificate certifying: (i) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and

effect as modified, and stating the date and nature of each modification); (ii) all Rent and other sums payable hereunder have been paid; (iii) as to the amount of Rent currently payable monthly, (iv) that no notice has been received by Landlord of any default by Landlord hereunder which has not been cured, except as to defaults specified in such certificate; (v) that Tenant is not in default under this Lease, except as to defaults specified in such certificate; and (vi) as to such other matters as may be reasonably requested by Tenant or any actual or prospective permitted successor, assignee or subtenant. Any such certificate may be relied upon by any actual or prospective permitted successor, assignee or subtenant of the Premises or any part thereof.

26. Tenant Grants of Security Interests in Tenant's Property.

(a) Tenant's Property Security Party. Notwithstanding anything to the contrary contained in this Lease, Tenant shall have the right, from time to time and at any time, to pledge, mortgage, assign, convey or grant security interests in all or any part of Tenant's property to any Person (a "Tenant's Property Security Party") for purposes of evidencing and/or securing any financing of Tenant or its Affiliates. Landlord acknowledges that, as of the Effective Date of this Lease, certain of Tenant's Property may be subject to security interests in favor of Tenant's existing lenders or will become subject to security interests in favor of additional lenders in connection with the refinancing of certain of Tenant's existing loans, and that the grantee of any such currently existing security interests or security interests in connection with such refinancing shall constitute a Tenant's Property Security Party for purposes hereof.

Any Tenant's Property Security Party shall have the right to exercise its rights and/or remedies with respect to Tenant's Property without the consent of Landlord. Further, in the event of a termination of this Lease (or Tenant's right of possession hereunder) by reason of an event of default or any rejection of this Lease by Tenant in a bankruptcy of Tenant, Landlord shall permit a Tenant's Property Security Party to enter the Premises for a reasonable period of time after such termination or rejection (as applicable) for purposes of removing from the Premises Tenant's property in which such Tenant's Property Security Party has a security interest, provided such Tenant's Property Security Party agrees to restore any damage to the Premises resulting from such removal. Landlord agrees, from time to time, to execute and deliver (and to request any Mortgagee to execute and deliver) to Tenant or any Tenant's Property Security Party such reasonable and customary documents and agreements as any Tenant's Property Security Party may require in order to evidence and/or secure the foregoing rights.

Landlord does hereby fully and forever waive and release any and all rights and interests (whether previously or now existing, or arising in the future) in and to any lien (whether possessory, statutory or otherwise, and including any rights of levy or distraint for rent) on, against or with respect to any and all of Tenant's property and/or any other Person which may, from time to time, have any such assets, trade fixtures, equipment or other property located at the Premises (or any portion thereof). Landlord agrees that it will, from time to time upon Tenant's request, execute and deliver to Tenant such documents and instruments as Tenant or any Tenant's Property Security Party may reasonably request in order to confirm that Landlord has no lien or lien rights with respect to any of Tenant's property (or of any such other Person described in the preceding sentence)

(b) Leasehold Mortgage. Tenant shall have the right to grant a leasehold mortgage on Tenant's leasehold interest in the Premises. Any leasehold mortgagee shall be deemed to be a third party beneficiary of any subordination, non-disturbance and attornment agreement granted to Tenant hereunder, but (i) any such leasehold mortgage otherwise shall be in all respects subject and subordinate to Landlord's interest in this Lease and to any Mortgage granted by Landlord, and to any renewals, modifications, consolidations, replacements and extensions of any such Mortgage, whether such Mortgage or any renewal, modification, consolidation, replacement or extension thereof, is granted by Landlord prior or subsequent to any leasehold mortgage granted by Tenant; and (ii) the leasehold mortgage shall attach to and be a lien on Tenant's leasehold interest in the Premises, shall convey no interest or rights in and to Landlord's interest in this Lease or the Premises which are greater than Tenant's interest or rights in this Lease or the Premises, and shall be in form and substance reasonably satisfactory to Landlord and Tenant.

27. Mechanics Liens. Except for Liens created through the act of Landlord or any leasehold mortgage procured by Tenant, Tenant shall not permit any mechanic's lien or other lien to be filed or recorded against the Premises, or any portion thereof, through or under Tenant. If any such mechanic's lien or other lien shall at any time be filed or recorded against the Premises, or any portion thereof, Tenant shall cause the same to be discharged of record or bonded over within ten (10) calendar days after the date on which Tenant becomes aware of such filing or recording of the same.

28. Binding Effect. This Lease shall inure to the benefit of the heirs, successors, representatives, and permitted assigns of the parties hereto, and shall bind the heirs, successors, representatives, and assigns of the parties hereto.

29. References to Gender and Number Terms. Whenever the context requires, the singular number shall include the plural, the singular, and the use of any gender shall include all genders.

30. Days Defined. Any reference in this Lease to a number of days shall mean calendar days unless otherwise expressly provided.

31. Attorneys' Fees. If any action at law or in equity shall be brought to recover any rent under this Lease, or for or on account of any breach of or to enforce or interpret any of the covenants, terms or conditions of this Lease, or for the recovery of the possession of the Premises, the prevailing party shall be entitled to recover from the other party as part of the prevailing party's costs a reasonable attorneys' fee, the amount of which shall be fixed by the court and shall be made a part of any judgment rendered.

32. Headings. The headings of the paragraphs of this Lease are for convenience or reference only and are not a part of this Lease.

33. Modifications. This Lease can only be modified by a written agreement duly signed by authorized representatives of each party hereto. Moreover, in order to avoid uncertainty, ambiguity and misunderstandings in their relationships, the parties hereby covenant and agree not to enter into any oral agreement or understanding inconsistent or in conflict with

this Lease; and the parties hereto further covenant and agree that any oral communication allegedly or purportedly constituting such an agreement or understanding shall be absolutely null, void and without effect.

34. Waiver. Any waiver by either party of any breach or any term or condition hereof shall be effective only if in writing and such writing shall not be deemed to be a waiver of any subsequent or other breach, term or condition of this Lease.

35. Relationship of the Parties. Nothing herein shall be deemed to create any partnership, joint venture, or agency relationship between the parties. Neither party shall make any representation or statement (whether oral or written) to any person or entity inconsistent with this paragraph.

36. Third Parties. The provisions of this Lease are not intended to be for the benefit of any third parties, and no third party shall be deemed to have any privity of contract with either of the parties hereto by virtue of this Lease.

37. Time of Essence. The parties acknowledge and agree that time is of the essence in the performance of this Lease.

38. Severability. If any provision or provisions of this Lease shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

39. Governing Law. The construction and interpretation of this Lease shall at all times and in all respects be governed by the laws of the State of South Carolina.

40. No Inference Against Author. No provision of this Lease shall be interpreted against any party because such party or its legal representative drafted such provision.

41. Entire Lease. This Lease constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior contemporaneous written or oral agreements and representations between the parties with respect thereto.

42. Notice of Lease. The parties agree to promptly execute a Notice of Lease (a "Notice of Lease") with respect to the Premises in recordable form and either of the parties shall have the right, without notice to the other party, to record such Notice of Lease in the real estate records of the jurisdiction in which the Premises are located. Tenant shall pay all costs of recording such Notice of Lease. If a Notice of Lease is recorded, Landlord and Tenant shall execute such customary amendments and terminations related thereto as may be reasonably required or requested by the other party within ten (10) Business Days of receipt thereof.

43. Notices. Any notice, request, approval, consent, demand or other communication shall be effective upon the first to occur of the following: (i) upon receipt by the party to whom such notice, request, approval, consent, demand or other communication is being given; or (ii) three (3) business days after being duly deposited in the United States mail, certified or registered, return receipt requested, and addressed as follows:

Landlord:

Dorris Properties, LLC
c/o William C. Dorris
4461 Hawkins Road
Greer, SC 29651

Tenant:

KapStone Container Corporation
1101 Skokie Blvd, Suite 300
Northbrook, IL 60062
Attn: General Counsel

The parties hereto may change their respective addresses by notice in writing given to the other party to this Lease.

44. Broker's Commission. The parties represent to each other that neither party has done anything nor will do anything which will entitle any person or firm to receive any broker's fees or real estate commissions as a result of the transactions provided for under this Lease, and each party hereto agrees to indemnify the other with respect to any fees or commissions which may be owed to any third party with respect to any breach of this representation.

45. Guarantors. None

46. Security Deposit. None

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Lease to be legally binding and effective as of the Effective Date.

LANDLORD:

DORRIS PROPERTIES, LLC

By: William C. Dorris
Name: WILLIAM C. DORRIS
Title: MANAGING PARTNER

TENANT:

KAPSTONE CONTAINER CORPORATION

By: _____
Name: _____
Title: _____

STATE OF South Carolina
COUNTY OF Greenville

Then personally appeared before me on this 30 day of January, 2017, the above-named William C. Dorris, the Managing Partner of DORRIS PROPERTIES, LLC, who acknowledged the foregoing instrument to be his free act and deed and the free act and deed of DORRIS PROPERTIES, LLC.

Elizabeth L. Welton
Notary Public
Print Name: Elizabeth L. Welton
My commission expires: Nov 13, 2021

STATE OF _____
COUNTY OF _____

Then personally appeared before me on this _____ day of _____, 2017, the above-named _____, the _____ of KAPSTONE CONTAINER CORPORATION, who acknowledged the foregoing instrument to be his/her free act and deed and the free act and deed of KAPSTONE CONTAINER CORPORATION.

Notary Public
Print Name: _____
My commission expires: _____

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Lease to be legally binding and effective as of the Effective Date.

LANDLORD:

DORRIS PROPERTIES, LLC

By: _____
Name: _____
Title: _____

TENANT:

KAPSTONE CONTAINER CORPORATION

By: Matthew Kaplan
Name: Matthew Kaplan
Title: Chief Executive Officer

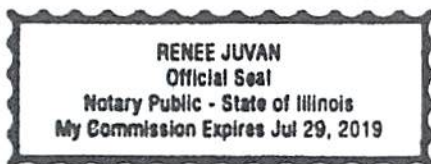
STATE OF _____
COUNTY OF _____

Then personally appeared before me on this _____ day of _____, 2017, the above-named _____, the _____ of DORRIS PROPERTIES, LLC, who acknowledged the foregoing instrument to be his free act and deed and the free act and deed of DORRIS PROPERTIES, LLC.

Notary Public
Print Name: _____
My commission expires: _____

STATE OF ILLINOIS
COUNTY OF COOK

Then personally appeared before me on this 27th day of JANUARY, 2017, the above-named MATTHEW KAPLAN, the PRESIDENT & CEO of KAPSTONE CONTAINER CORPORATION, who acknowledged the foregoing instrument to be his/her free act and deed and the free act and deed of KAPSTONE CONTAINER CORPORATION.



Renee Juvan
Notary Public
Print Name: RENEE JUVAN
My commission expires: 7/29/2019

EXHIBIT E

Option to Lease and License Agreement

<See attached>

OPTION TO LEASE AND LICENSE AGREEMENT

THIS OPTION TO LEASE AGREEMENT (this "**Agreement**") is made and entered into as of February 1, 2017 ("**Effective Date**"), by and among ELK TRADING COMPANY, LLC, a South Carolina limited liability company ("**Prospective Landlord**"), and KAPTSTONE CONTAINER CORPORATION, a Georgia corporation ("**Prospective Tenant**" and "**KapStone**").

R E C I T A L S:

A. Pursuant to that certain Ground Lease Agreement by and between Dorris Properties, LLC ("**Master Landlord**" and "**Dorris**") and Prospective Landlord dated as of the Effective Date (the "**Ground Lease**"), attached hereto as Exhibit A, Prospective Landlord is the ground lessee of a certain tract or parcel of land situated off Suber Mill Road in Greer, South Carolina containing approximately 8.22 acres of real property (the "**Land**"), being plotted as "Tract One" on that certain plan entitled "Subdivision Survey for Dorris Properties, LLC" prepared by W.R. Williams, Jr., dated January 30, 2017 and recorded in the Registry of Deeds Office for Greenville County in Plat Book 1261, at Page 0060 (the "**Plan**"), attached hereto as Exhibit B. The Premises is more specifically described in Exhibit C attached hereto.

B. Pursuant to the certain Lease Agreement by and between Dorris and KapStone dated as of the Effective Date (the "**Dorris Lease**"), attached hereto as Exhibit D, KapStone leases other real property and improvements from Dorris located adjacent to the Land, plotted as "Tract Two" on the Plan (the "**Dorris Property**"), upon which KapStone conducts existing business operations.

C. Prospective Tenant may desire for Prospective Landlord to construct on the Land a 100,000 square foot building for the purpose of expanding the Prospective Tenant's existing business operations, as more specifically described in the Lease (as defined below), and the "Landlord's Work" exhibit attached thereto (the "**Building**"). Prospective Tenant may occupy all or a portion of the Building, such portion hereinafter referred to as the "**Premises**."

D. Pursuant to the terms and conditions described in this Agreement, Prospective Landlord is willing to grant, and Prospective Tenant desires to acquire (i) an option to lease, and (ii) a non-exclusive license to use the Land.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree to the following terms:

1. OPTION TO LEASE.

1.1 Grant of Option. For the duration of the Option Period (as defined below), Prospective Landlord hereby grants to Prospective Tenant the exclusive right to lease the Premises on the terms and conditions set forth in this Agreement (the "**Option**") pursuant to a certain Lease Agreement in the form attached hereto as Exhibit E (the "**Lease**").

