

FORM PTO-1594  
(Rev. 10/02)  
OMB No. 0651-0027 (exp. 6/30/2005)  
M&G 10815.3/6/12/35/36/40/41/44/45/49/122US01

RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY

U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):  
  
Fraser Papers, Inc.  
  
 Individuals  Association  
 General Partnership  Limited Partnership  
 Corporation-State of Delaware  
 Other: \_\_\_\_\_  
  
Additional name(s) of conveying party(ies) attached?  Yes  No

2. Name and address of receiving party(ies):  
  
Antonio Levesque & Sons  
RFD #1  
Ashland, Maine 04732  
  
 Individual(s) citizenship  
 General Partnership  Association  
 Corporation-State of Maine  Limited Partnership  
 Other: \_\_\_\_\_  
  
If assignee is not domiciled in the United States, a domestic representative designation is attached:  
 Yes  No  
(Designations must be separate document from Assignment)

3. Nature of conveyance:  
 Assignment  Merger  
 Security Agreement  Change of Name  
 Other: \_\_\_\_\_  
  
Execution Date: June 27, 2004

Additional name(s) & address(es) attached?  Yes  No

4. Application number(s) or trademark number(s):

A. Trademark Application No.(s)/ Mark(s)

B. Trademark Reg. No.(s)/Mark(s)  
2,451,660/MAGNA CARTA PARCHMENT  
2,052,750/OUTBACK  
2,179,074/MOSAIC  
2,058,351/SYNERGY  
1,948,996/PEGASUS  
1,875,934/WORX  
1,689,028/TORCHGLOW OPAQUE  
1,717,974/GENESIS  
1,517,990/PASSPORT  
1,469,008/MEDALLION  
1,422,791/HALOPAQUE

5. Name and address of party to whom correspondence concerning document should be mailed:  
Name: John A. Clifford  
Address: MERCHANT & GOULD P.C.  
P.O. Box 2910  
Minneapolis, MN 55402-0910

6. Total number of applications and trademarks involved: 11  
7. Total fee (37 CFR 3.41): \$290.00  
 Enclosed  
 Authorized to be charged to deposit account 13-2725  
8. Please charge any additional fees or credit any overpayments to our Deposit account number: 13-2725

DO NOT USE THIS SPACE

9. Signature:

John A. Clifford  
Name of Person Signing



JAN 24, 2005  
Date

Total number of pages including cover sheet, attachments, and document: 13

Do not detach this portion

Mail documents to be recorded with required cover sheet information to:  
Commissioner of Patent & Trademarks, Box Assignments  
Director of the United States Patent and Trademark Office  
Washington, D.C. 20231

CH \$290.00 132725 2451660

## CONTRIBUTION AGREEMENT

This Contribution Agreement (this "Agreement") is dated as of June 3, 2004 by and between Fraser Papers Inc., a Delaware corporation (the "Parent") and Antonio Levesque & Sons, Inc., a Maine corporation ("Subsidiary"). Parent has agreed to contribute to Subsidiary:

- (i) the assets as defined in Schedule A attached hereto (the "Schedule A Assets");
- (ii) the Parent's interest in Fraser N.H. LLC; and
- (iii) the Parent's preferred interest in Katahdin Paper Company LLC (Delaware), its option to purchase the common interests in Katahdin Paper Company LLC and its interest in the lease and management agreement with Katahdin Paper Company LLC,

(collectively, the "Paper Assets") in exchange for a number of shares of common stock, with no par value, of the Subsidiary (the "Subsidiary Stock") to be determined by the directors of Subsidiary and the assumption of the obligations and liabilities of the Parent in respect of the Paper Assets in existence or accruing prior to the Effective Date, as defined below (the "Assumed Liabilities"). In furtherance of the foregoing, the parties agree as follows:

I. Contribution of Paper Assets. Subject to the terms and conditions hereof, Parent will contribute to the capital of, and convey, transfer and assign to, Subsidiary, the Paper Assets, valued in the aggregate at their fair market value (the "Capital Commitment") with effect from the earliest moment (the "Effective Time") on June 27, 2004 or such other date as agreed by the parties (the "Effective Date"). On the Effective Date, the Subsidiary agrees to issue to the Parent in exchange for such Capital Commitment the Subsidiary Stock and the Subsidiary agrees to assume the Assumed Liabilities. In addition, Subsidiary agrees to assume, fulfil and perform, and indemnify and save harmless Parent in respect of, the obligations and liabilities of Parent accruing after the close of business on the day before the Effective Date under the leases, agreements, contracts and commitments forming part of the Paper Assets to be contributed by Parent to Subsidiary under this Agreement.

1.1. Allocation of Assumed Liabilities. The Assumed Liabilities assumed by Subsidiary under this Agreement shall be allocated as follows:

- (i) first, pro-rata to each of the Schedule A Assets, based on the fair market value of each such asset, but in no event shall the amount so allocated to a particular property exceed the fair market value of such property;
- (ii) second, the balance of the Assumed Liabilities after the allocation described in paragraph (i) above, if any, to each of the remaining Paper Assets, other than the Schedule A Assets, the interest in Fraser N.H. LLC or the preferred interest in Katahdin Paper Company LLC, on a pro-rata basis based on the fair market value of each such property, but in no event shall the amount so allocated to a particular property exceed the fair market value of such property; and

- 2 -

- (iii) third, the balance of the Assumed Liabilities after the allocations described in paragraphs (i) and (ii) above, if any, to the interest in Fraser N.H. LLC and the preferred interest in Katahdin Paper Company LLC, on a pro-rata basis based on the fair market value of each such property.

1.2. Allocation of Subsidiary Stock. The Subsidiary Stock issued by Subsidiary to Parent under this Agreement shall be allocated to each of the Paper Assets to the extent that the fair market value of the particular property contributed exceeds the amount of the Assumed Liabilities allocated to the particular property as set in Section 1.1.

1.3. Allocations under Sections 1.1 and 1.2. The allocations described in Sections 1.1 and 1.2 will be estimated by Parent, acting reasonably, within 90 days of the Closing and such allocations will be appended as Schedule B to this Agreement and form a part hereof. Parent and Subsidiary and any of their affiliates will, subject to applicable laws, use the allocations so estimated by Parent for purposes of the *Income Tax Act* (Canada), unless such allocations are changed by mutual agreement between Parent and Subsidiary.

2. Closing. The closing (the "Closing") of the issuance by Subsidiary to Parent of the Subsidiary Stock shall take place on Effective Date. Each party's obligations to effect the Closing is conditioned upon the delivery of the Paper Assets as herein contemplated and, at Closing, each of Parent and Subsidiary shall deliver to each other such bills of sale, deeds, assignments and other instruments of conveyance and assumption as are necessary or desirable to effect the transactions to be completed at the Effective Time described in Section 1 and elsewhere in this Agreement. In addition, the Subsidiary's obligation to effect the Closing is also conditioned upon the accuracy of the following representation of Parent.

2.1. Purchase for Investment. Parent agrees that it is subscribing for the Subsidiary Stock pursuant to this Agreement for its own account and not with a view to or for sale in connection with any distribution of all or any part of the Subsidiary Stock within the meaning of Securities Act of 1933, as amended (the "Securities Act"). Parent acknowledges its understanding that the offering and sale of the Subsidiary Stock hereunder is intended to be exempt from registration under the Securities Act by virtue of Section 4(2) of the Securities Act. Parent hereby agrees that it will not, directly or indirectly, transfer, offer, sell, pledge, hypothecate or otherwise dispose of all or any part of the Subsidiary Stock (or solicit any offers to buy, purchase or otherwise acquire or take a pledge of all or any part thereof) except in a manner that does not violate the Securities Act or any applicable state securities laws. Parent represents that it is an accredited investor (as defined in Rule 501 promulgated under the Securities Act). Parent understands that it must bear the economic risk of an investment in the Subsidiary Stock for an indefinite period of time because, among other reasons, the offering and sale of the Subsidiary Stock have not been registered under the Securities Act, and therefore, the Subsidiary Stock cannot be sold unless it is subsequently registered under the Securities Act or an exemption from such registration is available.

3. Employees. Notwithstanding the sale and purchase of the Paper Assets as of and with effect from the Effective Time, the Parent will continue to employ all of the employees

- 3 -

of the Paper Business until the close of business on the day immediately preceding the Effective Date on the same terms and conditions as are in effect on the date hereof.