1.2 Memorandum of Option. Prospective Landlord and Prospective Tenant shall, simultaneously with the execution of this Agreement, execute the Memorandum of Option and License Agreement, attached hereto as Exhibit F, and record such memorandum in the appropriate land records of Greenville County, South Carolina.

1.3 Option Consideration. In addition to the promises made herein, as additional consideration for entering into the Option, upon execution of this Agreement, Prospective Tenant shall pay to Prospective Landlord the sum of Ten Dollars (\$10.00) (the "**Option Payment**"). The Option Payment shall be non-refundable to Prospective Tenant as independent consideration for the rights extended to Prospective Tenant under this Agreement. In all instances under this Agreement in which Prospective Tenant elects to terminate or is deemed to have terminated this Agreement, Seller shall retain the Option Payment.

1.4 Option Period and Termination. The Prospective Tenant shall have a period of four (4) years from the Effective Date to exercise the Option granted herein (the "**Option Period**"). In the event Prospective Tenant fails to exercise the Option within the Option Period, this Agreement shall be deemed terminated and only those terms expressly stated herein shall survive such termination. Prospective Tenant may, in its sole discretion, elect to terminate this Agreement in advance of the expiration of the Option Period by giving Prospective Landlord written notice thereof.

1.5 Exercise of Option; Contents.

(a) If Prospective Tenant desires to exercise the Option, Prospective Tenant shall do so by issuing to Prospective Landlord written notice (the "**Option Notice**"), in accordance with Section 12.2 hereof, of its exercise of the Option no later than 11:59 p.m. on the last day of the Option Period (the "**Option Delivery Deadline**"). The date upon which Prospective Tenant delivers the Option Notice to Prospective Landlord shall be referred to herein as the "**Option Delivery Date**".

(b) The Prospective Tenant shall include within the Option Notice that portion of the Building Prospective Tenant will agree to occupy in connection with the Lease.

2. BUILDING APPROVALS, AND CONTINGENCIES.

2.1 Entitlements. Prospective Landlord shall have the period beginning on the Option Delivery Date until the date that is one hundred twenty (120) days from the Option Delivery Date ("**Entitlement Period**") to apply for, process and obtain, at its sole cost and expense, all entitlements, development rights, zoning changes or variances, permits, licenses, consents, and other discretionary approvals required for the development of the Building, including any dedications, covenants, easements or whether public or private (collectively, the "**Entitlements**") with any applicable governmental agencies and utilities and any committee or holder of approval rights under recorded covenants affecting the Land.

2.2 Financing. Prospective Landlord shall have the Entitlement Period to obtain commercially reasonable financing with a lender of Prospective Landlord's choosing in an amount sufficient to fund no more than eighty percent (80%) of the cost of the Project (the

“Financing”. Prospective Landlord shall file its loan applications with any and all prospective lenders within ten (10) Business Days of receipt of the Option Notice.

2.3 Cooperation. Prospective Tenant agrees to reasonably cooperate and, to the extent necessary, join with Prospective Landlord in executing any commercially reasonable applications, petitions, or other documents and in providing supporting documents for the same, including financial information not otherwise available publicly and reasonably necessary, so long as, in doing so, Prospective Tenant shall not be burdened by or subject to any additional obligations to any party.

3. BUILDING DEVELOPMENT.

3.1 Building Plans. Within sixty (60) days after the Option Delivery Date, the Prospective Landlord shall provide Prospective Tenant with all applicable proposed site, floor and engineering plans in connection with construction of the Building (the **“Proposed Building Plans”**). Prospective Tenant shall then have thirty (30) days to either approve or require changes to the Proposed Building Plans. If such changes are required, the Prospective Landlord and the Prospective Tenant shall cooperate and work together in good faith to come to final agreement within ten (10) Business Days on the final approved plans (the **“Final Plans”**). Prospective Landlord and Prospective Tenant agree that the Final Plans shall be appended to the Lease as Exhibit F, Schedule A-2.

3.2 Building Construction Budget. Within sixty (60) days after the Option Delivery Date, the Prospective Landlord shall provide Prospective Tenant with the proposed Building Construction Budget (the **“Proposed Building Construction Budget”**). Prospective Tenant shall then have thirty (30) days to either approve or require changes to the Proposed Building Construction Budget. If such changes are required, the Prospective Landlord and the Prospective Tenant shall cooperate and work together in good faith to come to final agreement within ten (10) Business Days on the final approved building construction budget (the **“Approved Budget”**). Prospective Landlord and Prospective Tenant agree that, (i) excluding costs arising as a result of Change Orders (as defined in the Lease), the Approved Budget shall be a true and complete estimate which sets forth an itemization of all reasonable foreseeable costs, expenses, and fees to be paid by or received by Prospective Landlord in connection with the design, development and construction of the Building, including all construction costs and financing necessary to construct the Building pursuant to the Final Plans, and (ii) the Approved Budget shall be appended to the Lease as Exhibit F, Schedule A-1.

4. BUILDING TERMINATION RIGHT.

4.1 Building Termination. If Prospective Landlord, after diligent and commercially reasonable efforts, evidences to Prospective Tenant that it is unable to obtain the requisite Entitlements or Financing, Prospective Landlord may, prior to the expiration of the Entitlement Period, send written notice to Prospective Tenant terminating that portion of the Agreement solely in connection with Prospective Landlord’s obligation to construct the Building (the **“Building Termination Notice”**).

4.2 Rights after Building Termination Notice. In the event Prospective Tenant receives a Building Termination Notice in advance of the expiration of the Entitlement Period, unless otherwise expressly stated herein, including but not limited to, Prospective Landlord's assignment obligations in Section 7, Prospective Landlord shall have no further obligations to the Prospective Tenant in connection with the construction of the Building.

5. LEASE EXECUTION. In the event (i) the Option Notice is delivered as set forth in Section 1.5, and (ii) Prospective Landlord fails to send the Building Termination Notice to Prospective Tenant in accordance with Section 4.1, then Prospective Landlord and Prospective Tenant shall execute the Lease upon approval of the Final Plans, Approved Budget, and Entitlements.

6. THIRD PARTY TENANT RESTRICTIONS. In the event Prospective Tenant does not exercise the Option, then during the term of the Dorris Lease, Prospective Landlord shall not lease the Premises or any improvements thereon to (i) any competitor of Prospective Tenant, as reasonably determined by Prospective Tenant, or (ii) any other third party (a "Third Party Tenant") that interferes with the business operations of the Prospective Tenant. Notwithstanding the foregoing the Third Party Tenant's occupancy must be approved in writing by the South Carolina Department of Health and Environmental Control ("SCDHEC") so long as the Voluntary Cleanup Contract, dated May 2006 between Dorris Properties, LLC and the SCDHEC remains in effect.

The rights and obligations contained in Section 6 hereof shall survive the Termination of this Agreement.

7. PROSPECTIVE LANDLORD DEFAULT: EVENT OF BUILDING TERMINATION.

7.1 Ground Lease Assignment. In the event Prospective Landlord (i) defaults in its obligations contained in this Agreement prior to the Lease being executed, or (ii) provides Prospective Tenant with a Building Termination Notice, as set forth in Section 4.1 above, Prospective Landlord shall, within five (5) Business Days after Prospective Tenant's written request therefor (the "Assignment Notice"), assign (i) the Ground Lease, (ii) all applicable warranties and contracts desired by Prospective Landlord, and (iii) to the extent assignable, any Land use approvals or permits previously obtained by Prospective Landlord, or then being sought by Landlord, which are desired by Prospective Tenant, to Prospective Tenant thereby authorizing and granting Prospective Tenant with any and all rights to complete the development, permitting and construction of the Building (collectively, the "Assignment"). Subsequent to the Assignment, Prospective Landlord shall cooperate with Prospective Tenant in good faith and perform, in a prompt manner and at Prospective Landlord's sole cost and expense, any and all requests made by Prospective Tenant reasonably related to completion of the Building, including, but not limited to land use, environmental permitting and financing of the Building.

7.2 Prospective Landlord's Costs. In the event of an Assignment, Prospective Tenant shall reimburse Prospective Landlord for any reasonable out of pocket expenses in connection with the design and construction of the Premises (i) incurred by Prospective Landlord prior to Prospective Tenant's delivery of the Assignment Notice, and (ii) for which Prospective

Landlord can provide paid invoices (such invoices to be a commercially reasonable form) ("Landlord's Costs"); provided, however, in no event shall Prospective Tenant be obligated to pay any prepayment penalty, or other costs, fees, expenses, charges, penalties or interest, in connection with Prospective Landlord's Financing.

The rights and obligations contained in Section 7 hereof shall survive the Termination of this Agreement.

8. LICENSE

8.1 Grant of License. Prospective Landlord hereby grants to Prospective Tenant, its agents, invitees and permittees, a non-exclusive license for the period commencing on the Effective Date to the earlier of the execution of the Lease or termination of the Dorris Lease to use the Land for storage purposes only and in an area as reasonably determined by Prospective Landlord, so long as Prospective Tenant's use of the Land does not unreasonably interfere with Prospective Landlord's ability to (i) construct future improvements on the Land, or (ii) sublease the Land to a Third Party Tenant, subject to the leasing restrictions of Prospective Landlord set forth above in Section 6, or (iii) a Third Party Tenant's ability to reasonably use the Premises or Land. Tenant shall repair any damage to the Land as a result of Tenant's rights under this license and return it to its original condition after said use.

8.2 Prospective Tenant's Risk. Prospective Tenant agrees that any and all property of the Prospective Tenant of any kind that may be on or in the Land or Premises shall be at the sole risk of Prospective Tenant and that in no event shall Prospective Landlord be liable to Prospective Tenant for any injury, death, loss or damage to any person or property caused by Prospective Tenant, except if caused by the gross or willful negligence or misconduct of Prospective Landlord, its agents, employees, invitees, permittees or assigns.

9. GUARANTY. By executing this Agreement, William Scott Dorris and Bradley Franklin Dorris hereby jointly and severally, irrevocably, absolutely, unconditionally and without limitation, (i) guarantee to Prospective Tenant the prompt and complete payment and performance by Prospective Landlord of any and all obligations of Prospective Landlord under this Agreement, and (ii) in furtherance thereof, promise to promptly and fully pay, perform and satisfy any and all obligations of Prospective Landlord under this Agreement following any breach by Prospective Landlord thereof. The guaranty shall survive the Termination of this Agreement.

The rights and obligations contained in Section 9 hereof shall survive the Termination of this Agreement.

10. GROUND LEASE.

10.1 If Prospective Tenant exercises the Option, upon Prospective Tenant's written request, Lessee shall promptly request any and all easements from Master Landlord pursuant to Section 4(b) of the Ground Lease.

10.2 Prospective Landlord shall not provide any consent to an easement requested by Master Landlord, pursuant to Section 4(c) of the Ground Lease, without first

obtaining Tenant's consent.

11. FURTHER ASSURANCES. In the event Prospective Tenant fails to provide the Option Notice by the Option Delivery Date and/or upon the expiration or earlier termination of the Dorris Lease, Tenant, upon Landlord's request, shall reasonably cooperate with Landlord and execute commercially reasonable documentation to memorialize Tenant's rights to the Premises and Land under the Agreement or the Dorris Lease.

The rights and obligations in this Section 11 shall survive the termination of this Agreement.

12. MISCELLANEOUS.

12.1 Attorneys' Fees. In the event of any dispute between the parties hereto involving the covenants or conditions contained in this Agreement or arising out of the subject matter of the Option, the prevailing party shall be entitled to recover, and the other party agrees to pay, all reasonable fees, expenses and costs, including but not limited to attorneys' fees.

12.2 Notices. All notices and other communications provided for herein shall be in writing and shall be sent to the address set forth below (or such other address as a party may hereafter designate for itself by notice to the other parties as required hereby) of the party for whom such notice or communication is intended:

If to Prospective Landlord: Elk Trading Company, LLC
Attn.: Scott Dorris and Brad Dorris
306 S. Buncombe Road
Greer, SC 29650

With a copy to: Haynsworth Sinkler Boyd, PA
One North Main Street, 2nd Floor
Attn.: Frank Davis
Fax: (864) 240-3300
Phone: (864) 240-3200
Email: fdavis@hsblawfirm.com

If to Prospective Tenant: Kapstone Container Corporation
1101 Skokie Boulevard, Suite 300
Northbrook, Illinois 60062
Attn.: President

With a copy to: Kapstone Container Corporation
1101 Skokie Boulevard, Suite 300
Northbrook, Illinois 60062
Attn.: General Counsel

Such notice or communication shall be sufficient if sent by registered or certified mail, return receipt requested, postage prepaid; by facsimile, by hand delivery or by overnight courier

service. Any such notice or communication shall be effective upon delivery to the addressee; or if by facsimile, upon receipt of written notification of successful transmission.

12.3 Broker's Fee. Each party represents to the other that it has not dealt with any broker, agent, or finder for which a commission or fee is payable in connection with this Agreement or the Lease. Each party shall indemnify, defend, and hold harmless the other party from any claims, demands, or judgments for commissions or fees based on the claimant's representation or alleged representation of the indemnifying party in this transaction.