3.1. Employment of Employees by the Subsidiary: The Subsidiary will, effective the opening of business on the Effective Date, offer to employ on and after the Effective Date all of the employees who are employed by the Parent in the Paper Business, on substantially the same terms and conditions of employment as are in effect on the date hereof. To the extent that any collective bargaining agreement applies to employees of the Parent employed in the Paper Business, the Subsidiary, on the Effective Date, will be the successor to the Parent under such collective bargaining agreement pursuant to the provisions of applicable labor legislation and on and after the Effective Date will be bound by and observe all of the terms, conditions, rights and obligations of the Parent under such collective bargaining agreement to the extent that it applies to employees of the Parent employed in the Paper Business.

3.2. Employee Responsibilities: Subject to the provisions of section 3.1, on the Effective Date, the Subsidiary will assume and will discharge all obligations and liabilities for wages, severance pay, termination pay, notice of termination of employment or pay in lieu of such notice, damages for wrongful dismissal or other employee benefits or claims, including vacation pay accrued up to the close of business on the date immediately preceding the Effective Date, in respect of all employees (and former employees) of the Parent in the Paper Business on the close of business on the date immediately preceding the Effective Date. In addition, the Subsidiary agrees to discharge all such obligations and liabilities accruing after the close of business on the day immediately preceding the Effective Date in respect of all employees of the Parent in the Paper Business employed by the Subsidiary.

3.3. Forms W-2: Pursuant to Revenue Procedure 96-60, Subsidiary shall assume Parent's obligation to furnish Forms W-2 to employees for the calendar year 2004. Parent will provide Subsidiary with all information not available to Subsidiary relating to periods prior to the Effective Date which may be necessary for Subsidiary to prepare and distribute forms W-2 for calendar year 2004, which Forms W-2 will include all remuneration earned by employees from both Parent and Subsidiary during 2004.

4. Change of Name: The Parent immediately after the implementation of the Plan of Arrangement involving Nexfor Inc. and 4229401 Canada Inc. will file (i) articles of amendment changing its corporate name to one that does not include any trade mark or trade name included in the Paper Assets, and (ii) cancellations with all applicable governmental authorities of the registrations of all business names included in the Paper Assets.

5. Bulk Sales. Each of the Parties waives compliance with any applicable bulk sales law, including without limitation the U.S. Uniform Commercial Code Bulk Transfer provisions.

6. Trust. The Parent hereby declares that, as to any property or assets or interest in any property or assets of the Parent intended to be transferred, assigned, conveyed, sold and set

- 4 -

over to the Subsidiary, its successors and assigns pursuant to this Agreement and title to which may not have passed to the Subsidiary its successors and assigns by virtue of this Agreement or any transfers or conveyances which may from time to time be executed and delivered in pursuance of the covenants contained herein, the Parent holds the same in trust for the Subsidiary, its successors and assigns and hereby agrees to convey, assign and transfer the same as the Subsidiary may from time to time direct.

7. Substitution and Subrogation. The contribution of the Paper Assets to the Subsidiary, its successors and assigns, pursuant to this Agreement shall be with full rights of substitution and subrogation of the Parent, its successors or assigns, to the extent possible, in and to all covenants and warranties by others heretofore given or made in respect of the Paper Assets or any part thereof.

8. Further Assurances. The Parent will from time to time and at all times hereafter upon every reasonable request of the Subsidiary or its successors and assigns, and without further consideration, do and perform or cause to be done or performed all such further acts and things, execute or cause to be executed all such further deeds, documents, writings or other instruments and give all such further assurances as may be required by the Subsidiary to effectively carry out the intent and meaning hereof.

9. Amendments and Waivers. This Agreement may be amended and the observance of any provision hereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of Parent and Subsidiary. No provision of this Agreement shall be deemed to have been waived except if such waiver is contained in a written notice given to the party claiming such waiver has occurred, and no such waiver shall be deemed to be a waiver of any other or further obligation or liability of the party or parties in whose favor the waiver was given.

10. Miscellaneous. This Agreement shall be governed by the laws of the State of Delaware without regard to the conflict of laws principles thereof. This Agreement may be executed in one or more counterparts, all of which shall constitute one and the same instrument. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and is binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

11. Tax Treatment. The Parent and Subsidiary intend this contribution to be treated as a tax-free contribution under section 351 and 368 of the Internal Revenue Code of 1986, as amended, and will take all steps necessary to qualify for such treatment.

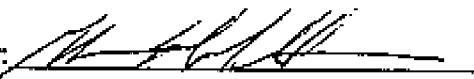
The parties hereto have executed this Agreement as of the date set forth above.