12.4 Assignment. Neither party hereto may assign or transfer all or any portion of its rights or obligations under this Agreement to any other individual, entity or other person without first obtaining the written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, or anything to the contrary contained in this Agreement, Prospective Tenant may, without the prior written consent of Prospective Landlord assign this Agreement to (i) an Affiliate of Prospective Tenant, (ii) a successor by merger or other corporate reorganization of Prospective Tenant, or (iii) the purchaser of all or substantially all of Prospective Tenant's business operations being conducted on the Premises. For purposes hereof, "Affiliate" means any, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust, trustee(s) of a trust, unincorporated organization, or government or governmental authority, agency or political subdivision thereof (collectively, a "Person"), Controlled by, Controlling, or under Common Control with another Person. Unless otherwise specified, all references herein to an "Affiliate" or to "Affiliates" shall refer to an Affiliate or Affiliates of Prospective Tenant. For purposes hereof, an Affiliate of any of the Persons which then comprise the Tenant hereunder shall be deemed to be an Affiliate of the Prospective Tenant (regardless of whether such Person is an Affiliate of all of the Persons which then comprise the Tenant hereunder). For purposes hereof, "Control" including with correlative meanings, the terms "Controlling," "Controlled by" and "under Common Control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting interests or securities, by contracts or otherwise.

12.5 Condemnation. In the event all or any portion of the Premises is taken or designated to be taken by condemnation proceedings, or proceedings in lieu thereof prior to the exercise of the Option, either Prospective Tenant or Prospective Landlord may terminate this Agreement at any time.

12.6 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the respective parties hereto.

12.7 No Third Party Beneficiaries. This Agreement and each and every provision hereof are for the exclusive benefit of the parties hereto and not for the benefit of any third party.

12.8 Further Actions. Each party agrees to perform any further acts and execute and deliver any further documents reasonably necessary to carry out the provisions of this Agreement.

12.9 Entire Agreement. This Agreement contains the entire agreement of the parties hereto with respect to the matters covered hereby, and all negotiations and agreements, statements or promises between the parties hereto or their agents with respect to this transaction are merged in this Agreement, which alone expresses the parties' rights and obligations and if not contained herein shall not be binding or valid against either of the parties hereto.

12.10 Modification. Any amendments or modifications to this Agreement or the Ground Lease must be in writing and executed by all the parties to this Agreement.

12.11 Interpretation; Governing Law. This Agreement shall be construed according to its fair meaning and as if prepared by both parties hereto. This Agreement shall be construed in accordance with the laws of the State of South Carolina in effect at the time of the execution of this Agreement. Titles and captions are for convenience only and shall not constitute a portion of this Agreement. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others wherever and whenever the context so dictates.

12.12 No Waiver. No delay or omission by either party hereto in exercising any right or power accruing upon the compliance or failure of performance by the other party hereto under the provisions of this Agreement shall impair any such right or power or be construed to be a waiver thereof. A waiver by either party hereto of a breach of any of the covenants, conditions or agreements hereof to be performed by the party shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions or conditions thereof.

12.13 Severability. If any term, provision, condition or covenant of this Agreement or the application thereof to any party or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this instrument, or the application of such term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

12.14 Time Periods; Business Day. The term "**Business Day**," as used herein, means any day other than a Saturday, Sunday or generally recognized holiday. Unless specified herein to be business days, all time periods shall be calculated using calendar days.

12.15 No Partnership or Joint Venture. The relationship of Prospective Landlord and Prospective Tenant hereunder is and will be that of Prospective Landlord and Prospective Tenant, and none of the provisions of this Agreement are intended to create any relationship other than Prospective Landlord and Prospective Tenant. No agency, partnership, joint venture or other relationship is intended hereby, and neither party shall be deemed the agent, servant, employee, partner or joint venturer of the other party. Prospective Landlord and Prospective Tenant shall not, in any way or for any reason be deemed to have become a partner of the other in the conduct of its business or otherwise, or a joint venturer. In addition, by virtue of this Agreement, there shall not be deemed to have occurred a merger or any joint enterprise between Prospective Tenant and Prospective Landlord.

12.16 Counterparts. This Agreement, including any exhibits attached hereto, may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original copy.

12.17 No Merger. If both Master Landlord and Prospective Landlord's estates in the Premises have both become vested in Prospective Landlord, neither this Option nor the Lease shall be terminated by application of the doctrine of merger unless agreed in writing by Prospective Tenant.

[SIGNATURES ON THE FOLLOWING PAGE]

Signed, sealed and delivered
in the presence of:

PROSPECTIVE LANDLORD:

ELK TRADING COMPANY, LLC

By: William Scott Dorris (SEAL)

J Philip Land Jr.
Printed Name of Witness

[Signature]

Rita L. Storrie
Printed Name of Witness

Rita L. Storrie

STATE OF SOUTH CAROLINA

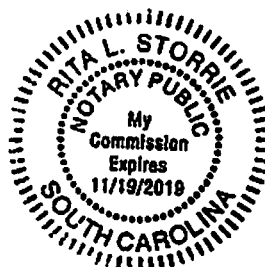
ACKNOWLEDGMENT

COUNTY OF GREENVILLE

The foregoing instrument was acknowledged before me this 30th day of January, 2017 by
William Scott Dorris the Member of Elk Trading Company, LLC,
a South Carolina limited liability company, on behalf of the company.

Rita L. Storrie
Notary Public of South Carolina
Printed Name: Rita L. Storrie


My commission expires: 11/19/19




Signed, sealed and delivered
in the presence of:


PROSPECTIVE TENANT:

KAPSTONE CONTAINER CORPORATION



Printed Name of Witness
Paul R. Hagan

By:  (SEAL)

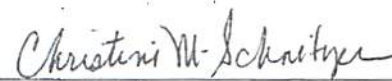


Printed Name of Witness
REREKA RISTESKA

STATE OF Illinois
COUNTY OF Lake

ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 30th day of January, 2017 by
Matthew Kaplan the President & CEO of KapStone Container
Corporation, a Georgia corporation on behalf of the company.



Notary Public
Printed Name: Christine M. Schnitzer

My commission expires: 2/17/2018



EXHIBIT F

Landlord's Work

In consideration of the mutual covenants in the Lease and herein contained, Landlord and Tenant agree as follows:

1. **Capitalized Terms.** Unless expressly stated otherwise, capitalized terms not defined in this Exhibit shall have the same meaning as they have in the Lease.

2. **Definitions.**

a. "**Approved Budget**" shall mean the budget for the construction of the Building as described on **Schedule A-1**.

b. "**Final Plans**" shall mean the final plans for the Landlord's Work as approved by Landlord and Tenant and set forth on **Schedule A-2**.

c. "**Building**" shall mean the 100,000 square foot or smaller building to be constructed and installed on the Premises in accordance with the Final Plans and the terms and conditions of this Exhibit.

d. "**Option**" shall mean that certain Option to Lease and License Agreement by and between Landlord and Tenant dated as of February 1, 2017.

e. "**Substantial Completion**" or "**Substantially Complete**" shall mean substantially completing the Building in conformity with the Final Plans so that a certificate of occupancy can be obtained.

f. "**Tenant Delay**" shall mean Tenant's negligence, wrongful act or omission of any nature, failure timely to complete submittals, approve plans or the performance of other obligations of Tenant within the time limits of this Work Letter. The Anticipated Substantial Completion Date and Final Completion Date, as applicable, shall be extended one day for each day of such Tenant Delay.

g. "**Unavoidable Delay**" shall mean causes or events which are beyond Landlord's reasonable control which prevent Landlord's critical path performance under this Work Letter. Any time period subject to extension hereunder for an "Unavoidable Delay" shall be extended one day for each day of delay resulting from such Unavoidable Delay.

3. **Landlord's Work.** Landlord shall make all such contracts and arrangements as necessary to construct the Building in accordance with the Final Plans ("**Landlord's**

Work”), the Approved Budget, all applicable laws, and the terms of the Lease. Landlord shall procure all necessary licenses and permits for the construction of the Building.

4. **Development Fee.** None. The consideration for any and all fees and out of pocket costs expended by Landlord to build the Building for Tenant is incorporated into the Rent calculation. In no event is Tenant liable for any separate “development fees” or any other charges related to the Project.

5. **Change Orders.** If, prior to Substantial Completion, Tenant desires changes to, or to deviate from the parameters of the Final Plans, whether said changes adds or reduces costs (individually or collectively, the “Change Order(s)”), Tenant shall make written request to Landlord. Upon Tenant’s request for a Change Order and before work pursuant to such Change Order request is started, Landlord shall prepare plans for same and shall submit them to Tenant for review together with an estimate of cost and time. Tenant shall notify Landlord within five (5) business days following its receipt of the plans of its approval or rejection of the plans. If Tenant rejects the plans the request for Change Orders shall be deemed withdrawn unless the rejection notice includes requested changes. If changes are requested to the proposed Change Order, then the process shall continue as though it were a new request for Change Orders. When the parties have agreed to the plans for the applicable Change Order, Landlord shall notify Tenant of the additional cost or savings of same and the amount of time, if any that it will delay completion of the construction of the Building.

6. **Performance.**

a. **Commencement of Construction.** Landlord shall commence performance of Landlord’s Work as promptly as practical following the execution of the Lease by all parties thereto, and shall diligently pursue the Landlord’s Work to completion.

b. **Standard of Construction.** Landlord agrees to cause the Building to be constructed in a good and workmanlike manner using, unless specified otherwise in the Final Plans, new and first-class quality materials as specified in the Final Plans. Landlord shall cause the Building to be completed by Landlord in compliance with the Final Plans (other than minor deviations that occur in the normal course of construction of a facility of this nature and which do not have any adverse effect.

c. **Changes to Site Plan and Plans.** Landlord reserves the right to make changes to the site plan and plans as are necessary to accommodate construction of the Building which do not adversely affect the Building, alter the overall design of the Building, or materially affect the overall plan, scope or quality of the Building. If Landlord requests changes that materially affect the scope of the Final Plans or Approved Budget, then Landlord shall provide a

written notice to Tenant of the requested change and Tenant shall have five (5) business days to approve such request.

d. Construction Completion. Landlord shall Substantially Complete the construction of the Building not later than twelve (12) months from the Effective Date; provided, however, the completion date shall be extended by the number of days that such construction is delayed by a Tenant Delay or Unavoidable Delays or Change Orders (the "Anticipated Substantial Completion Date"). Both parties acknowledge that strict adherence to the project schedule is essential for an orderly and timely completion of construction of the Building; provided, however, the project schedule shall be extended in the event of a (i) a Tenant Delay or (ii) an Unavoidable Delay or Change Order.

e. Progress of Work. During the construction process, Landlord will provide reasonable cooperation to keep Tenant informed as to material aspects pertaining to the construction of the Building.

7. Early Access to Building. Provided that Tenant submits to Landlord a valid certificate of insurance as required by the terms of the Lease and Tenant does not interfere with the construction of the Building, Tenant's representatives and agents shall have access to the Building during the construction of the Building subject to reasonable construction site rules promulgated by Landlord. Excluding Landlord's gross negligence and willful misconduct, Tenant shall hold Landlord and Landlord's agents harmless from and indemnify, protect and defend Landlord and Landlord's agents against any claims arising out of the entry by Tenant or for Tenant into the Building or on the Land prior to the Anticipated Substantial Completion Date. Tenant further acknowledges and agrees that all of the provisions of the Lease shall apply to Tenant during any early entry except that Tenant shall not be responsible for Rent or Additional Rent during such early access.

8. Designated Agents. During the design and construction of the Building, the below individuals are designated as representatives for Landlord and Tenant. All communications between Landlord and Tenant relating to the design and construction of the Building shall be forwarded to or made by such party's representative. In addition no Change Order shall be binding on Landlord unless signed by a Landlord's representative and no Change Order shall be binding on Tenant unless signed by a Tenant's representative. Except for Change Orders, communications by email between the listed representatives shall be deemed a writing for purposes of this Work Letter, through the Rent Commencement Date (but not from and after the Rent Commencement Date) be a valid means of delivery of notice, and except to the extent the Landlord representative or Tenant representative, as applicable, expressly so provide in an email communication(s), such communication(s), excluding Change Orders, are binding for purposes of this Work Letter. Tenant and Landlord may amend the designation of its representative(s) at any

time upon delivery of written notice to the other party. Such change will be effective upon delivery to the then current representative of the receiving party.

Landlord's Representative(s):

Name: Scott Dorris

Address: 306 S. Burncombe Road
Greer, South Carolina 29650

Tenant's Representative(s):

Name: General Counsel

Address: Kapstone Container Corporation
1101 Skokie Boulevard, Suite 300
Northbrook, Illinois 60062

9. **Final Inspection and Incomplete Items List.** Landlord shall notify Tenant prior to Substantial Completion so that Tenant can make a final inspection of the Building with Landlord, and provide Tenant's written list of incomplete items. Landlord will then direct the general contractor promptly to complete the Tenant's list of incomplete items.

10. **Time is of the Essence.** Time is of the essence with respect to each of the obligations hereunder.