**FRASER PAPERS INC.**

By:  \_\_\_\_\_

By: \_\_\_\_\_

**ANTONIO LEVESQUE & SONS, INC.**

By:  \_\_\_\_\_

By: \_\_\_\_\_

### SCHEDULE A

The assets to be contributed by the Parent to Subsidiary mean the undertaking, property and assets of the paper operations at present carried on by the Parent in the United States (the "Paper Business"), wheresoever situate, including, without limitation, the following:

- (1) all machinery and equipment and all tools, handling equipment, furniture, furnishings and accessories owned by the Parent and used in connection with the Paper Business;
- (2) the full benefit of all leases of machinery and equipment in which the Parent is lessee relating to the Paper Business;
- (3) all inventories of the Paper Business including, without limiting the generality of the foregoing, all finished goods, work in progress and raw materials;
- (4) all new and unused production, shipping and packaging supplies owned by the Parent and relating to the Paper Business;
- (5) all of the accounts receivable of the Paper Business;
- (6) the full benefit of all franchise, licence or management agreements and all other contracts or commitments to which the Parent is entitled in connection with the Paper Business including without limiting the generality of the foregoing.
  - (a) all unfilled orders received by the Parent in connection with the Paper Business;
  - (b) all forward commitments to the Parent for supplies or materials entered into in the usual and ordinary course of the Paper Business for use in the Paper Business whether or not there are any written contracts with respect thereto; and
  - (c) the further contracts and commitments;
- (7) the full benefit of all licences, registrations, permits and quotas required to carry on the Paper Business in its usual and ordinary course;
- (8) all the right, title, benefit and interest of the Parent in and to all registered trade marks, trade names, patents and copyrights, all unregistered trade marks, trade names and copyrights, and all patent applications, trade mark registration applications and copyright registration applications, both domestic and foreign, owned or made by the Parent in connection with the Paper Business;
- (9) all the right, title, benefit and interest of the Parent in and to all of the designs, inventions, licences, sub-licences, franchises, formulae, recipes, processes, technology and other industrial property of or used in connection with the Paper Business;

- 7 -

- (10) computer software used in connection with the Paper Business;
- (11) the goodwill of the Paper Business including, without limiting the generality of the foregoing,
  - (a) the exclusive right to the Subsidiary to represent itself as carrying on the Paper Business in continuation of and in succession to the Parent and the right to use any words indicating that the Paper Business is so carried on including, without limiting the generality of the foregoing, the use if otherwise permitted by law of the corporate name "Fraser Papers Inc." and the trade names "Fraser Papers"; and
  - (b) all records of sales, customer lists and supplier lists of or used in connection with the Paper Business;
- (12) all pre-paid expenses and deposits relating to the Paper Business including, without limiting the generality of the foregoing, all pre-paid taxes and water rates, all pre-paid purchases of gas, oil and hydro, all pre-paid lease payments;
- (13) all plans and specifications in the Parent's possession or under its control relating to the plant buildings, structures, erections, improvements, appurtenances and fixtures situate on or forming part of the all freehold and leasehold property and interests of the Parent therein described in Annex I attached hereto including, without limiting the generality of the foregoing, all such electrical, mechanical and structural drawings related thereto as are in the possession or under the control of the Parent; and
- (14) all personnel records, inspection records and other records, books, documents and data bases relating to the Paper Business or to the assets described in this Schedule A as are in the possession or under the control of the Parent.



**ANNEX I****Maine**

1. Paper Mill – Madawaska, Maine
2. Landfill – Frenchville, Maine

**Wisconsin**

1. Pulp and Paper Mill - Park Falls, Wisconsin

**Ohio**

1. Landfill - West Carleton, Moraine, Ohio

**SCHEDULE B**

066130-010060  
TDO-CORP #7063959 v. 5

## AMENDING AGREEMENT

WHEREAS Fraser Papers Inc., a Delaware corporation (the "Parent") and Antonio Levesque & Sons, Inc., a Maine corporation ("Subsidiary") entered into a contribution agreement (the "Contribution Agreement") dated June 3, 2004;

AND WHEREAS the Parent and the Subsidiary have agreed to amend the Contribution Agreement;

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parent and the Subsidiary, the Parent and the Subsidiary hereby agree as follows:

1. The first paragraph of the Contribution Agreement is hereby amended by deleting the words:

"the assumption of the obligations and liabilities of the Parent in respect of the Paper Assets in existence or accruing prior to the Effective Date, as defined below (the "Assumed Liabilities")",

where they first appear in such first paragraph and replacing them with the words:

"the assumption of the obligations and liabilities of the Parent in respect of the Paper Assets in existence or accruing prior to the Effective Date, as defined below, except (i) the liabilities of the Parent under any outstanding intercompany loans between the Parent and any of its affiliates, and (ii) all liabilities in respect of income or capital taxes of Parent as of the Effective Date, as defined below, and including any liabilities that may arise in respect of reassessments that may be issued by the Internal Revenue Service, or a state equivalent, after the Effective Date, as defined below, but which relate to taxation years of Parent prior to the Effective Date, as defined below (the "Assumed Liabilities")".