Schedule A-1

Approved Budget

***PROPOSAL FOR DESIGN & CONSTRUCTION
OF
99,000 SQ FT CONCRETE WALL WAREHOUSE***

DETAILED SCOPE OF WORK

Division One – General Requirements

1. Architectural Drawings
2. Structural Drawings
3. Floor Plans
4. Elevations
5. Builders Risk Insurance
6. General Cleaning
7. Project Schedule
8. Full time Superintendent
9. Project Management
10. Dumpsters
11. Temporary Sanitary Facilities

Division Two – Sitework & Exterior Improvements – Per Attachment A Takeoff

1. Site Demolition
 - A. Existing Monitoring wells to be removed by others
2. Grading and Storm Drainage – For 100k
3. Heavy Duty Paving
4. Light Duty Paving
5. Concrete Paving at Truck Docks
6. CIP Walls and Ramp
7. CIP walls at 100k truck well
8. 18" Curb and Gutter
9. CEPSI Inspections Per Code

Division Three – Concrete Work

1. Foundations/Slab on Grade
 - A. 6" thick SOG
 - B. 10 Mil Poly Vapor Barrier
 - C. 4" Gravel Stone Base
 - D. 6x6 6/6 Welded Wire Mesh
 - E. Continuous footings under load-bearing precast walls
 - F. Spread column footings at interior columns
 - G. Column isolation block outs at interior columns
2. Precast Concrete Wall Panels
 - A. 8" thick load-bearing precast wall panels
 - B. Structural gray concrete
 - C. Exterior face of panel to be standard form finish
 - D. Interior face of panel to be light broom finish
 - E. Overhead door openings to have steel channel frames for corner protection
 - F. Caulking of exterior and interior vertical joints with polyurethane sealant

Division Four – Masonry - NA

Division Five – Metals & Miscellaneous Steel

1. Structural Steel
 - A. Roof structure to be single slope to front of building
 - B. Bay Spacing: 50'x60'
2. Misc. Metals
 - A. (12) 6" diameter x 4' high (above finish floor grade) concrete-filled pipe bollards at Overhead Doors
 - B. (2) Sets of Loading Dock Stairs and Rails

Division Six – Architectural Woodwork

1. Vanity Counters at Restroom Sinks

Division Seven – Moisture Protection

1. TPO Roofing
 - A. 45 Mil TPO Roofing Membrane
 - B. 24 Ga. Kynar Coping, Gutters, Downspouts
 - C. Flash Any Rooftop Penetrations
 - D. R-20 Roof Insulation

Division Eight – Doors, Frames & Hardware

1. Hollow Metal Doors & Frames
 - A. (20) single 3'x7' Hollow Metal Frames
 - B. Hollow metal doors at all openings
2. Door Hardware
 - A. (20) sets Door Hardware Material
3. Overhead Doors
 - A. (6) 9'x10' Overhead Sectional Dock Doors
 - Vertical Lift
 - Manually Operated
 - B. (1) 12'x14' Drive Thru Sectional Doors
 - Electric Operators

Division Nine – Finishes

1. Painting and Caulking
 - A. Doorframes
 - B. Sheetrock Surfaces
 - C. Exterior Precast Surface
 - D. Columns up to 4'
2. Walls
 - A. 3-5/8" Metal Studs with 5/8" Sheetrock
3. 2'x2' ACT Ceiling in Restrooms
4. VCT Floor Tiles in Restrooms

Ten – Specialties

1. Fire Protection Specialties
 - A. Wall/column mount fire extinguishers per code requirements
2. Toilet Accessories as Needed

Division Eleven – Equipment

1. Loading Dock Equipment
 - A. (6) Mechanical Pit Levelers – 30,000#
 - B. (6) Dock Restraints
 - C. (6) Dock Seals

Division Twelve – Furnishings – NA

Division Thirteen – Special Construction – NA

Division Fourteen – Conveying System – NA

Division Fifteen – Mechanical

1. Plumbing

99,000 sq ft:

- 6 – water closets
- 2 – urinals
- 8 – lavatories
- 1 – bi-level water coolers
- 1 – mop basin
- 1 – break room sink
- 1 – exterior hose bibs
- 1 – water heaters
- 200' – sewer in building
- 200' – 2" water through building
- 1 – floor drain in fire pump room
- 2 – floor drains (one in each restroom)

2. Fire Protection System

- A. Fire Sprinkler System to be Density System.
 - Wet System using a K14 ESFR System
 - Assuming Adequate water pressure is available.
- B. Underground – Install Approximately 1400 Lnft of new 8" CL Ductile Iron Underground piping. This will be an extension of the existing loop as shown on sketch.

3. HVAC

- A. General HVAC – Minimal Heat above Freezing, 4 Air Exchanges Per Hour
 - Rooftop Exhaust Fans As Needed
 - Hanging Gas Fired Heaters
 - Intake Louvers as needed for air supply
 - Exterior gas service is excluded
 - Bath Fans and Venting

Division Sixteen – Electrical

1. Electrical
 - A. 6 Lamp T5 Fixtures – 10% Battery Backup
 - B. Exit/Emergency combos w/ remote egress lights
 - C. 110 volt outlets
 - D. Power to HVAC Equipment
 - E. 2x4 Lay-In Fixtures in Restrooms
 - F. 400W MH Wall Packs on Exterior
 - G. NFPA72 Addressable Fire Alarm Systems
 - H. New Service

QUALIFICATIONS

1. Design Basis

- A. Design is based on our interpretations of building code requirements that may or may not meet specific requirements of your insurance underwriter.
- B. Capacities of existing infrastructure (i.e., power, water, sewer, gas, etc.) are assumed to be adequate for this facility.
- C. Concrete is based on standard mix designs for local area.
- D. Design is assumed that subsurface is sufficient for building pad.

2. Contractual

- A. Allowances are all inclusive (i.e., include labor, material, subcontract, taxes, freight, etc.).

3. Schedule

- A. Assume a 34 Week Build Schedule from start of construction.

EXCLUSIONS

1. Civil Design
2. Subsurface Investigations
3. Rock excavation
4. Removal/replacement of unsuitable soils
5. Removal/relocation/replacement of underground obstructions, pipe, etc. not shown on Drawings.
6. Dewatering/in-ground water control
7. Smoke vents and skylights
8. Dock lights
9. Cubicles and/or Owner furnishings
10. Appliances
11. Gas supply to building
12. Rack sprinklers
13. Energy management systems
14. Independent test and balance of HVAC
15. Electrical power from utility grid to and including transformer
16. UPS or emergency generator systems
17. Computer, telephone, paging, clock, and equipment
18. Temporary security
19. Fencing
20. Payment and Performance Bond
21. Signage (Exterior & Interior)
22. Fire booster pump
23. Burglar Alarm System
24. Access Control System
25. CCTV
26. Rack relocation
27. Equipment and or utilities relocation

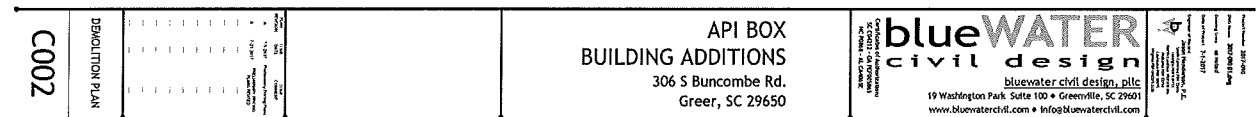


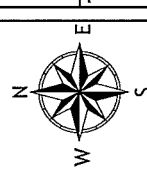
API Box 100k Sqft Only Breakdown

Buncombe Rd, Greer SC

Roebuck Buildings Co. Inc.

CATEGORY	BID DESCRIPTION	Cost
Building Package	Includes all vertical construction	\$3,130,969
Fully Conditioned Space (Allowance)	Includes metal demising wall, (2) High Speed doors, (2) Man doors, 80 Ton of HVAC (4 - 20 ton units equally spaced, concentric duct packages), necessary power	\$301,000
Grading (Allowance)	Includes mass dirt, storm drainage, erosion control, demolition of all items with exceptions of buildings	\$529,112
Building Demolition	Demolition of structures	Inc in Grading
Segmental Retaining Wall	Includes segmental retaining wall	\$48,955
Roof Drainage	Includes piping of roof downspouts to storm drainage system	Inc in Grading
Curb & Gutter	Includes 18" Curb and Gutter System	\$33,199
Light Duty Paving	Includes 6"1/2" Asphalt Paving	\$104,959
Heavy Duty Paving	Includes 8"1/3" Asphalt Paving	\$206,569
Ext. Concrete Walls	Includes exterior concrete walls at locations shown on plans for grade differences	\$11,668
Truck Dock Concrete	Includes 6" Un-Reinforced Concrete Paving over 6" Compacted Stone Base at Truck Docks	\$150,184
Sidewalks	Includes 4" Thick Concrete, Saw Cut Joints, as shown on plans	\$6,774
Fire Line	Includes relocation of 1275 LnFt of underground 8" Fireline to meet building requirements	\$69,932
Water/Sewer (Allowance)	Includes Potable Water Supply, Sewer, Allowance of \$28,000 for Lift Station	\$103,082
BUILDING SUBTOTAL		\$4,696,403
Licenses and Permitting	Allowance since jurisdiction is unknown	\$15,923
Sales Tax	Includes sales tax at 6%	\$24,724
PT&I	Payroll taxes and insurance	\$45,979
Fee	Include RBC fee of 5%	\$231,453
PROJECT GRAND TOTAL		\$5,014,482





811 **DIGALERT**
Now what's below.
Call before you dig.

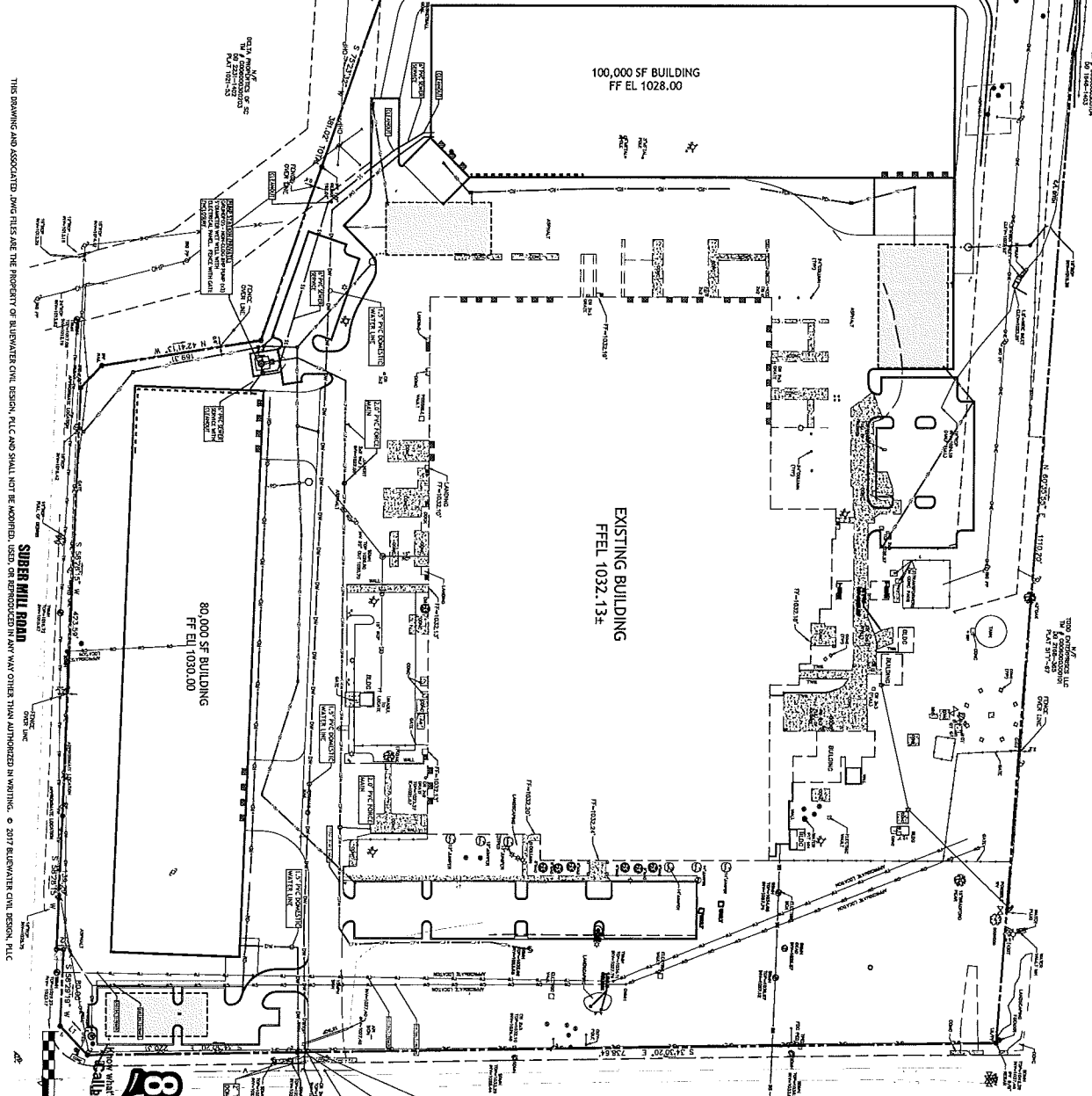
Can't believe you did.

GRAPHIC SCALE

(IN FEET)

Each = 50 ft.

- GENERAL UTILITY PLAN NOTES:**
1. THE EXISTING BUILDING CONSTRUCTION IS SHOWN. THE NEW BUILDING CONSTRUCTION IS SHOWN WITH DASHED LINES. THE EXISTING BUILDING CONSTRUCTION IS SHOWN WITH SOLID LINES. THE NEW BUILDING CONSTRUCTION IS SHOWN WITH DASHED LINES.
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GRAPHIC SCALE
1" = 20'

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blueWATER
civil design

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19 Washington Park, Suite 100 • Greenville, SC 29601
www.bluewatercivil.com • info@bluewatercivil.com

Schedule A-2

Final Plans







B1	##/### 1°=20'-0"	FLOOR PLAN & LIFE SAFETY PLAN
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GENERAL NOTES - CONT.

10. CONTRACTOR/OWNER TO INSURE ALL WORK COMPLETES WITH SPRINKLING COUNTY AND ALL JURISDICTION CODES AND REGULATIONS.
11. ALL WORK MUST BE DONE IN COMPLIANCE WITH IBC 2015, IFC 2015, DCEC AND OS&A CODES AND REGULATIONS.
12. SEE FIRE PROTECTION DRAWINGS FOR AUTOMATIC SPRINKLER.
13. SEE ELECTRICAL FOR EXIT AND EMERGENCY LIGHTING.
14. SMOKING AND OPEN FLAMES ARE PROHIBITED IN FLAMMABLE/COMBUSTIBLE STORAGE AREAS.
15. ALL EXISTING EXTERIOR WINDOWS TO BE INSPECTED FOR BREAKAGE, SEAL, ETC. REPAIR AS NECESSARY.
16. ALL CEILING INSULATION IN INTERSTITIAL SPACES TO BE NONCOMBUSTIBLE, FLAME RETARDANT.

SYMBOL LEGEND

- | | |
|---|---------------------------------------|
|  | PARTITION TYPE TAG SEE A1/A-1.0 |
|  | DOOR TAG - SEE DOOR SCHEDULE ON A-1.1 |
|  | KEY NOTE |
|  | NEW WALL |

A5	##/### N/A	NOT USED
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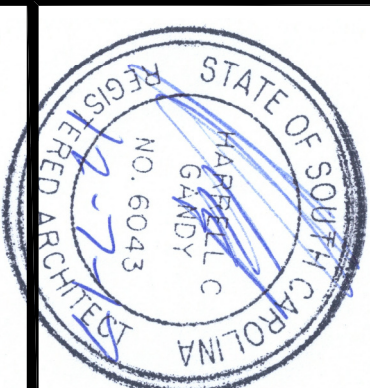
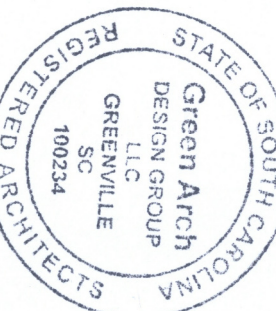
RB ROEBUCK BUILDINGS
GENERAL CONTRACTORS
www.RoebuckBuildings.com

DRAWN BY DRG/HCG

PROJECT: A NEW BUILDING FOR:
ASSOCIATED PACKAGING INC.

LOCATION: GREER, SC

12/07/2017



FLOOR PLAN

A-1.0

EXHIBIT G

Voluntary Cleanup Contract and the Restrictive Covenants

<See attached>

THIS IS CERTIFIED AS A TRUE
AND CORRECT COPY

VOLUNTARY CLEANUP CONTRACT
06-5385(I)-NRP

SIGNATURE

Adrian L. Gure

IN THE MATTER OF
FORMER JOHN DEERE FACILITY, GREENVILLE COUNTY
and
DORRIS PROPERTIES, LLC

This Contract is entered into by the South Carolina Department of Health and Environmental Control, and Dorris Properties, LLC, pursuant to the Brownfields Voluntary Cleanup Program, S.C. Code Ann. § 44-56-710, et seq. (2005), the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C §§ 9601, et seq., and the South Carolina Hazardous Waste Management Act (HWMA), S.C. Code Ann. § 44-56-200, with respect to the 23.01-acre eastern portion of the parcel located at 306 South Buncombe Road, Greer, South Carolina. The Property that is the subject of this contract includes approximately 23.01 acres, identified by tax parcel numbers G006.00-03-002.01 and G006.00-03-002.002 and is bounded generally by South Buncombe Road to the East, Suber Mill Road to the South, and residential and commercial properties (including Exide Battery) to the north and west. The terms and conditions of this Contract shall be consistent with the "Information and Certification" submitted February 24, 2006 by Dorris Properties, LLC, which is incorporated into this Contract and attached as Appendix A.

1. Unless otherwise expressly provided, terms used in this Contract shall have the meaning assigned to them in CERCLA, including any amendments, or in the regulations promulgated thereunder.

- A. "Dorris" shall mean Dorris Properties, LLC.
- B. "Bona Fide Prospective Purchaser" shall mean a person, or a tenant of that person, who acquires ownership of a facility after the date of enactment of the Brownfields Amendments (January 11, 2002), and by a preponderance of the evidence establishes the following:

- a. Disposal at the facility occurred prior to acquisition;
- b. The person made all appropriate inquiry into previous ownership and uses of the facility in accordance with generally accepted practices and in accordance with the new standards contained in CERCLA Section 101(35)(B);
- c. The person provides all legally required notices with respect to the hazardous substances found at the facility;
- d. The person exercises "appropriate care" with respect to the hazardous substances found at the facility by taking "reasonable steps" to:
 - i. Stop any continuing releases;
 - ii. Prevent any threatened future release; and
 - iii. Prevent or limit human, environmental or natural resource exposure to any previously released hazardous substance;
- e. The person provides full cooperation and access to the facility to those authorized to conduct response actions;
- f. The person is in compliance with any land use restrictions and does not impede the effectiveness or integrity of any institutional control;
- g. The person complies with any information request or administrative subpoena under CERCLA; and
- h. The person is not potentially liable for response costs at the facility or "affiliated" with any such person through:
 - i. Direct or indirect familial relationship, or
 - ii. Any contractual, corporate or financial

relationship (excluding relationships created by instruments conveying or financing title or by contracts for sale of goods and services).

- C. "Contract" shall mean this Voluntary Cleanup Contract.
- D. "Department" shall mean the South Carolina Department of Health and Environmental Control.
- E. "Existing Contamination" shall mean any hazardous substances, pollutants or contaminants (as defined herein), present or existing on or under the Site as of the execution date of this Contract.
- F. "Hazardous Substance" means (A) any substance designated pursuant to section 311(b)(2)(A) of the Federal Water Pollution Control Act [33 U.S.C. 1321(b)(2)(A)], (B) any element, compound, mixture, solution, or substance designated pursuant to section 9602 of this title, (C) any hazardous waste having the characteristics identified under or listed pursuant to section 3001 of the Solid Waste Disposal Act [42 U.S.C. 6921] (but not including any waste the regulation of which under the Solid Waste Disposal Act [42 U.S.C. 6901 et seq.] has been suspended by Act of Congress), (D) any toxic pollutant listed under section 307(a) of the Federal Water Pollution Control Act [33 U.S.C. 1317(a)], (E) any hazardous air pollutant listed under section 112 of the Clean Air Act [42 U.S.C. 7412], and (F) any imminently hazardous chemical substance or mixture with respect to which the Administrator has taken action pursuant to section 7 of the Toxic Substances Control Act [15 U.S.C. 2606]. The term does not include petroleum, including crude oil or any fraction thereof which is not otherwise specifically listed or designated as a hazardous substance under subparagraphs (A) through (F) of this paragraph, and the term does not include natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel (or mixtures of

natural gas and such synthetic gas).

G. "Non-Responsible Party" shall mean any party which is neither:

- a. A responsible party at the time the voluntary cleanup contract is signed, nor
- b. A parent, subsidiary of, or successor to a responsible party. Non-Responsible Parties may include lenders, economic development agencies, fiduciaries, trustees, executors, administrators, custodians, and subsequent holders of a security interest.

H. "Oversight Costs" shall mean those costs, both direct and indirect, incurred by the Department in implementing the Voluntary Cleanup Program as related to this Contract and any future amendments thereto.

I. "Pollutant or Contaminant" includes, but is not limited to, any element, substance, compound, or mixture, including disease-causing agents, which after release into the environment and upon exposure, ingestion, inhalation, or assimilation into any organism, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavioral abnormalities, cancer, genetic mutation, physiological malfunctions, including malfunctions in reproduction, or physical deformations, in organisms or their offspring; "contaminant" does not include petroleum, including crude oil or any fraction of crude oil, which is not otherwise specifically listed or designated as a hazardous substance under subparagraphs (A) through (F) of paragraph (14) of CERCLA, Section 101, 42 U.S.C. Section 9601, et seq. and does not include natural gas, liquefied natural gas, or synthetic gas of pipeline quality or mixtures of natural gas and such synthetic gas.

J. "Property" shall mean the 23.01-acres located at 306 South Buncombe Road, Greer, South Carolina shown on that certain survey

entitled "Survey for Retlaw, Inc. dated March 31, 2004 prepared by W.R. Williams, Jr., LS, a copy of said survey being attached as Appendix B to this Contract and identified on tax parcel numbers G006.00-03.002.01 and G006.00-03.002.02 that is subject to ownership, prospective ownership, or possessory or contractual interest of a Responsible Party or a Non-Responsible Party.

K. "Response Action" shall mean any assessment, cleanup, inspection, or closure of a site as necessary to remedy actual or potential damage to public health, public welfare, or the environment.

L. "Responsible Party" shall mean:

- a. The owner and operator of a vessel, as defined in CERCLA Section 101 (28), or a facility;
- b. Any person who, at the time of disposal of any hazardous substance, owned or operated any facility at which such hazardous substances were disposed of;
- c. Any person who, by contract, settlement, or otherwise, arranged for disposal or treatment or arranged with a transporter for transport for disposal or treatment of hazardous substances owned or possessed by such person, by any other party or entity, at any facility or incineration vessel owned or operated by such a party or entity and containing such hazardous substances; and/or
- d. Any person who accepts or accepted any hazardous substances for transport to disposal or treatment facilities, incineration vessels, as defined in CERCLA Section 101 (38), or sites selected by such person from which there is a release, or a threatened release that causes the incurrence of response costs, of a hazardous substance.

- L. "The Site" shall mean the facility located at 306 South Buncombe Road, Greer, South Carolina, and all areas where a contaminant has been released, deposited, stored, disposed of, placed, or otherwise comes to be located; "Site" does not include any consumer product in consumer use or any vessel, as defined in CERCLA Section 101 (28).
- M. "Voluntary Cleanup" shall mean a response action taken under and in compliance with the Brownfields/Voluntary Cleanup Program, S.C. Code Ann. § 44-56-710, et seq. (2005).

2. Based on the information known by and/or provided to the Department, the following findings are asserted for purposes of this Contract:

- A. The history of the Property is as follows:

OWNER

DATES OF OWNERSHIP

- | | |
|---------------------------------------|----------------|
| 1. Retlaw, Inc. | 2002 - present |
| 2. John Deere Consumer Products, Inc. | 1994 - 2002 |
| 3. Homelite Division of Textron, Inc. | 1956 - 1994 |

Prior to the ownership of the Property by the Homelite Division of Textron, Inc. ("Textron"), the Property was undeveloped and previously used for agricultural purposes.

- B. The Homelite/Textron facility began operations in 1956 on the eastern portion of an approximately 50-acre parcel of land that had been previously used for agriculture. Over the years, operations have included machining, fabrication and assembly of components for yard equipment. In the late 1970's, metal plating units were added along with an increased ability to degrease metal parts. The facility was historically operated under the trade name Homelite until 1994 when the Property was acquired by John Deere Consumer Products, Inc. ("John Deere"). The Site was again sold in 2002 to Retlaw, Inc. ("Retlaw") The 23.01-acre parcel being acquired by Dorris and herein designated as the Property has historically been used

for manufacturing purposes.

C. Soil and groundwater investigations have been performed at the Site since the late 1980's to map the types and extents of releases to soil and groundwater. Two source areas were identified: the Plant Manufacturing Area and the Oil Impacted Area.

D. In January 1999, the US EPA Region IV Emergency Response and Removal Branch responded to a waste spill. At that time, plating waste (5,500 gallons of nitric acid and nickel plating rinse water) discharged into an onsite drainage ditch, and eventually reached Little Princess Creek located approximately 2000 feet southeast of the facility.

E. Groundwater investigations at the Site indicate that facility operations have contaminated groundwater both on and off the Property. The primary constituents of concern are volatile organic compounds (VOCs), specifically trichloroethene (TCE), and chromium. Groundwater flow radiates outward from near the north and northwest portion of the Property; consequently, groundwater contamination related to the Property has been found in monitoring wells located around the developed portion of the Property. A component of the TCE plume originating from the Plant Manufacturing Area has migrated in groundwater south across Suber Mill Road onto an adjacent property; while a second component of the TCE plume has migrated off of the Property west/northwest from the Oil Impacted Area.

F. Textron entered into a consent agreement (Consent Agreement #98-084-W) with the Department in September 1998. Under the Consent Agreement, Textron investigated groundwater across the developed portion of the Site. The Consent Agreement requires routine sampling of surface water along with groundwater sampling of monitoring wells in the Oil Impacted Area, the Plant Manufacturing Area and wells that define the extent of the contaminant plume.

G. In December 2000, Textron submitted a Remedial Action Plan for the Oil Impacted Area that proposed a two-phase remediation approach. Phase I includes the installation of a biological enhanced reductive dechlorination (ERD) treatment barrier to protect surface water; and Phase II includes source reduction using ERD

for treatment of 'hot spots' and natural attenuation of the remaining groundwater plume. In September 2005, the Department's Bureau of Water approved installation of a biological enhanced reductive dechlorination (ERD) treatment barrier to reduce 'hot spots' and to enhance natural attenuation of the remaining groundwater plume in the Oil Impacted Area.

H. Retlaw purchased the Property in 2002. In July 2005, EnviroSouth, Inc. ("EnviroSouth") conducted an environmental assessment of the Property on behalf of Retlaw in anticipation that Retlaw would transfer the Property to an entity that would enter into a Non-Responsible Voluntary Cleanup Contract with the Department. EnviroSouth and representatives of the Department had several discussions regarding the scope of the environmental assessment and EnviroSouth submitted a work-plan for the conduct of the environmental assessment which was subsequently approved by the Department. The assessment was conducted in order to determine whether impacted groundwater is migrating westward toward the adjacent parcel and to determine subsurface soil quality and further document groundwater quality in the Plant Manufacturing Area. The following potential source areas were investigated as part of this assessment: the Oil Impacted Area (OIA), the wastewater treatment area (WWTA), the former plating area inside the main manufacturing building, the chemical storage area, and an above ground storage tank (AST) located outside of the manufacturing building near the chemical storage area. A brief summary of the results are provided below:

I. Groundwater Quality: Four temporary monitoring wells were installed along the western Property boundary and three groundwater samples were analyzed for volatile organic compounds (VOCs), RCRA metals, zinc, copper, chromium and cyanide. Temporary monitoring well sample TMW#1 was analyzed for all parameters included on EPA's Target Analyte List/Target Compound List (TAL/TCL). In addition, groundwater samples were collected from one shallow, one intermediate and one deep existing, permanent groundwater monitoring well in the OIA. Groundwater samples from permanent wells on various portions of the Property were analyzed in March 2005 for VOCs and during this investigation

groundwater samples were analyzed for total RCRA metals, zinc, copper, chromium, and cyanide. The groundwater sample from shallow well HO-MW-25 (r) was analyzed for the TAL/TCL parameters. Trichloroethene was detected at 1600 µg/l and cis-1,2-dichloroethene was detected at 2600 µg/l in groundwater from shallow well HO-MW-25(r). Certain metals were detected in concentrations above their respective maximum contaminant level (MCL) or action level (AL) in samples collected from the temporary monitoring wells along the western Property boundary while VOCs were not detected. It can be concluded that although the VOC plume from the OIA was not detected in TMW-1, the northeastern portion of the adjacent parcel may be downgradient of the OIA. One groundwater sample from existing, permanent monitoring well HO-MW-3s located in the WWTa was analyzed for the TAL/TCL parameters. Certain VOCs plus antimony, beryllium, chromium, and lead were detected in concentrations that exceed their respective MCLs/AL. One groundwater sample from HO-MW-7s in the Former Plating Area was analyzed for TAL/TCL parameters. Here certain VOCs plus arsenic, beryllium and lead were detected in concentrations exceeding their respective MCLs/AL.

J. Subsurface Soil Quality: Volatile organic compounds, specifically trichloroethene (560 µg/kg) and cis-1,2-dichloroethene (230 µg/kg), were detected in subsurface soils (18-21 feet below land surface) in the Oil Impacted Area (OIA). The concentration of trichloroethene exceeds the soil screening level (SSL) of 60 µg/kg included on the EPA Region IX Preliminary Remediation Goal (PRG) table. However, the presence of cis-1,2-dichloroethene may be an indication that in situ degradation is occurring. In late 1997 the Oil Impacted Area was excavated to a depth of approximately 16 feet below land surface, which was considered to be a feasible depth for excavating, in order to remove a known source of contamination. The detection of VOCs at the 18-21 foot level indicates that a residual source of contamination may exist. The 60 µg/kg SSL is a conservative default value deemed to be protective of groundwater. Because the concentration of VOCs in subsurface soil exceeded the default value, a site specific value was calculated. However, the site specific value was deemed not to be protective and an impermeable barrier for

the OIA is required. In late November 2005, the Department approved the design submitted by EnviroSouth on behalf of Retlaw for a 40-foot by 60-foot impermeable barrier of asphalt to be placed over the OIA in order to retard the infiltration of rainwater and thereby reduce or eliminate continued impact to groundwater. On March 8, 2006, the Department received notification that the impermeable barrier has been installed. Inspection of and maintenance of this barrier are considered remedial actions that require inclusion in the restrictive covenant. Four subsurface soil samples were collected in the WWTA at the oil water separator tank, the wastewater sump and the equalization tank. Samples were analyzed for zinc, copper, chromium, and cyanide. Two of these samples were analyzed for VOCs while one sample was also analyzed for semi-volatile organic compounds (SVOCs). Chromium was detected at concentrations exceeding the Soil Screening Level (SSL) on the EPA Region IX Preliminary Remediation Goals table for a dilution attenuation factor of 20. Chromium has historically been recognized as a parameter of concern. Three subsurface soil samples were collected from beneath the floor in the Former Plating Area. Each sample was analyzed for zinc, copper, chromium and cyanide and one sample was analyzed for TAL/TCL. None of these parameters were detected at concentrations exceeding their respective SSLs. One subsurface soil sample was collected at the chemical storage area and analyzed for VOCs. No parameters were detected at concentrations exceeding their respective standards. One subsurface soil sample was collected in the AST area and analyzed for VOCs. Cis-1,2-dichloroethene was detected at 7.1 µg/kg. The SSL for this parameter is 400 µg/kg.

K. Dorris intends to lease the Property to Associated Packaging, Inc. which plans to use the existing facilities on the Property to manufacture and inventory cardboard boxes, packaging supplies, corrugated dunnage, and specialty shipping containers.

3. The terms and conditions of this Contract apply to and shall inure to the benefit of each signatory and its Non-Responsible Party lenders, parents, subsidiaries, successors

and assigns, and upon any successor agency of the State of South Carolina that may have responsibility for and jurisdiction over the subject matter of this Contract.

4. Dorris Properties, LLC is a South Carolina limited liability company, with its principal place of business located at 446 Pennsylvania Avenue, Greer, South Carolina 29652. Dorris is a Non-Responsible Party at the Site; is not a parent, successor, or subsidiary of a Responsible Party at the Site; and Dorris certifies that it is eligible to be Bona Fide Prospective Purchaser for the Property. Dorris has had no previous involvement with the Site, including but not limited to any such activities that may have resulted in any Existing Contamination at the Site.

5. Within thirty (30) days after acquiring the Property, Dorris shall submit to the Department a payment of five thousand dollars (\$5,000.00) for the Department's consideration for contribution protection. Additionally, as provided for by S.C. Code Ann. § 44-56-200 and S.C. Code Ann. § 44-56-750 (D) (2005), Dorris shall, on a quarterly basis, reimburse the Department for oversight costs of activities required under this Contract. Dorris will only be responsible for paying the oversight costs the Department incurs related to the Property that are associated with activities required under this Contract. Oversight costs include but are not limited to the direct and indirect costs of negotiating the terms of this Contract and public participation. Payments will be due within thirty (30) days of receipt of the Department's invoice.

6. Two (2) years after the execution date of this Contract, Dorris shall provide the Department with the following information concerning the new operation at the Property: the number of jobs created; the amount of increase to the tax base; the amount of soil removed or remediated, if necessary; cost of all environmental work; total investment in the site; and any other information that demonstrates that the activities performed pursuant to this Contract have been beneficial to the State, the community, and the Department.

7. Subject to the provisions of Paragraph 15 of this Contract, nothing in this Contract is

intended to be, or shall be construed as, a release or covenant not to sue for any claim or cause of action, administrative or judicial, civil or criminal, past or future; in law or equity, that the Department may have against any person, firm, corporation, potentially responsible party, or other entity not a signatory of this Contract.

8. Nothing in this Contract is intended to limit the right of the Department to undertake future response actions at the Site or to seek to compel parties other than Dorris to perform or pay for response actions at the Site. Nothing in this Contract shall in any way restrict or limit the nature or scope of response actions that may be taken or be required by the Department in exercising its authority under State and Federal law. Dorris acknowledges that it is acquiring Property where response actions for Existing Contamination may be required that may be performed by Responsible Parties or the Department.

9. Upon written notification to the Department, the rights and obligations of this Contract shall be assignable to a new purchaser, lessee, lender, parent, subsidiary, or successor, but only to the extent that the new purchaser, lessee, parent, subsidiary, or successor has never been a Responsible Party at the Site.

10. The Department, its authorized officers, employees, representatives, and all other persons performing response actions will not be denied access to the Property during normal business hours or at any time work under this Contract is being performed or during any environmental emergency or imminent threat situation, as determined by the Department (or as allowed by applicable law). Dorris shall ensure that a copy of this Contract is provided to any current lessee or sublessee on the Property as of the execution date of this Contract. Dorris shall also ensure that any subsequent leases, subleases, assignments or transfers of the Property occurring during Dorris's ownership of the Property are consistent with this Paragraph.

11. Dorris shall preserve all drums, bottles, labels, business and operating records, contracts, Site studies, investigations, and other physical or written materials relating to the

Site that may provide environmental information, evidence of a Potentially Responsible Party's involvement at the Site, or may lead to the discovery of other areas of contamination at the Site. Prior to destruction of any such items, Dorris shall notify the Department of their location and provide the Department with an opportunity to inspect any materials or copy any documents at the Department's expense.

12. The Department and Dorris recognize that public participation is an important component of the Voluntary Cleanup Contract in order to further public acceptance of the project. The Department and Dorris will undertake necessary steps to foster opportunities for the public to be aware of the project. Specific functions of each signatory party to the Contract are as follows:

A. The Department will seek public comment in accordance with S.C. Code Ann. § 44-56-750 (2005) as outlined below:

- a. Upon signature of this Contract by Dorris, the Department will provide notice for public participation by placing announcements describing the proposed Contract in newspaper(s) of general circulation within the affected community. A thirty-day period following the publication date of the announcement(s) will be provided for public comment and will precede the Department's scheduled date for execution of the Contract.
- b. The Department may publicize the proposed Contract by any other means including, but not limited to, electronic mail, news releases, community flyers, and door-to-door canvassing. Such actions may be done solely at the Department's discretion.
- c. A public informational meeting will be held if requested by twelve residents of South Carolina or an organization representing twelve or more residents of South Carolina. At the Department's discretion, public informational meetings may be held in the nearby communities for any other reason prior to the Department executing the contract.

A public meeting may be requested at any time during the thirty-day comment period. In the event that a public meeting is deemed necessary, the Department will provide approximately two weeks advance notice of the meeting to the public and will extend the public comment period at least through the end of the day following the public meeting. The Department will not execute the contract during any public comment period. In addition, the Department may, at its discretion, conduct public meetings to inform the community about the site at any time after the contract is executed until the certificate of completion is issued.

B. Dorris agrees to enhance the public knowledge of the site response activities by:

- a. Erecting a sign(s) at each entrance onto the reference property from any public road, thoroughfare, navigable waterway, or other location routinely accessible by the public. The sign(s) shall be erected not later than one day after publication of any public announcement about the site placed by the Department in any newspaper of general circulation in the community.
- b. The sign will state "Voluntary Cleanup Project by Dorris Properties, LLC under Voluntary Cleanup Contract (06-5385(I)-NRP) with the South Carolina Department of Health and Environmental Control." The sign shall provide a brief description of the scope of activities under this Contract and contact information for a representative of Dorris and the Department's toll free number 866-576-3432. All required lettering on the sign must be of sufficient size to be legible with un-aided normal eyesight from the point where the public will normally pass by the site without intruding onto the Property.
- c. Within 10 days after erecting the sign, Dorris shall furnish to the Department photographs of the sign along with a site location drawing

showing the sign location(s). Photograph(s) of the sign(s) shall be taken from no closer than the edge of the publicly-accessible road, waterway, etc. and should include an appropriately sized scale reference so that Department may determine the size of the sign and effectiveness of the lettering. Dorris agrees to revise the sign if the Department determines the sign is not legible.

d. Dorris must maintain the sign(s) in legible conditions and visible locations throughout the duration of the contract period until a certificate of completion is issued on the site.

e. In the event that any sign must be removed to accommodate building or grading activities, Dorris shall replace the sign within two days. If the sign cannot be restored to the original location, Dorris may relocate it to another location meeting the conditions specified above.

C. All costs incurred by the Department for public participation [e.g., public notice(s), building and equipment rental(s) for public meetings, etc.] will be paid by Dorris.

13. The Department and Dorris agree that the following are entitled to protection from contribution claims as provided by CERCLA § 113(f)(2), 42 U.S.C. §§ 9613(f)(2); S.C. Code Ann. § 44-56-200 and S.C. Code Ann. § 44-56-750 (2005): Dorris, its Non-Responsible Party lenders, lessees, parents, subsidiaries, successors, and assigns. A thirty (30) day comment period for contribution protection commences upon notice of this Contract to Responsible Parties at the Site as identified by the Department through a reasonable search effort.

14. The Department and Dorris agree that the following are entitled to protection from third-party claims for equitable relief or damages relating to Existing Contamination at, on or under the Property, as provided by S.C. Code Ann. § 44-56-750 (2005): Dorris, its Non-Responsible Party lenders, lessees, signatories, parents, subsidiaries and successors.

This limitation on liability does not apply to any contamination caused by Dorris or its lenders, lessees, signatories, parents, subsidiaries, or successors. Furthermore, this limitation of liability is effective on the date this contract is executed by the Department, but will be automatically withdrawn if this contract is lawfully terminated by either party.

15. Upon successful completion of the terms of this Contract, Dorris shall submit to the Department a written notice of completion. Once the Department acknowledges satisfactory completion of the Contract terms, the Department, under its authority to enforce CERCLA, 42 U.S.C. §§ 9601, et seq., pursuant to the HWMA, S.C. Code Ann. § 44-56-200, will give Dorris a Certificate of Completion that provides a covenant not to sue Dorris, its Non-Responsible Party lenders, lessees, parents, subsidiaries, successors, and assigns for Existing Contamination, except for releases and consequences that Dorris causes. In consideration of this liability protection from the Department, Dorris agrees not to assert any claims or causes of action against the Department arising out of activities undertaken at the Site or to seek other costs, damages, or attorney's fees from the Department arising out of activities undertaken at the Site, except for those claims or causes of action resulting from the Department's intentional or grossly negligent acts or omissions.

16. Due to the fact that hazardous substances in excess of residential standards exist at the Property, land use restrictions shall be defined in the Certificate of Completion and the Department shall enter into a restrictive covenant with Dorris which shall appropriately restrict use of the Property based on environmental data. The restrictive covenant shall be substantially in the form and substance of Appendix C attached to this Contract. The restrictive covenant shall be signed by the Department and representatives of Dorris and witnessed, signed, and sealed by a notary public. Dorris shall file this restrictive covenant with the Register of Deeds in Greenville County. The signed covenant shall be incorporated into this contract as an Appendix. With the approval of the Department, the restrictive covenant may be modified in the future if: (a) additional remedial activities are carried out which meet appropriate clean up standards at that time; (b) a significant change

in law requiring remediation occurs; or (c) circumstances change such that the restrictive covenant would no longer be applicable.

17. Dorris specifically denies any responsibility for response costs or damages resulting from Existing Contamination and does not, by signing this Contract, waive any rights that it may have to assert any claims in law or equity against any other person, company, or entity with respect to the Site. However, Dorris is responsible and liable for any and all contamination it causes or contributes to the Site. Should environmental contamination neither previously-identified nor identified during the performance of response actions required under this Contract be discovered at the Site after the execution date of the Certificate of Completion, the burden is on Dorris to demonstrate to the Department's satisfaction that the contamination was not caused by Dorris.

18. Dorris and the Department each reserve the right to unilaterally terminate this Contract. Termination may be accomplished by giving a thirty (30) day advance written notice of the election to terminate this Contract to the other party. Should Dorris elect to terminate, it must submit to the Department all data generated pursuant to this Contract and certify to the Department's satisfaction that no environmental or physical hazards exist at the Site as a result of Dorris' actions. The Department may terminate this Contract only for cause, which may include but is not limited to the following: (a) events or circumstances at the Property that are inconsistent with the terms and conditions of this Contract; (b) failure to complete the terms of this Contract; or (c) additional contamination of the Site caused by Dorris.

19. If Dorris provides the Department with false or incomplete information, or if Dorris's business activities on the Property or use of the Property change such that they are inconsistent with the terms and conditions of this Contract, then the releases/contribution protection extended to Dorris, its Non-Responsible Party lenders, parents, subsidiaries, successors, and assigns, shall become null and void.

20. Dorris acknowledges that the Department will not grant or will revoke liability protection if Dorris acquires the Contract or a Certificate of Completion by fraud, misrepresentation, knowing failure to disclose material information, or failure to satisfactorily complete the terms of this Contract.

21. All correspondence which may or are required or permitted to be given by either party to the other hereunder shall be in writing and deemed sufficiently given if delivered by (i) regular U.S. mail, (ii) certified or registered mail, postage prepaid, return receipt requested, (iii) by nationally recognized overnight delivery service company or (iv) by telephone facsimile addressed to the other party at the address shown below or at such place or to such agent as the parties may from time to time designate in writing.


The Department: Ms. Kristen H. Long
Bureau of Land and Waste Management
2600 Bull Street
Columbia, South Carolina 29201

Dorris: William C. Dorris
Dorris Properties, LLC
Post Office Box 1428
Greer, South Carolina 29652

Any notice given hereunder shall be deemed delivered when, if sent by mail, the return receipt is signed or refusal to accept the notice is noted thereon or, if sent by recognized overnight courier when the notice is actually delivered or refused as reflected in the courier company's delivery records or if sent via facsimile upon receipt of confirmation by the sender that the facsimile has been received.

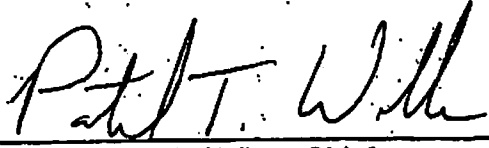
THE SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL
CONTROL

BY:


Robert W. King, Jr., P.E.
Deputy Commissioner
Environmental Quality Control

DATE:

6/29/06
Columbia, South Carolina


Patrick T. (Pat) Walker, Chief
Bureau of Land and Waste Management

DATE:

6/28/06


Approved by Legal Office

DATE:

6/27/2006

DORRIS PROPERTIES, LLC

William C. Dorris
Signature

DATE: 5/18/06

WILLIAM C. DORRIS PRESIDENT
Printed Name and Title

FORM OF DECLARATION OF COVENANTS AND RESTRICTIONS

RECITALS

WHEREAS, contaminants in excess of allowable concentrations for unrestricted use remain at the Property; and

WHEREAS, the Property is the subject of Voluntary Cleanup Contract 06-5385(I)-NRP (herein after referred to as the "Voluntary Cleanup Contract") entered into by the South Carolina Department of Health and Environmental Control and Dorris, pursuant to the Brownfields/Voluntary Cleanup Program, S.C. Code Ann. § 44-56-710, et seq. (2005), the Comprehensive Environmental Response Compensation and Liability Act (CERCLA), 42 U.S.C. §§ 9601, et seq., and the South Carolina Hazardous Waste Management Act (HWMA), S.C. Code Ann. § 44-56-200.

WHEREAS, the Property may be used for certain purposes without further remediation in accordance with the conditions of the Voluntary Cleanup Contract which requires that certain restrictions be placed on development and use of the Property; and

WHEREAS, Dorris has agreed to impose restrictions on the manner in which the Property may be developed (said restrictions to run with the land and inure to the benefit of and be enforceable by the Department and its successor agencies).

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS that Dorris hereby declares and covenants on behalf of itself, its heirs, successors, and



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Page: 1474-1480

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Rec:\$13.00

Cnty Tax:\$0.00

State Tax:\$0.00

FILED IN GREENVILLE COUNTY, SC

assigns that the Property described in Exhibit A shall be held, mortgaged, transferred, sold, conveyed, leased, occupied, and used subject to Voluntary Cleanup Contract 06-5385(1)-NRP dated, June 29, 2006, to include the following restrictions, which shall touch and concern and run with the title to the Property.

1. Dorris hereby covenants for itself, its heirs, successors and assigns that the Property shall not be used for the following purposes: residential, agricultural, recreational, child day care facilities, schools, or elderly care facilities without prior approval from the Department or its successor agency.
2. Dorris covenants for itself, its heirs, successors and assigns that groundwater beneath the Property may not be used for drinking or irrigation purposes without prior approval from the Department or its successor agency.
3. Dorris covenants for itself, its heirs, successors and assigns that the integrity of the 40 foot by 60 foot asphalt pad placed over the Oil Impacted Area located in the northwestern portion of the Property shall be maintained and not disturbed as this pad is considered an engineered barrier to confirmed subsurface contamination. This barrier shall be maintained in good condition and may not be disturbed without prior approval from the Department or its successor agency.
4. Dorris covenants for itself, its heirs, successors and assigns that the Department or its successor agency, and all other parties performing response actions under the Department's oversight shall be provided reasonable access to inspect the Property, to oversee the activities conducted on the Property, or to take samples as may be necessary to enforce this Declaration.
5. The covenants and restrictions set forth herein shall run with the title to the Property and shall be binding upon Dorris, its heirs, successors and assigns. Dorris and its heirs, successors, and assigns shall include the following notice on all deeds, mortgages, plats, or any legal instruments used to convey any interest in the Property (failure to comply with this paragraph does not impair the validity or enforceability of these covenants):

NOTICE: This Property Subject to Declaration of Covenants
and Restrictions and any subsequent Amendments
Recorded at _____

6. Dorris, its heirs, successors and assigns shall submit to the Department certification of the proper recording of this Declaration of Covenants and Restriction and a statement of maintenance of the

covenants and restrictions as set forth above annually on May 31st of every year.

7. This Declaration shall remain in place until such time as the Department has made a written determination that the covenants and restrictions set forth herein are no longer necessary. This Declaration shall not be amended without the written consent of the Department or its successor agency.
8. This Declaration only applies to the Property expressly identified in Exhibit A and does not impair the Department's authority with respect to the Property or other real property under the control of Dorris.

IN WITNESS WHEREOF, DORRIS PROPERTIES, LLC has caused this instrument to be executed as of the date first above written.

WITNESSES:

DORRIS PROPERTIES, LLC
A SOUTH CAROLINA LIMITED
LIABILITY COMPANY

[Signature]

By: William C. Dorris

Jennifer Mosley

WILLIAM C. DORRIS MEMBER
(Name and Title)

STATE OF South Carolina
COUNTY OF Greenville) ACKNOWLEDGEMENT

I, Jennifer Mosley (Notary Public), do hereby certify that, William Dorris, an authorized representative of the Dorris Properties, LLC, personally appeared before me this day and acknowledged the due execution of the foregoing instrument, on behalf of the LLC.

Witness my hand and official seal this 11th day of August, 2006

Jennifer Mosley
Notary Public for South Carolina
My Commission Expires: 5/18/15

IN WITNESS WHEREOF, the Department has caused this instrument to be executed as of the date first above written.

WITNESSES:

Phyllis W. Williams

Rannia K. Hiett

South Carolina Department of Health
and Environmental Control

By: Robert W. King, Jr.

Robert W. King, Jr., P.E., Deputy
Commissioner, Environmental Quality
Control

South Carolina Department of Health
and Environmental Control

STATE OF SOUTH CAROLINA)

) ACKNOWLEDGEMENT

COUNTY OF RICHLAND)

I, Linda P. Gresham (Notary Public), do hereby certify
that, Robert W. King, Jr., P.E., Deputy Commissioner Environmental Quality
Control of the South Carolina Department of Health and Environmental Control,
personally appeared before me this 22nd day and acknowledged the due execution of
the foregoing instrument.

Witness my hand and official seal this 22nd day of August, 2010

Linda P. Gresham
Notary Public for S.C.

My Commission Expires: May 18, 2011

LEGAL DESCRIPTION

All that parcel or tract of land situate and being in the County of Greenville, State of South Carolina, on the southwestern side of Buncombe Road, shown and designated as 23.01 acres, and more specifically described by metes and bounds, on plat of survey entitled "Survey for RETLAW, Inc.," dated March 31, 2004, prepared by W.R. Williams, Jr., and recorded in the Office of the Register of Deeds for Greenville County, South Carolina, in Plat Book 50-T, at page 85, which plat, and the courses and distances shown thereon, are incorporated by reference herein.

Being a portion of that property conveyed to RETLAW, Inc. by deed of Deere & Company, recorded on November 27, 2002, in Deed Book 2018, at page 487, aforesaid records.

Survey for RETLAW, Inc. dated March 31, 2004

Copy is kept in the Department's files.

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August 24, 2006 04:06:07 PM

Timothy J. Conway

EXHIBIT H

Lease Guaranty

Lease Guaranty Agreement

1. FOR VALUE RECEIVED, and in consideration for, and as an inducement of **KAPSTONE CONTAINER CORPORATION**, a Georgia corporation (the "Tenant"), to enter into that certain Lease Agreement dated _____, 20__ (with all Exhibits thereto, the "Lease") with **ELK TRADING COMPANY, LLC**, a South Carolina Limited Liability Company (the "Landlord"), the undersigned, **WILLIAM SCOTT DORRIS** and **BRADLEY FRANKLIN DORRIS** ("Guarantor", whether one or more), hereby absolutely and unconditionally guarantees the full performance and observance of all the covenants, duties and obligations (including, without limitation, the obligation to perform the Landlord's Work (as defined in the Lease)) therein provided to be performed and observed by Landlord, Landlord's successors, and assigns, and Guarantor hereby makes themselves fully liable for such performance.
2. Guarantor expressly agrees that the validity of this Guaranty and its obligations hereunder shall not be terminated, affected or impaired by reason of the assertion by Landlord against Tenant of any of the rights or remedies reserved under the Lease. Guarantor further covenants and agrees that this Guaranty and the full liability of Guarantor hereunder shall remain and continue in full force and effect notwithstanding the occurrence of any one or more of the following types of transactions: (i) any renewal, extension, modification or amendment of the Lease; (ii) any assignment or transfer by Landlord; (iii) any assignment or transfer or subletting by Tenant; (iv) death of any Guarantor; (v) any dissolution of Tenant or Landlord; or (vi) the fact that Tenant or Landlord may be a party to any merger, consolidation or reorganization; provided however, if Landlord is a disappearing party in any such merger, consolidation or reorganization, then Guarantor shall thereupon automatically become primarily liable for the performance of all the covenants, duties and obligations of Landlord under the Lease. Tenant shall not be obligated to give notice to Guarantor of the occurrence of any of the foregoing events.
3. Failure of Tenant to insist upon strict performance or observance of any of the terms, provisions or covenants of the Lease or to exercise of any right therein contained shall not be construed as a waiver or relinquishment for the future of any such term, provision, covenant or right, but the same shall continue and remain in full force and effect. Waiver by Tenant of any right of Tenant against Landlord under the Lease shall not constitute a waiver as against Guarantor or in any other way inure to the benefit of Guarantor (unless Tenant agrees in writing that the liability of Guarantor under this Guaranty is thereby affected).
4. Guarantor further agrees that in any right of action which shall accrue to Tenant under the Lease, Tenant may, at its option, proceed against Landlord alone (without having made any prior demand upon Guarantor or having commenced any action against Guarantor of having obtained or having attempted to satisfy any judgment against Guarantor) or may proceed against Guarantor and Landlord, jointly or severally, or may proceed against Guarantor alone (without having made any prior demand upon Landlord or having commenced any action

against Landlord or having obtained or having attempted to satisfy any judgment against Landlord) or, in the case of there being more than one Guarantor, may proceed against one or more Guarantors (without having made any prior demand upon any other Guarantor or having commenced any action against any other Guarantor or having obtained or attempted to satisfy any judgment against any other Guarantor).

5. Guarantor further covenants and agrees that if the Lease terminates and Tenant has any rights it can enforce against Landlord after termination, Tenant may enforce those rights against Guarantor by providing notice to or demand upon Landlord.
6. THIS GUARANTY SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF SOUTH CAROLINA AND THE UNITED STATES OF AMERICA. ANY ACTION ARISING UNDER OR IN CONNECTION WITH THIS GUARANTY SHALL BE HEARD BEFORE A COURT OF COMPETENT JURISDICTION WITHIN THE STATE OF SOUTH CAROLINA.
7. Guarantor specifically waives any notice of acceptance of this Guaranty by Tenant.
9. Guarantor acknowledges and represents to Tenant that Landlord executed the Lease and Guarantor executed this Guaranty prior to the time that Tenant executed the Lease. Guarantor acknowledges and agrees that the execution and delivery of this Guaranty by Guarantor to Tenant has served as a material inducement to Tenant to execute and deliver the Lease. Guarantor further acknowledges and agrees that but for the execution and delivery of this Guaranty by Guarantor, Tenant would not have executed and delivered the Lease.
10. Guarantor agrees that in the event that Landlord shall become insolvent or shall be adjudicated a bankrupt, or shall file petition for reorganization, rearrangement or other relief under any present or future provisions of the federal Bankruptcy Code, or if such a petition be filed by creditors of Landlord, or if Landlord shall seek a judicial readjustment of the rights of its creditors under any present or future federal or state law or if a receiver of all or part of its property and assets is appointed by any State or Federal court, no such proceeding or action taken therein shall modify, diminish or in any way affect the liability of Guarantor under this Guaranty and the liability of Guarantor with respect to the Lease shall be of the same scope as if Guarantor had executed the Lease as the named tenant thereunder. No rejection or termination of the Lease in any of the proceedings referred to in this paragraph shall be effective to release or terminate the continuing liability of Guarantor to Tenant under this Guaranty with respect to the Lease for the remainder of the Lease Term stated therein unaffected by any such rejection or termination in said proceedings; and if, in connection with any of the circumstances referred to in this paragraph, Tenant should request that Guarantor execute a new Lease for the balance of the term of the Lease, but in all other aspects identical with the Lease, Guarantor shall do so as the named "Landlord" under such new Lease (irrespective of the fact that the existing Lease may have been "rejected" or "terminated" in connection with any proceedings referred to in this paragraph). In the event of failure or refusal of Guarantor to execute such new Lease as herein provided, without limiting any of the legal or equitable remedies of Tenant on account of such failure or refusal, Guarantor

agrees that Tenant shall have the right to obtain a decree of specific performance against Guarantor.

11. All rights of Guarantor against Landlord arising by way of subrogation on account of Guarantor's having performed some covenant, duty or obligation of Landlord under the Lease shall be subject and subordinate to all of the rights of Tenant against Landlord with respect to the Lease. Guarantor shall not exercise any such right of Guarantor against Landlord until all of the covenants, duties and obligations of Landlord under the Lease shall have been fully performed.
12. The stated rights of Tenant under this Guaranty shall be understood as not excluding any other legal or equitable rights of Tenant against Guarantor not expressly set forth herein, but shall be understood as being cumulative to all such other legal and equitable rights of Tenant not expressly stated herein.
13. Whenever this Guaranty is executed by more than one party as Guarantor, all references herein to Guarantor shall refer to each and all of the undersigned parties signing this Guaranty as Guarantor, and the liability of said parties for the performance of the covenants, duties and obligations of Guarantor hereunder shall be joint and several.
14. Should any portion of this Guaranty ever be held legally invalid or unenforceable, the balance of this Guaranty shall not thereby be affected, but shall remain in full force and effect in accordance with its terms and provisions.
15. All terms and provisions hereof shall inure to the benefit of the assigns and successors of Landlord and shall be binding upon the heirs, executors, administrators, successors and assigns of Guarantor.
16. In any action between the parties seeking enforcement or interpretation of this Guaranty or the Lease, the prevailing party in such action shall be awarded, in addition to damages, injunctive or other relief, its reasonable cost and expenses, and a reasonable attorney's fee as may be fixed by the court having jurisdiction over the matter.
17. This Guaranty was reviewed by Guarantor and Guarantor acknowledges and agrees that Guarantor (a) understands fully all of the terms of this Guaranty and the consequences and implications of Guarantor's acceptance of this Guaranty, and (b) has been afforded an opportunity to have this Guaranty renewed by and to discuss the terms, consequences and implications with, an attorney or such other persons as Guarantor may have desired.

[SIGNATURES ON NEXT PAGE]

EXECUTED in multiple counterparts, each of which shall have the force and effect of an original, on this the 16 day of February 2018.

Signed in the presence of:

WILLIAM SCOTT DORRIS

Chad h
Witness

By: William Scott Dorris
William Scott Dorris

BRADLEY FRANKLIN DORRIS

Sammy Bradley
Witness

By: Bradley Franklin Dorris
Bradley Franklin Dorris

EXHIBIT I

Rent Schedule

[To be incorporated at a later date]

EXHIBIT J

Memorandum of Lease

MEMORANDUM OF LEASE AND LICENSE

This MEMORANDUM OF LEASE AND LICENSE (the "Memorandum") is made as of February 16, 2018 by ELK TRADING COMPANY, LLC, a South Carolina limited liability company ("Landlord") and KAPSTONE CONTAINER CORPORATION, a Georgia corporation ("Tenant").

WITNESSETH:

WHEREAS, the Landlord, as ground tenant, entered into that certain Ground Lease with Dorris Properties, LLC ("Ground Lessor"), as ground landlord, dated as of February 1, 2017 (the "Ground Lease") in connection with the ground lease of certain real property situated off Suber Mill Road in Greer, South Carolina containing approximately 8.22 acres of real property (the "Land"), more particularly described on the attached Schedule A, and plotted on Schedule A-1, incorporated herein by reference.

WHEREAS, a Memorandum of Ground Lease, dated as of February 1, 2017, in connection with the Ground Lease has been recorded at Book DE 2507, Page 1513-1516.

WHEREAS, subsequent to the execution of the Ground Lease, the parties hereto entered into that certain (i) Option to Lease and License Agreement (the "Option") dated as of February 1, 2017, and (ii) Memorandum of Option to Lease and License dated as of February 1, 2017 and recorded at Book DE 2507, Page 1517-1522, by which Landlord has agreed to lease to Tenant, and Tenant has agreed to lease from Landlord, all or a portion of certain improvements to be constructed on the Land (the "Premises").

WHEREAS, in connection with Tenant's exercise of the Option, Landlord and Tenant have entered into that certain Lease Agreement dated as of February 16, 2018 (the "Lease") by which Landlord has (i) leased the Premises to the Tenant, and (ii) granted Tenant, its agents, invitees and permittees, a non-exclusive license to use the Land (the "License").

WHEREAS, this Memorandum is executed in order to evidence the Lease and License and to memorialize certain terms and conditions contained therein so as to provide record notice to all concerned. Said terms include, but are not limited to, the following:

1. LEASE COMMENCEMENT DATE: The Lease shall commence on the date hereof (the "Commencement Date").
2. RENT COMMENCEMENT DATE: Tenant shall commence paying rent upon (i) Landlord obtaining a certificate of occupancy and all related local approvals in connection with construction of the Premises, and (ii) providing Tenant with occupancy of the substantial completion of the Premises.
3. LEASE TERM: The term of this Agreement shall begin on the Commencement Date, and terminate at midnight on the 31st day of January 2042.

Signed, sealed and delivered
in the presence of:

LANDLORD:

ELK TRADING COMPANY, LLC

By: William S Dorris (SEAL)

Cindy Gibson
Printed Name of Witness

Cindy Gibson

M Singleton
Printed Name of Witness

Melissa Singleton

STATE OF SOUTH CAROLINA

ACKNOWLEDGMENT

COUNTY OF GREENVILLE

The foregoing instrument was acknowledged before me this 16th day of Feb, 2018 by
William S Dorris the Member of Elk Trading Company,
LLC, a South Carolina limited liability company, on behalf of the company.

Notary Public of South Carolina

Printed Name:

Elizabeth L Weisner

My commission expires:

Nov. 17, 2021

Signed, sealed and delivered
in the presence of:

TENANT:

KAPSTONE CONTAINER CORPORATION

Printed Name of Witness

By: _____ (SEAL)

Printed Name of Witness

STATE OF

ACKNOWLEDGMENT

COUNTY OF

The foregoing instrument was acknowledged before me this ____ day of _____, 20__ by
_____ the _____ of KapStone Container
Corporation, a Georgia corporation on behalf of the company.

Notary Public of _____

Printed Name:

My commission expires:

Schedule A

All that piece, parcel and tract of land in Greenville County, South Carolina, on the north side of Suber Mill Road and shown as "Tract One, 8.22 acres" (358,191 Sq. Feet) on that certain plat entitled "Subdivision Survey for Dorris Properties, LLC" prepared by W.R. Williams, Jr., dated January 30, 2017 and recorded in the Registry of Deeds Office for Greenville County in Plat Book 1261, at Page 0060, more particularly described as follows.

To Find the Point of Beginning, begin at a 5/8" rebar on the southwestern side of S. Buncombe Road at the joint northeastern corner of Tract Two and southeastern corner of property now or formerly of Todd Enterprises, LLC (TM#G006000300101) thence S 60-35-55 W 831.66 feet to a point on the eastern line of Tract One at the joint corner of Tract One and Tract Two being the POINT OF BEGINNING, thence along the common line of Tracts One and Two the following courses and distances: S 33-41-24 E 730.54 feet to a point; N 75-23-32 E 132.03 feet to a point; N 57-24-20 E 715.01 feet to a point and S 34-29-47 E 8.99 feet to a point on the property now or formerly of D & D Investment & Construction (TM #G006000300204), thence along the line of D & D Investment & Construction the following courses and distances: S 34-29-47 E 75.13 feet to a point, S 58-29-19 W 50.06 feet to a point and S 34-30-20 E 182.59 feet to a point on the north side of Suber Mill Road; thence along the northern side of Suber Mill Road S 58-28-15 W 423.59 feet to a 1/2" rebar at the corner of property now or formerly of Delta Properties of SC (TM#G006000300203); thence leaving Suber Mill Road and along the line of Delta Properties of SC the following courses and distances: N 80-09-02 W 31.58 feet a nail; N 42-41-13 W 169.31 feet to a spike; S 75-23-32 W 381.02 to a 5/8" rebar; N 82-42-35 W 60.98 feet to a 5/8" rebar bent and N 31-01-29 W 700.21 feet to a point on the line of property now or formerly of Suburban Propane LP Ltd Partnership; thence along the line of Suburban Propane LP Ltd Partnership N 60-35-55 E 278.54 feet to the point of beginning.