2. Subsection 3.2 of the Contribution Agreement is hereby amended by adding the following words after the last sentence in that subsection:

"For greater certainty, Parent hereby assigns and Subsidiary hereby assumes on the Effective Date all of the rights and obligations in respect of each qualified pension plan, 401(k) plan, health and welfare benefits plan or any other employee benefit plan (and, in each case the relevant trust fund, insurance contract or any other funding arrangement and all service contracts relating to such plan) (the "Employee Benefit Arrangements") in respect of the employees and former employees of the Parent in the Paper Business."

3. Schedule A is hereby amended by inserting to following immediately after clause (12) and renumbering clauses (13) and (14) of Schedule A as (15) and (16), respectively:

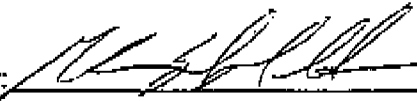
"(13) all the right, title, benefit and interest of the Parent in the Employee Benefit Arrangements;

(14) all freehold and leasehold property and interests therein of the properties of the Parent listed on Annex I including all rights of way, licences or rights of occupation, easements or other similar rights of the Parent in connection with such freehold and leasehold property;"

- 4. Except as hereby amended, the provisions of the Contribution Agreement remain in full force and effect, unamended.
- 5. This Amending Agreement may be executed in counterparts and all counterparts when taken together shall comprise one and the same instrument.


The parties hereto have executed this Amending Agreement as of the 27<sup>th</sup> day of June, 2004.

**FRASER PAPERS INC.**

By:  \_\_\_\_\_

By: \_\_\_\_\_

**ANTONIO LEVESQUE & SONS, INC.**

By:  \_\_\_\_\_

By: \_\_\_\_\_

**BILL OF SALE**

Fraser Papers Inc., a Delaware corporation ("Seller"), for good and valuable consideration to it paid, receipt of which is hereby acknowledged, and pursuant to the Contribution Agreement dated as of June 3, 2004 between Seller and Antonio Levesque & Sons, Inc., a Maine corporation ("Buyer"), as amended by an Amending Agreement dated June 27, 2004 (the "Contribution Agreement"), and notwithstanding that the following property may be conveyed by separate and specific transfer documents, by these presents sells, conveys, assigns, transfers and delivers, or will cause to be sold, conveyed, assigned, transferred and delivered, to Buyer all of Seller's right, title and interest in and to the Paper Assets, subject to and in accordance with the terms of the Contribution Agreement. All capitalized terms not otherwise defined herein shall have the definitions given to such terms in the Contribution Agreement.

TO HAVE AND TO HOLD such Paper Assets, as a going concern, unto Buyer and its successors and assigns to and for its or their use forever.

Seller hereby constitutes and appoints Buyer, its successors and assigns, Seller's true and lawful attorney and attorneys, with full power of substitution, in Seller's names and stead, by, on behalf of and for the benefit of Buyer, its successors and assigns, to demand and receive any and all of the Paper Assets transferred hereunder and to give receipts and release for and in respect of the same, and any part thereof, and from time to time to institute and prosecute in Seller's names, or otherwise, for the benefit of Buyer, its successors or assigns, may deem proper for the collection or reduction to possession of any of the Paper Assets transferred hereunder or for the collection and enforcement of any claim or right of any kind hereby sold, conveyed, assigned, transferred, and delivered, or intended so to be, and to do all acts and the things in relation to the Paper Assets transferred hereunder which Buyer, its successors or assigns, shall deem desirable, Seller hereby declaring that the foregoing powers are coupled with an interest and are and shall be irrevocable by Seller in any manner or for any reason whatsoever.

IN WITNESS WHEREOF, Seller has caused this Bill of Sale to be signed and delivered to Buyer as of the Closing Date to be effective as of the first instance in time on June 27, 2004.

**FRASER PAPERS INC.**

By: 

Name:

Title: