

PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1
 Stylesheet Version v1.2

EPAS ID: PAT3228398

SUBMISSION TYPE:	RESUBMISSION	
NATURE OF CONVEYANCE:	CORRECT AN ERROR IN A COVER SHEET PREVIOUSLY RECORDED; REEL/FRAME 031474/0001; CORRECTION TO THE SPELLING OF ASSIGNEE'S NAME	
RESUBMIT DOCUMENT ID:	503158215	
CONVEYING PARTY DATA		
Name		Execution Date
INTERPLAST PACKAGING, INC.		09/24/2012
RECEIVING PARTY DATA		
Name:	PACTIV CANADA INC.	
Street Address:	2010 ELLESMERE ROAD, UNIT 629	
City:	SCARBOROUGH, ONTARIO	
State/Country:	CANADA	
Postal Code:	M1H3B1	
PROPERTY NUMBERS Total: 12		
Property Type	Number	
Patent Number:	7766169	
Patent Number:	7686181	
Application Number:	11747956	
Application Number:	12626663	
Application Number:	12637092	
Application Number:	12637108	
Application Number:	12726634	
Application Number:	13677792	
Application Number:	13677830	
Application Number:	29435344	
Application Number:	29435345	
Patent Number:	7775364	
CORRESPONDENCE DATA		
Fax Number:		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>		
Email:	nycdocket@bakerbotts.com	
Correspondent Name:	BAKER BOTTS L.L.P.	

PATENT

Address Line 1:	30 ROCKEFELLER PLAZA, 44TH FLOOR
Address Line 4:	NEW YORK, NEW YORK 10112

ATTORNEY DOCKET NUMBER:	077410.1260
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NAME OF SUBMITTER:	CHRISTOPHER R. PATRICK
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SIGNATURE:	/Christopher R. Patrick/
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DATE SIGNED:	02/17/2015
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Total Attachments: 110

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PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1
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EPAS ID: PAT2590784

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	CHANGE OF NAME
CONVEYING PARTY DATA	
Name	Execution Date
INTERPLAST PACKAGING, INC.	09/24/2012
RECEIVING PARTY DATA	
Name:	PACTIV CANADA, INC
Street Address:	2010 ELLESMERE ROAD, UNIT 629
City:	SCARBOROUGH, ONTARIO
State/Country:	CANADA
Postal Code:	M1H3B1
PROPERTY NUMBERS Total: 12	
Property Type	Number
Patent Number:	7775364
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Application Number:	13677792
Application Number:	12637108
Application Number:	12637092
Application Number:	12626663
Application Number:	11747956
CORRESPONDENCE DATA	
Fax Number:	

502545270

PATENT
 REEL: 031474 FRAME: 0001
 PATENT
 REEL: 034970 FRAME: 0844

CH \$480.00 7775364

Phone: 212-408-2500
Email: DLNYDocket@BAKERBOTTSCOM
Correspondence will be sent via US Mail when the email attempt is unsuccessful.
Correspondent Name: BAKER BOTTS L.L.P.
Address Line 1: 30 ROCKEFELLER PLAZA, 44TH FLOOR
Address Line 4: NEW YORK, NEW YORK 10112

NAME OF SUBMITTER:	SHAUNTE MCFADDEN
Signature:	/Shaunte McFadden/
Date:	10/24/2013

Total Attachments: 106

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DISCLOSURE SCHEDULE

to the

ASSET PURCHASE AGREEMENT

among

PACTIV CANADA INC.,

INTERPLAST PACKAGING, INC.

and

KEYES PACKAGING GROUP, L.P.,
(for the limited purpose stated therein)

September 24, 2012

PREAMBLE

This Disclosure Schedule (the "Disclosure Schedule") has been prepared and is being delivered in connection with the execution and delivery of that certain Asset Purchase Agreement (the "Purchase Agreement"), dated as of September 24, 2012, by and among Pactiv Canada Inc., Interplast Packaging, Inc., a British Columbia corporation ("Seller") and Keyes Packaging Group, L.P. ("KPGLP"), solely for the purposes stated therein. Capitalized terms used but not otherwise defined in the Disclosure Schedule shall have the respective meanings ascribed to such terms in the Purchase Agreement.

The Disclosure Schedule is arranged in sections and subsections corresponding to the numbered and lettered sections and subsections contained in the Purchase Agreement. An item disclosed in one section or subsection of the Disclosure Schedule will be deemed adequately disclosed in another part of the Disclosure Schedule as an exception to another representation, warranty, covenant or agreement to the extent that it is reasonably apparent from the nature of the disclosure that such disclosure is also an exception to such other representation, warranty, covenant or agreement.

The headings contained in the Disclosure Schedule are for reference purposes only and shall not affect in any way the meaning or interpretation of the Disclosure Schedule. The attachments referenced in the Disclosure Schedule form an integral part of the Disclosure Schedule and are incorporated by reference for all purposes as if set forth fully herein.

Section 1.02(b)(i)
Closing Indebtedness

1. Third Amended and Restated Credit Agreement dated as of October 28, 2011 by and among Wrap Pack Inc., Keyes Fibre Corporation, Seller, the other persons party thereto that are designated as Credit Parties, General Electric Capital Corporation, BMO Capital Markets Financing, Inc., The Bank of Nova Scotia, GE Canada Finance Holding Company and the other financial institutions party thereto.

GE Capital Senior Debt payoff amount as of Closing:

Canadian Term B (USD)	\$6,644,379.21 USD
Canadian Revolver Subfacility (USD)	468,322.15 USD
Total USD	\$7,112,719.36 USD

Canadian Term B (CAD)	\$5,684,078.80 CAD
Canadian Revolver Subfacility (CAD)	486,773.66 CAD
Total CAD	\$6,170,852.46 CAD

2. Amended and Restated Note Purchase Agreement dated as of October 28, 2011 by and among Keyes Packaging Group, L.P., Keyes Packaging Group, Inc. ("KPGI"), Wrap Pack Inc., Keyes Fibre Corporation, Seller, Keyes Fibre Corporation (Canada), Inc., Keyes Fibre (U.S.), Inc., BMO Private Equity (Canada), Inc. and MG Stratum Fund III, Limited Partnership.

BMO Private Equity (Canada), Inc. payoff amount as of Closing:

Total	\$3,422,402.09 USD
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MG Stratum Fund III, Limited Partnership payoff amount as of Closing:

Total	\$3,422,402.09 USD
-------	--------------------

Section 1.02(c)
Excluded Assets

1. KEYES & Design:

Registration Number: 2671853

Registration Date: 1/7/2003

Registrant: Keyes Fibre Corporation

2. Agreements between KPGLP and each of Sage Software Inc. and Manufacturing Information Systems, Inc. The Seller currently has certain licensing rights with respect to those arrangements, but does not utilize such software in its Business.

Section 1.05
Purchase Price Allocation

The total amount to be allocated (the "Allocable Amount") is equal to the Final Aggregate Purchase Price. The Allocable Amount will be allocated to the Purchased Assets as follows:

1. First, to all of the assets in Net Working Capital, in the same amount as on the Final Closing Balance Sheet;
2. Second, to the assets described as "fixed assets" as set forth on the Final Closing Balance Sheet, in the same amount as set forth on the Final Closing Balance Sheet; and
3. Third, to the intangible assets, an amount equal to the Allocable Amount less the amounts allocable pursuant to clauses 1 and 2 above.

Section 2.03
Subsidiaries

None.

Section 2.04
No Breach

1. Third Amended and Restated Credit Agreement dated as of October 28, 2011 by and among Wrap Pack Inc., Keyes Fibre Corporation, Seller, the other persons party thereto that are designated as Credit Parties, General Electric Capital Corporation, BMO Capital Markets Financing, Inc., The Bank of Nova Scotia, GE Canada Finance Holding Company and the other financial institutions party thereto.
2. Amended and Restated Note Purchase Agreement dated as of October 28, 2011 by and among Keyes Packaging Group, L.P., Keyes Packaging Group, Inc. ("KPGI"), Wrap Pack Inc., Keyes Fibre Corporation, Seller, Keyes Fibre Corporation (Canada), Inc., Keyes Fibre (U.S.), Inc., BMO Private Equity (Canada), Inc. and MG Stratum Fund III, Limited Partnership.
3. Lease, dated April 26, 2012, by and between Groupe Lavalaubin Ltée, as lessor, and Seller, as lessee, for the property located at 955 Industrial Blvd., Terrebonne, Quebec, J6Y 1V7.
4. Employer Services Service Agreement dated as of December 6, 2006 between ADP Canada Co. and Seller.
5. Employment and Non-Competition Agreement dated May 1, 2008 between Seller and Germain Archambault.
6. Service Agreement dated as of August 19, 2009 between Seller and Source Omega.
7. Auto Lease dated as of March 15, 2012 between Toyota and Seller.
8. Group Insurance Plan, contract number 1826, effective as of October 1, 2010, between La Capitale Insurance and Financial Service (with collaboration of ACT Conseillers Inc.) and Seller.

Section 2.05(a)
Financial Statements

Seller does not accrue for sick pay. Seller's policy is to allow three paid days per year for employees that have at least 12 months continuous service. At the end of each year, the sick days that are not taken by eligible employees are paid out to such employees.

Section 2.05(b)
Indebtedness

1. Third Amended and Restated Credit Agreement dated as of October 28, 2011 by and among Wrap Pack Inc., Keyes Fibre Corporation, Seller, the other persons party thereto that are designated as Credit Parties, General Electric Capital Corporation, BMO Capital Markets Financing, Inc., The Bank of Nova Scotia, GE Canada Finance Holding Company and the other financial institutions party thereto.

GE Capital Senior Debt payoff amount as of Closing:

Canadian Term B (USD)	\$6,644,379.21 USD
Canadian Revolver Subfacility (USD)	468,322.15 USD
Total USD	\$7,112,719.36 USD

Canadian Term B (CAD)	\$5,684,078.80 CAD
Canadian Revolver Subfacility (CAD)	486,773.66 CAD
Total CAD	\$6,170,852.46 CAD

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BMO Private Equity (Canada), Inc. payoff amount as of Closing:

Total	\$3,422,402.09 USD
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MG Stratum Fund III, Limited Partnership payoff amount as of Closing:

Total	\$3,422,402.09 USD
-------	--------------------

Section 2.06
Absence of Certain Developments

None.

Section 2.07
Title to Properties; Sufficiency of Assets

None.

Section 2.08(a)
Real Property Leases; No Breach; Subleases

Real Property Leases

Lease, dated April 26, 2012, by and between Groupe Lavalaubin Ltée, as lessor, and Seller, as lessee, for the property located at 955 Industrial Blvd., Terrebonne, Quebec, J6Y 1V7.

Storage facility lease, dated as of December 8, 2003, by and between Mini-Entrepôts Interim Inc., as lessor, and Seller, as lessee.

Breaches

None.

Subleases

None.

Section 2.08(c)
Former Locations (owned or leased)

None.

Section 2.09
Tax Matters

None.

Section 2.10(a)
Contracts and Commitments

(i)

1. Employment and Non-Competition Agreement dated May 1, 2008 between Seller and Germain Archambault.
2. Employment Contract dated May 7, 2009 between François St-Louis and Seller.
3. Executive Severance Agreement dated August 11, 2010 between Seller and its subsidiaries, successors and assigns and Germain Archambault.

(iii)

1. Employment and Non-Competition Agreement dated May 1, 2008 between Seller and Germain Archambault.

(iv)

1. Third Amended and Restated Credit Agreement dated as of October 28, 2011 by and among Wrap Pack Inc., Keyes Fibre Corporation, Seller, the other persons party thereto that are designated as Credit Parties, General Electric Capital Corporation, BMO Capital Markets Financing, Inc., The Bank of Nova Scotia, GE Canada Finance Holding Company and the other financial institutions party thereto.
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(vii)

1. 2010 to 2012 Midwest Foods Association Pricing and Service Agreement dated as of July 14, 2010.
2. 2010 – 2013 Burnbrae Farms Supply Agreement dated as of May 20, 2010.
3. 2010 Herbruck Poultry Ranch Pricing Agreement effective July 1, 2010
4. 2012 Eggland's Best Inc. Purchasing and Supply Agreement dated as of June 11, 2012
5. 2012 Pete and Gerry's Purchasing and Supply Agreement dated as of August 10, 2012
6. 2012 Cal-Maine Foods, Inc. Purchasing and Supply Agreement effective as of June 1, 2012
7. 2012 Hillandale Farms Supply and Pricing Proposal effective as of August 27, 2012

(ix)

1. Agreement dated June 6, 2005 between Namtek Consulting Services and Seller.

(xii)

1. Manufacturing Agreement between Peninsula Packaging Company and Seller dated March 11, 2011.

Section 2.10b)
Material Contracts

None.

Section 2.11
Intellectual Property

Copyrights

None.

Patents; Industrial Designs

COUNTRY	SERIAL NO.	FILING DATE	ISSUE DATE	TITLE
USA	7,686,181	Dec. 30, 2005	Mar. 30, 2010	Stackable Egg-Box, Stack of Egg-Boxes and Method for Destacking Said Egg-Box
USA	7,766,169	Sept. 7, 2004	Aug. 3, 2010	Stackable Egg-Box, Stack of Egg-Boxes and Method for Destacking Said Egg-Box
USA	7,775,364		August 17, 2010	Grasping closure system for container for frangible items

Pending Patent Applications

COUNTRY	SERIAL NO.	FILING DATE	ISSUE DATE	TITLE
Canada	2,697,311	Mar. 18, 2010		Egg Container with Stack Spacing System
USA	12/726,634	Mar. 18, 2010		Egg Container with Stack Spacing System
Canada	2,688,362	Dec. 14, 2009		Hinge Configuration for Container for Frangible Items
USA	12/637,092	Dec. 14, 2009		Hinge Configuration for Container for Frangible Items
USA	12/637,108	Dec. 14, 2009		Stacking Configuration for Container for Frangible Items
Canada	2,688,365	Dec. 14, 2009		Stacking Configuration for Container for Frangible Items
USA	12/628,242	Dec. 1, 2009		Grasping Closure System for Container for Frangible Items
Canada	2,686,712	Dec. 1, 2009		Grasping Closure System for Container for Frangible Items
USA	12/626,663	Nov. 26, 2009		Container for Frangible Items
Canada	2,686,474	Nov. 26, 2009		Container for Frangible Items
Canada	2,588,405	May 14, 2007		Container for Frangible Articles Such as Eggs
USA	11/747,956	May 14, 2007		Container for Frangible Articles Such as Eggs

Trademarks

1. INTERPLAST
2. The trademarks attached hereto on Annex A.

Seller uses a trademark owned by Seller or an Affiliate of Seller (the "Excluded Trademark") which incorporates the INTERPLAST trademark. Seller does not own or have any rights to the Excluded Trademark. The Excluded Trademark will continue to be owned by Seller or its Affiliate following the Closing, and the INTERPLAST trademark will be removed from the Excluded Trademark and will no longer be used in connection therewith.

Domain Names

1. www.interplast.net
Registrar Name: EasyDNS
Date of Registration: Before 1999

ANNEX A

See Attached



Rappel: Nous avons besoin d'une signature signée pour envoyer l'étiquette en impression.
Reminder: We need signed form now to send the label to print.

Section 2.12
Litigation

None.

Section 2.13(a)
Employee Benefit Plans

1. Seller participates in the Keyes Packaging Group Incentive Program.
2. Germain Archambault was granted options under the Keyes Packaging Group, L.P. Amended and Restated 2004 Option Plan, as amended.
3. Group benefits (employee life, dependent life, accidental death & dismemberment, health, dental, long term disability) provided through policy no. 1826 issued by La Capitale assurance et gestion du patrimoine on October 1, 2010 to Seller.

Section 2.13(b)
Employee Benefit Plans; Compliance with Laws

None.

Section 2.14
Insurance; Claims

Type of Policy	Insurer	Insured
Commercial Owned Automobile	Continental Casualty Company	Seller
Common Policy Declaration: 1. Commercial Property Coverage 2. Commercial Business Income Coverage 3. Commercial General Liability Coverage 4. Equipment Breakdown Coverage	Continental Casualty Company	Seller
1. D & O 2. Employment Practice 3. Fiduciary Liability	Chubb Group	Seller and Affiliates

Section 2.15
Compliance with Laws

None.

Section 2.16
Environmental Matters

Seller leases a manufacturing facility located at 955, Boulevard Industriel, Terrebonne, Quebec. The land on which this facility is located has been used in the past by the Government of Canada as a firing range and as an explosives and munitions destruction site. Although certain remediation actions have been completed with respect to this site, hazardous materials related to these past activities may be present at the site.

Section 2.17
Related Party Agreements

None.

Section 2.18
Employees

(a)

Hourly Employees

<u>Date of Hire</u>	<u>Position</u>	<u>Hourly pay rate</u>	<u>Annual Estimate</u>
1/7/2000	Senior Operator	16.40 \$	34,112.00 \$
1/9/2002	Senior Operator	15.20 \$	31,616.00 \$
5/20/2003	Operator	13.17 \$	27,393.60 \$
7/5/2004	Operator	15.40 \$	32,032.00 \$
9/13/2004	Operator	14.69 \$	30,555.20 \$
11/15/2005	Operator	11.86 \$	24,668.80 \$
1/7/2008	Operator	12.40 \$	25,792.00 \$
3/26/2007	Operator	12.40 \$	25,792.00 \$
1/15/2004	Senior Operator*	17.30 \$	35,984.00 \$
10/23/2009	Operator	11.60 \$	24,128.00 \$
3/3/2008	Operator	11.68 \$	24,294.40 \$
10/16/2009	Operator	11.76 \$	24,460.80 \$
3/19/2004	Operator	12.35 \$	25,688.00 \$
6/27/2010	Operator	11.60 \$	24,128.00 \$
6/4/2012	Operator	10.70 \$	22,256.00 \$
5/28/2012	Operator	10.70 \$	22,256.00 \$
5/7/2010	Senior Operator	11.79 \$	24,523.20 \$
5/4/2012	Operator	10.70 \$	22,256.00 \$
11/10/2008	Operator	11.65 \$	24,232.00 \$
6/4/2012	Operator	10.70 \$	22,256.00 \$
2/14/2011	Operator	11.60 \$	24,128.00 \$
6/11/2012	Operator	10.70 \$	22,256.00 \$
6/18/2012	Operator	10.70 \$	22,256.00 \$
8/13/2012	Operator	10.70 \$	22,256.00 \$
6/14/2004	Material Handler / Lift Operator	21.42 \$	44,553.60 \$
1/8/2002	Grinding operator	13.26 \$	27,580.80 \$
6/4/2007	Material Handler / Lift Operator	16.50 \$	34,320.00 \$
6/21/2012	Label Planner	12.70 \$	26,416.00 \$
4/23/2012	Material Handler / Lift Operator	12.50 \$	26,000.00 \$
1/8/2007	Material Handler / Lift Operator	14.13 \$	29,390.40 \$

Salaried Employees

<u>Employment date</u>	<u>Position</u>	<u>Annual Salary</u>
5/5/2008	General Manager	175,000.00 \$
2/8/2011	Administrative Assistant	43,752.00 \$
4/30/2007	Customer Service Representative	43,278.00 \$
5/12/2009	Operations Manager	127,170.00 \$
7/3/2012	Supervisor - Maintenance	65,000.00 \$
11/12/2002	Day Shift Supervisor*	48,913.00 \$
11/17/2008	Evening Shift Supervisor	34,998.00 \$
8/2/2004	Night Shift Supervisor	36,550.00 \$
3/16/2012	Logistics & Planning	60,000.00 \$
12/19/2011	Controller	90,000.00 \$
2/9/2009	Accounting Clerk	39,252.00 \$
1/13/1998	Technical Support Specialist	67,355.00 \$
5/24/2011	Technical Support Specialist	65,650.00 \$
8/19/1999	Supervisor - Graphics	55,512.00 \$
1/7/2001	Graphics Designer	47,893.00 \$
Temporary at this time	HR Supervisor	71,075.00 \$
6/20/2005	Trainer	42,551.00 \$

(c)

1. Élisabeth Tremblay
2. Doris Tétreault
3. Stéphane Leclerc
4. Morin Michelle
5. Giraldeau Marie-Josée

(d)

1. Germain Archambault, \$170,000
2. Hal Scott Lindley, \$75,000

Section 2.19
Brokerage

Pursuant to the Letter Agreement dated March 15, 2012, between KPGLP and Robert W. Baird & Co., KPGLP is obligated to pay a transaction fee to Robert W. Baird & Co. upon the sale of Seller.

Section 2.20
Governmental Licenses and Permits

1. Certificate of authorization number P06-2118, dated February 15, 2011, for a change of use as of October 24, 2006, issued by the city of Terrebone to Seller in order to authorize the operation of plastic packaging at the facility located at 955, boulevard Industriel, Terrebone (Quebec) J6Y 1V7.
2. North American Free Trade Agreement Certificate of Origin issued by the Department of Homeland Security U.S. Customs and Border Protection effective from January 1, 2012 to December 31, 2012 providing for preferential tariff treatment.

Section 2.21
Inventory

None.

Section 2.22
Accounts Receivable

None.

Section 2.23
Customers and Suppliers

Fiscal Year 2011

Customers	Suppliers
1. Land O'Lakes/Moark	1. Klockner Pentaplast
2. Burnbrae Farms	2. Reynolds Packaging KAMA Inc.
3. R.W. Sauder	3. Nu-B Inc.
4. Costco	4. Imprimerie L'Empreinte Inc.
5. Herbruck Egg farms	5. RM Logistic
6. Gray Ridge Eggs	6. Peninsula Packaging
7. Pete & Gerry's	7. Beresford Box Company
8. Cal-Maine	8. Dieco Emportes-Pieces Inc.
9. Radlo Foods	9. Emballages Mitchel-Lincoln Ltée
10. Nutri-Oeuf	10. C.H. Robinson Worldwide, Inc.

1. Midwest Foods Association notified Seller that R.W. Sauder would transition approximately 50% of its business to a secondary supplier, pending qualification of such supplier.
2. Seller negotiated a price increase with Costco Wholesale during 2012.
3. Seller entered 2012 contracts with Eggland's Best, Cal-Maine and Pete & Gerry's.
4. Reynolds KAMA no longer supplies RPET sheet to Seller.

Section 2.24
Product Defects

None.

Section 5.02
Severance Obligations

1. Hal Scott Lindley
2. Harry Seeley

Section 5.05
Accrued Bonuses

<u>Employee</u>	<u>Bonus Amount as of Closing Date</u>
Germain Archambault	\$41,426
Beatriz Guzman	\$3,073
Genevieve Chabot	\$4,535
Chantal Frégeau	\$5,256
Francois St-Louis	\$18,062
Martin Bernachez	\$1,026
Francois Blanchette	\$6,378
Pierre Lamarche	\$6,216
Bilel Raouli	\$2,604
Gaetanne Rousseau	\$3,474
Noella Bernier	\$2,485
Sylvie Parise	\$2,596
Johanne Carter	\$3,022
Melissa Bergeron	\$12,783
Annie Pelletier	\$2,788
Maryse Beaupre	\$3,107
Michele Papointe	\$6,730

Section 6.05(b)
Non-Competition

1. Hal Scott Lindley
2. Harry Seeley

Section 8.01(a)
Permitted Liens

None.

Section 8.01(b)
Sale Process Confidentiality Agreements

1. The Anderson Group LLP
2. Avirio Capital
3. Bedford Capital
4. Blauvelt Capital Advisors LLC
5. Bradford Castle, Inc.
6. Calvert Street Capital Partners
7. Capital For Business
8. Cascades Specialty Products Group
9. CIC Partners Management LLC
10. First Atlantic Capital
11. Fonds de solidarité des Travailleurs Du Québec
12. Fulcrum Capital Partners
13. Gridiron Capital, LLC
14. Hammond, Kennedy, Whitney & Company, Inc.
15. Herman Companies
16. Horizon Partners, Ltd.
17. Huron Capital Partners LLC
18. Industrial Opportunity Partners LLC
19. Kilmer Capital Partners Limited
20. Kinderbrook Industries, LLC
21. Manson Wells Buyout Fund III, LP
22. Marlin Management Company, LLC
23. MCM Capital Partners
24. Milestone Partners Management Co. L.P.
25. Penfund Management Ltd.
26. PNC Riverarch Capital
27. Prairie Capital V, L.P.
28. Prodos Capital Management LLC
29. Rank Group Limited
30. Rockwood Equity Partners
31. Saw Mill Capital LLC
32. Signal Hill Equity Partners Inc.
33. Stonebridge Partners Mgt IV, LLC
34. Stonehenge Partners, Inc.
35. Tonka Bay Equity Partners
36. Wind Point Partners

ASSET PURCHASE AGREEMENT

among

PACTIV CANADA INC.,

INTERPLAST PACKAGING, INC.

and

KEYES PACKAGING GROUP, L.P.,
(for the limited purpose stated herein)

September 24, 2012

This document is not intended to create nor will it be deemed to create
a legally binding or enforceable offer or agreement of any type or nature,
unless and until agreed to and executed by all parties.

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement") is made as of September 24, 2012, by and among Pactiv Canada Inc., an Ontario corporation ("Buyer"), and Interplast Packaging, Inc., a British Columbia corporation (the "Seller") and Keyes Packaging Group, L.P. ("KPGLP"), solely for the purposes of Section 6.09 hereof. Capitalized terms used and not otherwise defined herein have the meanings set forth in Article VIII.

WHEREAS, Seller is engaged in the business of the manufacture and sale of thermoformed egg cartons (the "Business").

WHEREAS, upon the terms and subject to the conditions set forth herein, Seller desires to sell all or substantially all of the assets used in the Business, and transfer certain liabilities of Seller, to Buyer, and Buyer desires to acquire all of such assets from, and assume such liabilities of, Seller.

NOW, THEREFORE, in consideration of the premises, representations and warranties and mutual covenants contained herein and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

PURCHASE AND SALE

1.01 Delivery of Estimates; Calculation of Purchase Price.

(a) Prior to the Closing, Seller shall deliver to Buyer a statement (the "Closing Payment Estimate") setting forth (i) an estimated balance sheet of Seller as of the Closing prepared in accordance with Seller's Accounting Practices and Procedures, (ii) Seller's good faith estimate of the Net Working Capital Amount, as of the date of, and based on, such balance sheet (such estimate is referred to as the "Estimated Net Working Capital Amount"), and (iii) the aggregate amount of Seller Transaction Expenses payable by Seller at Closing in accordance with the terms hereof. For purposes of Closing, the parties hereto have agreed that (A) the Estimated Net Working Capital Amount shall be an amount equal to \$2,090,424.22 and (B) the amount of Seller Transaction Expenses referred to in clause (ii) of the preceding sentence shall be an amount equal to \$898,815.40.

(b) For purposes hereof, the "Closing Payment" means an amount equal to (i) Twenty-Five Million Dollars (\$25,000,000), plus (ii) the amount, if any, by which the Estimated Net Working Capital Amount exceeds the Target Net Working Capital Amount, minus (iii) the amount, if any, by which the Target Net Working Capital Amount exceeds the Estimated Net Working Capital Amount, minus (iv) without duplication, the aggregate amount, if any, of Seller Transaction Expenses set forth on the STE Statement (as detailed in the Closing Payment Estimate), minus (v) the Escrow Amount, minus (vi) the Closing Indebtedness (as defined below).

1.02 Purchase and Sale of Purchased Assets; Assumed Liabilities; Release from Certain Indebtedness.

(a) Purchase and Sale of Purchased Assets; Assumed Liabilities.

(i) As of the Closing, upon the terms and subject to the conditions set forth in this Agreement, Seller shall sell, transfer, convey, assign and deliver to Buyer all of the Purchased Assets free and clear of all Liens except Permitted Liens. The purchase price to be paid by Buyer

to Seller for the Purchased Assets shall consist of a payment at the Closing, by wire transfer of immediately available funds to the account(s) designated by Seller, of cash in an amount equal to the Closing Payment. As additional consideration for the sale, transfer, conveyance, assignment and delivery of the Purchased Assets and the agreements and undertakings set forth in this Agreement, at Closing, Buyer will assume the Assumed Liabilities. The Closing Payment together with the assumption of the Assumed Liabilities is referred to herein as the "**Purchase Price**."

(ii) **Excluded Assets**. Notwithstanding anything herein to the contrary, the Excluded Assets will be retained by Seller and not sold, assigned, conveyed, transferred or delivered to Buyer hereunder.

(iii) **Excluded Liabilities**. Buyer shall not assume or pay any, and Seller shall continue to be responsible for, each Excluded Liability.

(b) **Closing Indebtedness; Release of Liens**. It is contemplated by the parties that, upon the Closing, all of the Indebtedness of Seller (the "**Closing Indebtedness**") as set forth on Section 1.02(b)(i) of the Disclosure Schedule will be fully funded and repaid at the Closing by Buyer in accordance with Section 1.03(b)(ii). In order to facilitate such repayment, prior to the Closing Seller will obtain the payoff letters for each item of Closing Indebtedness. At the Closing, Buyer shall make all of the payments referenced in such payoff letters in order to discharge the Closing Indebtedness covered thereby as provided in Section 1.03(b)(ii). In addition, as of the Closing and upon the terms and subject to the conditions set forth in this Agreement, (x) Seller shall deliver to Buyer such written instruments and releases from each holder of Closing Indebtedness outstanding as of immediately prior to the Closing as may be necessary to evidence the release of the Purchased Assets from any payment and guarantee obligations it may have (if any) with respect to any Closing Indebtedness following the Closing, and (y) Seller shall deliver to Buyer such releases from any holder of Closing Indebtedness as may be necessary to evidence the release (effective as of the Closing) of any Liens on the Purchased Assets securing any Closing Indebtedness, in each case, contingent upon (i) Buyer's payment of the Purchase Price to Seller at the Closing and (ii) Buyer repaying in full all of the Closing Indebtedness at the Closing.

1.03 **The Closing; Closing Deliveries**.

(a) **Closing**. Upon the terms and subject to the conditions of this Agreement, the closing of the purchase and sale of the Purchased Assets and the assumption of the Assumed Liabilities hereunder (the "**Closing**") and the other transactions contemplated by this Agreement to occur at the Closing shall take place at the offices of Winston & Strawn LLP located at 35 West Wacker Drive, Chicago, Illinois, 60601 at 11:00 am (Chicago (Illinois) time) on the date hereof. The date on which the Closing shall occur is referred to herein as the "**Closing Date**."

(b) **Closing Transactions**. Upon the terms and subject to the conditions set forth in this Agreement, the parties hereto shall consummate the following transactions as of the Closing:

(i) Buyer shall pay to Seller, by wire transfer of immediately available funds to the account(s) designated by Seller, cash in an amount equal to the Closing Payment in consideration for the Purchased Assets;

(ii) Buyer shall repay, on behalf of Seller, all of the Closing Indebtedness in accordance with the payoff letters delivered by Seller prior to Closing by wire transfer of immediately available funds to the applicable payees thereof;

(iii) Buyer shall pay, or cause to be paid, on behalf of Seller, the Seller Transaction Expenses to the applicable payees thereof by wire transfer of immediately available funds to accounts specified by Seller prior to the Closing; and

(iv)

(A) Buyer shall pay to the Escrow Agent, by wire transfer of immediately available funds to an account specified by the Escrow Agent prior to the Closing, cash in an amount equal to the Escrow Amount (for the benefit of Seller) to be held in and disbursed from the Escrow Account in accordance with the terms of the Escrow Agreement, which shall provide, among other things, that (1) on the 12-month anniversary of the Closing Date, one-half (1/2) of the Escrow Amount, less any portion of such funds being held back to satisfy any then pending claims against Seller under Article VII (each, a "**Pending Escrow Claim**") (which amounts held back in the Escrow Account with respect to any Pending Escrow Claims shall be held and paid in accordance with Section 1.03(b)(iv)(B)), shall be disbursed from the Escrow Account to Seller; and (2) on the 18-month anniversary of the Closing Date, the then remaining balance of the Escrow Account, less any portion of such funds being held back to satisfy any Pending Escrow Claims (which amounts held back in the Escrow Account with respect to any particular Pending Escrow Claim shall be held and paid in accordance with Section 1.03(b)(iv)(B)), shall be disbursed from the Escrow Account to Seller.

(B) Any amount held back in the Escrow Account in respect of any particular Pending Escrow Claim shall remain in the Escrow Account until the earlier of (1) such time as a final order, decision or judgment from an arbitrator or court of competent jurisdiction with respect to such Pending Escrow Claim has been made directing the payment of such amount to Buyer and/or Seller or (2) such time as Buyer and Seller shall have otherwise mutually agreed to disburse any such portion of such funds.

(c) Closing Deliveries.

(i) At the Closing, Seller shall deliver to Buyer all of the following:

(A) resignation, effective as of the Closing, from Germain Archambault from his position as officer of Seller;

(B) a certificate of the Vice President of Seller certifying as to the resolutions duly adopted by Seller's board of directors authorizing the execution, delivery and performance by Seller of this Agreement and the other agreements contemplated hereby to which Seller is to be a party, and the consummation of the transactions contemplated hereby and thereby and consenting to the transactions contemplated hereby, and the incumbency and signatures of its officer;

(C) a statement specifying all Seller Transaction Expenses, specifying the payee and the amount owed (the "**STE Statement**");

- (D) the Escrow Agreement, duly executed by Seller;
 - (E) the Bill of Sale and Assignment Agreement, duly executed by Seller;
 - (F) the Assumption Agreement, duly executed by Seller;
 - (G) the assignment of the Intellectual Property identified on Section 2.11 of the Disclosure Schedule;
 - (H) an assignment of that certain Executive Severance Agreement, dated August 11, 2010, by and between KPGLP and Germain Archambault, assigning such agreement to Buyer and terminating any liability of KPGLP and Seller thereunder, duly executed by KPGLP (the "**Severance Agreement Assignment**"); and
 - (I) consent to assignment of that certain Employment and Non-Competition Agreement, dated May 1, 2008, by and between Seller and Germain Archambault, duly executed by Seller and Germain Archambault;
 - (J) consent to assignment of the Real Property Lease for the Real Property located at 955 Industrial Blvd., Terrebonne, Quebec, J6Y 1V7 to Buyer, duly executed by Groupe Lavalubin Ltee; and
 - (K) an assignment of the confidentiality agreements described in Section 6.06(b), assigning such agreements to Buyer, as necessary.
- (ii) At the Closing Buyer shall deliver to Seller all of the following:
- (A) a certificate of the Secretary of Buyer certifying as the resolutions adopted by Buyer's board of directors authorizing the execution, delivery and performance by Buyer of this Agreement and the other agreements contemplated hereby to which Buyer is to be a party, and the consummation of all transactions contemplated hereby and thereby, and the incumbency and signatures of its officers;
 - (B) the Escrow Agreement, duly executed by Buyer and the Escrow Agent;
 - (C) the Bill of Sale and Assignment Agreement, duly executed by Buyer;
 - (D) the Assumption Agreement, duly executed by Buyer; and
 - (E) the Severance Agreement Assignment, duly executed by Buyer.

1.04 Final Net Working Capital.

(a) Determination.

- (i) As promptly as possible following the Closing, but in any event within sixty (60) days after the Closing Date, Buyer will deliver to Seller (A) a balance sheet of the Business based upon the Purchased Assets and Assumed Liabilities as of the Closing Date (the "**Final Closing Balance Sheet**") and (B) a reasonably detailed statement (the "**Closing**

Statement") setting forth Buyer's good faith calculations of the Net Working Capital Amount as reflected on the Final Closing Balance Sheet. For all purposes of this Section 1.04, the Final Closing Balance Sheet and the Net Working Capital shall be determined in accordance with the respective definitions thereof, Seller's Accounting Practices and Procedures and Exhibit B. Notwithstanding anything contained herein to the contrary, the preparation of the Final Closing Balance Sheet and the Closing Statement shall entirely disregard (x) any and all effects on the Business, the Purchased Assets and the Assumed Liabilities of any financing arrangements entered into at any time by Buyer or any other transaction entered into by Buyer in connection with the consummation of the transactions contemplated hereby and (y) any of the plans, transactions or changes which Buyer intends to initiate or make or cause to be initiated or made after the Closing with respect to the Business, or (z) any facts or circumstances that are unique or particular to Buyer or any of its assets or liabilities.

(ii) After delivery of the Final Closing Balance Sheet and the Closing Statement by Buyer to Seller hereunder (including during the period of any dispute hereunder with respect to the Final Closing Balance Sheet and the Closing Statement and/or any of the calculations set forth thereon), Buyer shall (A) assist Seller and its representatives in their review of the Final Closing Balance Sheet and the Closing Statement and the calculations set forth thereon and provide Seller and its representatives full access to the books, workpapers (including the work papers of Buyer's and/or the Business' accountants) and other records (including schedules, memoranda and other documents), supporting data, facilities, accountants and employees of Buyer and the Business for purposes of their review of the Final Closing Balance Sheet and the Closing Statement and the calculations set forth thereon, and (B) cooperate with Seller and its representatives in connection with such review, including by providing on a timely basis all other information that Seller (in good faith) reasonably believes is necessary and/or useful in connection with its review of the Final Closing Balance Sheet and the Closing Statement and the calculations set forth thereon. If Seller has any objections to the Final Closing Balance Sheet and the Closing Statement and/or any of Buyer's calculations of the Net Working Capital Amount set forth thereon, Seller shall deliver to Buyer a statement setting forth its objections thereto (an "**Objections Statement**"). If an Objections Statement is not delivered to Buyer within thirty (30) days after delivery by Buyer of the Final Closing Balance Sheet and the Closing Statement to Seller, the Final Closing Balance Sheet and the Closing Statement shall be final and binding upon, and non-appealable by, the parties hereto.

(iii) If an Objections Statement is delivered to Buyer, then the Final Closing Balance Sheet and the Closing Statement and the calculations of the Net Working Capital Amount set forth thereon, each as revised in accordance with this Section 1.04(a)(iii), shall become final and binding upon the parties on the earlier of (A) the date any and all matters specified in the Objections Statement are finally resolved in writing by Seller and Buyer and (B) the date any and all matters specified in the Objections Statement not resolved by Seller and Buyer are finally resolved in writing by the Independent Auditor (as defined below). The Final Closing Balance Sheet and the Closing Statement and the calculation of the Net Working Capital Amount set forth thereon shall be revised to the extent necessary to reflect any resolution by Seller and Buyer and any final resolution made by the Independent Auditor in accordance with this Section 1.04(a)(iii). During the 30-day period immediately following the delivery of an Objections Statement (or such longer period as Seller and Buyer may agree in writing), Seller and Buyer shall negotiate in good faith to resolve any objections set forth in the Objections Statement (and all such discussions related thereto shall, unless otherwise agreed by Buyer and Seller, be governed by Rule 408 of the

Federal Rules of Evidence (and any applicable similar state rule)). At the end of such 30-day period, Seller and Buyer shall submit to Grant Thornton LLP for review and resolution in accordance with the terms and provisions hereof, any and all matters (but only such matters) which remain in dispute with respect to the Objections Statement, the Final Closing Balance Sheet and the Closing Statement and/or any of the calculations set forth thereon; provided that, if Grant Thornton LLP is unable or unwilling to act in such capacity for any reason, then Buyer and Seller will, by mutual agreement, promptly select another independent accounting firm to act as in such capacity. Grant Thornton LLP or such other independent accounting firm, as applicable, is referred to herein as the “Independent Auditor”. Seller and Buyer shall use their commercially reasonable efforts to cause the Independent Auditor to resolve all such disagreements as soon as practicable (which final resolution by the Independent Auditor shall be requested by Buyer and Seller to be delivered not more than thirty (30) days following submission of such disputed matters to the Independent Auditor), and Buyer and Seller shall cooperate with the Independent Auditor during its engagement. The Independent Auditor may consider only those items and amounts in the Final Closing Balance Sheet, the Closing Statement and/or Objection Notice which Buyer and Seller are unable to resolve. In resolving any disputed item, the Independent Auditor may not assign a value to any item greater than the greatest value for such item claimed by either of Buyer or Seller or less than the smallest value for such item claimed by either of Buyer or Seller. The Independent Auditor’s determination shall be based solely on written submissions by Buyer and Seller that are in accordance with the applicable guidelines and procedures set forth herein (i.e., not on the basis of independent review) and on the definitions included herein. The resolution of the dispute by the Independent Auditor shall be final, binding and non-appealable on the parties hereto. As noted above, the Final Closing Balance Sheet and the Closing Statement and the calculation of the Net Working Capital Amount set forth thereon (as applicable) shall be modified if necessary to reflect such determination(s). The fees and expenses of the Independent Auditor shall be allocated to be paid by Buyer, on the one hand, and/or Seller, on the other hand, based upon the percentage which the portion of the contested amount not awarded to each party bears to the amount actually contested by such party, as determined by the Independent Auditor. For example, if Seller claims the Net Working Capital Amount is \$2,000 greater than the amount determined by Buyer, and Buyer contests only \$1,000 of the amount claimed by Seller, and if the Independent Auditor ultimately resolves the dispute by awarding Seller \$600 of the \$1,000 contested, then the costs and expenses of arbitration will be allocated 60% (i.e., $600 \div 1,000$) to Buyer and 40% (i.e., $400 \div 1,000$) to Seller. The term “Final Closing Balance Sheet” as that term has been hereinbefore and will be hereinafter used, shall mean the Final Closing Balance Sheet delivered pursuant to Section 1.04(a), as adjusted, if at all, pursuant to this Section 1.04.

(b) Post-Closing Adjustments.

(i) Net Working Capital Adjustment. (A) If the Net Working Capital Amount as finally determined pursuant to Section 1.04(a) above is greater than the Estimated Net Working Capital Amount, Buyer shall pay to Seller an amount equal to such excess in accordance with Section 1.04(b)(ii). (B) If the Net Working Capital Amount as finally determined pursuant to Section 1.04(a) above is less than the Estimated Net Working Capital Amount, Seller shall pay to Buyer an amount equal to such shortfall in accordance with Section 1.04(b)(ii).

(ii) Final Adjustment Amount. The amount owed pursuant to Section 1.04(b)(i)(A) or (B) by Buyer to Seller, on the one hand, or Seller to Buyer, on the other hand, is referred to as the “Final Adjustment Amount”; it being understood and agreed that if the effect pursuant to

Section 1.04(b)(i) is an increase in the Closing Payment and the Purchase Price, then Buyer shall make a cash payment to Seller in an amount equal to the Final Adjustment Amount, and if the effect pursuant to Section 1.04(b)(i) is a decrease in the Closing Payment and the Purchase Price, then Seller shall make a cash payment to Buyer in an amount equal to the Final Adjustment Amount. In the event that the Final Adjustment Amount is not finally determined pursuant to Section 1.04(a) within ninety (90) days of the Closing Date, the payment of the unpaid portion of the Final Adjustment Amount (when finally determined) shall include interest from the Closing Date until the date of payment at five percent (5%) per annum; provided that the predominant cause of the delay is not a breach by the recipient of its obligations under this Section 1.04. The Final Adjustment Amount shall be calculated as an adjustment to (A) the Closing Payment and the Closing Payment, as so adjusted, is referred to herein as the "Final Closing Payment" and (B) the Purchase Price and the Purchase Price, as so adjusted, is referred to herein as the "Final Purchase Price". Subject to the foregoing in this Section 1.04(b)(ii), payment of the Final Adjustment Amount shall be paid by delivery of immediately available funds to an account designated by the recipient party within five (5) business days after the date of final determination of the Final Adjustment Amount.

1.05 Purchase Price Allocation. Within sixty (60) days of the determination of the Net Working Capital Amount, Buyer shall provide to Seller a schedule allocating the Final Aggregate Purchase Price (and relevant Assumed Liabilities or other relevant items) among the Purchased Assets and non-competition agreement described in Section 6.06 in accordance with the methodologies set forth on Section 1.05 of the Disclosure Schedule (the "Purchase Price Allocation Schedule"). Seller shall have forty-five (45) days to review and approve the Purchase Price Allocation Schedule (which approval shall not be unreasonably withheld). If Seller disputes any portion of the Purchase Price Allocation Schedule, the parties shall resolve such dispute (including the sharing of costs) in the same manner in which a dispute regarding the Net Working Capital Amount is resolved in accordance with the provisions of Section 1.04(a)(iii). Buyer and Seller shall make appropriate adjustments to the Purchase Price Allocation Schedule to reflect any adjustments to Final Aggregate Purchase Price (or relevant Assumed Liabilities or other relevant items). Buyer and Seller agree for all Tax reporting purposes to report the transactions contemplated by this Agreement in accordance with the Purchase Price Allocation Schedule, as appropriately adjusted, and to not take any position during the course of any audit or other proceeding that is inconsistent with such schedule unless required by a determination of the applicable Governmental Authority.

ARTICLE II

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Buyer that:

2.01 Organization and Corporate Power. Seller (a) is a corporation duly incorporated, organized and subsisting under the laws of the Province of British Columbia, Canada, (b) has all requisite corporate power to own and operate its properties and to carry on its businesses as now conducted and (c) is duly qualified to do business and is in good standing in every jurisdiction in which its ownership of property or the conduct of its business as now conducted requires it to qualify, except, in each case, where the failure to be so qualified or in good standing would not have a Material Adverse Effect.

2.02 Authorization; Valid and Binding Agreement. This Agreement has been duly authorized, executed and delivered by Seller. Assuming this Agreement is the valid and binding agreement of Buyer,

this Agreement constitutes a valid and binding agreement of Seller, enforceable against Seller in accordance with its terms, except as enforceability may be limited by bankruptcy laws, other similar laws affecting creditors' rights and general principles of equity affecting the availability of specific performance and other equitable remedies.

2.03 Subsidiaries. Seller has no Subsidiaries. Except as set forth on Section 2.03 of the Disclosure Schedule, Seller does not own any capital stock or other equity ownership interest in any other Person.

2.04 No Breach. Except as set forth on Section 2.04 of the Disclosure Schedule, the execution, delivery and performance of this Agreement by Seller and the consummation by Seller of the transactions contemplated hereby to be consummated by Seller do not (a) result in any breach of, constitute a default under or result in a violation of the provisions of Seller's articles of incorporation, together with any amendments, or bylaws or any Material Contract, Real Property Lease or Seller License, (b) violate any applicable Law, order, judgment or decree to which Seller is subject or any Material Contract or Seller License, or (c) require Seller to obtain any material authorization, consent or approval of, or require Seller to provide any notice to or make any filing with, any Governmental Authority under the provisions of any applicable Law, order, judgment or decree to which Seller is subject.

2.05 Financial Statements.

(a) Seller has furnished Buyer with copies of the (i) unaudited balance sheet of Seller as of July 31, 2012 (the "Latest Balance Sheet"), and the related statements of income and cash flows of Seller for the seven-month period then ended (the "Interim Financial Statements") and (ii) the unaudited balance sheet of Seller as of December 31, 2011, and the related statements of income and cash flows of Seller for the fiscal year ended December 31, 2011 (the "Year-End Financial Statements" and, together with the Interim Financial Statements, the "Financial Statements"). Except as set forth on Section 2.05(a) of the Disclosure Schedule, such Financial Statements have been based upon the information concerning Seller contained in Seller's books and records, and present fairly in all material respects the financial condition and results of operations of Seller (taken as a whole) as of the times and for the periods referred to therein in accordance with GAAP (subject, in each case, to any normal year-end or interim adjustments (audit or otherwise) and, the absence of footnote disclosures). Seller has no liabilities, debts, claims or obligations, whether accrued, absolute, contingent or otherwise, and whether due or to become due, other than that would be required to be reflected on a balance sheet of Seller prepared in accordance with GAAP or disclosed in the notes thereto, and, to Seller's knowledge, Seller has no liabilities, debts, claims or obligations, whether accrued, absolute, contingent or otherwise, and whether due or to become due, regardless of whether required to be recorded on a balance sheet of Seller prepared in accordance with GAAP, in each case, except for (x) liabilities, debts, claims or obligations set forth on Schedule 2.05 or reflected in the Financial Statements, (y) liabilities, debts, claims or obligations incurred in the ordinary course of business since the date of the Latest Balance Sheet or (z) current liabilities reflected in the Estimated Net Working Capital.

(b) Except as set forth on Section 2.05(b) of the Disclosure Schedule, Seller has no Indebtedness as of the date hereof.

2.06 Absence of Certain Developments. Since the date of the Latest Balance Sheet, there has not been any Material Adverse Effect. Except (i) as set forth on Section 2.06 of the Disclosure Schedule and/or (ii) as expressly contemplated or permitted by this Agreement, during the period from the date of the Latest Balance Sheet to the date of this Agreement, Seller has not:

(a) issued, sold or redeemed any of its outstanding shares of capital in Seller, other than redemptions paid in cash;

(b) issued, sold or redeemed any securities convertible into, or options with respect to or warrants to purchase or rights to subscribe for, any of its outstanding shares of capital in Seller, other than redemptions paid in cash;

(c) effected any share dividend or share split or paid any dividend with respect to the Seller's outstanding shares (except for dividends in cash or cash equivalents);

(d) amended its articles of incorporation or any amendments thereto or bylaws;

(e) become legally committed to any new capital expenditures requiring expenditures following the Closing Date in excess of \$100,000 in the aggregate;

(f) entered into or terminated any Material Contract;

(g) except as may be required by written agreement or plan to which Seller is party or subject and/or as necessary to comply with applicable Laws, granted any material salary or wage increases, or modified or amended any Employee Benefit Plan;

(h) entered into any material employment agreement with any employees of Seller, including any agreements which are inconsistent with Seller's past practice;

(i) sold or otherwise disposed of any of the assets owned by Seller having a fair market value in excess of \$10,000 (other than in the ordinary course of business or with respect to sales of inventory, product or obsolete assets);

(j) acquired by merging or consolidating with or purchasing substantially all the assets of, or otherwise acquired any business or any corporation, partnership, association or other business organization;

(k) granted or created any Lien upon any of its assets, tangible or intangible, other than Permitted Liens;

(l) changed any accounting methods, practices or principles used by Seller; or

(m) entered into any agreement to do any of the foregoing.

2.07 Title to Properties; Sufficiency of Assets.

(a) Seller has good and marketable title to all of the tangible Purchased Assets shown to be owned by it on the Latest Balance Sheet (except for such personal property sold or disposed of subsequent to the date thereof in the ordinary course of business) or otherwise used in its business (other than leased assets), free and clear of all Liens, except for Permitted Liens and those Liens set forth on Section 2.07 of the Disclosure Schedule, and has a valid leasehold interest in all assets leased by it.

(b) The assets described in Section 2.07(a) and the Seller Intellectual Property constitute all of the assets used by Seller in its business.

2.08 Real Property.

(a) Leased Real Property. The real property demised by the leases described on Section 2.08(a) of the Disclosure Schedule (the "Real Property Leases") constitutes all of the real property leased by Seller as of the date hereof (the "Real Property"). The Real Property constitutes all of the real property occupied or used by Seller in its business. Seller has made available to Buyer or its agents a complete and accurate copy of each Real Property Lease. Except as set forth on Section 2.08(a) of the Disclosure Schedule, (i) each Real Property Lease is valid and in full force and effect in all material respects and constitutes a legal, valid and binding obligation of Seller and, to Seller's knowledge, the other parties thereto, and is enforceable by and against Seller in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights generally, and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity) and (ii) neither Seller nor, to Seller's knowledge, any of the other counterparties thereto is in material breach or material default under any such Real Property Lease. Except as set forth on Section 2.08(a) of the Disclosure Schedule, Seller is not leasing or subleasing to any third party Seller's right to use or occupy the leased real property subject to any such Real Property Lease or any portion thereof.

(b) Owned Real Property. Seller does not own any real property.

(c) Prior Locations. Section 2.09(c) of the Disclosure Schedule lists all former locations (owned or leased) used by Seller in the conduct of its business since November 13, 2006 ("Former Real Property").

2.09 Tax Matters. Except as set forth on Section 2.09 of the Disclosure Schedule,

(a) Seller has (i) timely filed all material Tax Returns required by applicable Law to be filed by Seller (taking into account all applicable extensions), (ii) paid all Taxes shown as due and payable on any such Tax Return, and (iii) paid all other material Taxes that are due and payable by Seller (whether or not related to such Tax Returns);

(b) Seller has withheld all material Taxes from payments to employees, agents, contractors, and nonresidents required by applicable Law to be withheld by Seller and remitted such amounts to the appropriate Governmental Authority;

(c) no audits or other legal proceedings are pending, or to Seller's knowledge, threatened in writing with regard to any material Tax Returns of Seller;

(d) there are no Liens for Taxes on any assets of Seller, other than Permitted Liens;

(e) Seller is not a non-resident person within the meaning of section 116 of the Income Tax Act (Canada); and

(f) Seller is a registrant in accordance with the provisions of the Excise Tax Act (Canada) and An Act Respecting Quebec Sales Tax.

The representations and warranties in this Section 2.09 and Section 2.13 shall constitute the sole and exclusive representations and warranties on any Tax matters relating to Seller, including representations and warranties regarding compliance with Tax Laws, the filing of Tax Returns, the

payment of any Taxes, and the accrual for Taxes on any financial statement or the books and records of Seller.

2.10 Contracts and Commitments.

(a) Section 2.10(a) of the Disclosure Schedule lists all of the following written contracts, agreements and plans to which Seller is a party and which are currently in effect as of the date hereof:

(i) Any pension, profit sharing, retirement or deferred compensation plan or contract or other bonus plan, or any severance agreement or other agreement providing for notice of termination or payment in lieu of notice, or post-termination benefits, other than as described in Section 2.13 or in the Disclosure Schedule;

(ii) Any collective bargaining agreement or contract, voluntary recognition or other legally binding commitment with any labor or trade union or group of employees that could be considered a trade union;

(iii) Any agreement for the employment of any officer, individual employee or other individual on a full-time or consulting basis with annual payments in excess of \$100,000;

(iv) Any loan agreement or indenture with any third party relating to Indebtedness for borrowed money under which Seller has borrowed or may borrow money;

(v) Any lease agreement under which Seller is lessee of any personal property owned by any third party for which the annual rental payments paid by Seller thereunder exceeds \$50,000 and which is not terminable on sixty (60) or fewer days' notice by Seller without liability for any material termination or severance payment or which is accounted for as a capital lease;

(vi) Any lease agreement under which Seller is lessor of any personal property owned by Seller for which the annual rental payments paid to Seller thereunder exceeds \$50,000 and which is not terminable on sixty (60) or fewer days' notice by Seller without liability for any material termination or severance payment;

(vii) Any contract or agreement (other than those covered by clauses (i) through (vi) above and other than the Real Property Leases) with any third party involving annual payments to or by Seller reasonably estimated to be more than \$150,000 with respect to any such contract or agreement;

(viii) Any partnership or joint venture agreement;

(ix) Any contract providing for the license of patents, trademarks, service marks, trade names or copyrights between Seller and any third party (other than non-customized "off the shelf" software);

(x) Any contract that requires Seller to deal exclusively with any third party;

(xi) Any contract with a customer that includes a "most favored nation," "meet or release," or similar provision;

(xii) Any contract with a third party manufacturing Seller's products; and

(xiii) Any contract with any third party containing covenants prohibiting Seller in any material respect from competing in any line of business against any such third party (other than through confidentiality provisions or agreements).

(b) With respect to each of the contracts, agreements and plans set forth on Section 2.10(a) of the Disclosure Schedule (each a "**Material Contract**"), (i) Seller has made available to Buyer or its agents a complete and accurate copy of such Material Contract and (ii) except as set forth on Section 2.10(b) of the Disclosure Schedule, (A) each such Material Contract is valid and in full force in effect in all material respects and constitutes a legal, valid and binding obligation of Seller and, to Seller's knowledge, the other parties thereto, and is enforceable against Seller in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights generally, and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity) and (B) neither Seller nor, to Seller's knowledge, any other party thereto, is in material breach of any such Material Contract or material default under any such Material Contract.

2.11 Intellectual Property. Section 2.11 of the Disclosure Schedule contains a list of all of the issued patents, trademark registrations, service mark registrations, domain name registrations, copyright registrations and trade name registrations, and all applications for the registration of any of the foregoing, and all unregistered trademarks or services marks, owned by Seller or that are used in the conduct of the business of Seller and that are owned by Seller (the "**Seller Intellectual Property**"). Except as set forth on Section 2.11 of the Disclosure Schedule: (i) since December 31, 2010, Seller has not received any written notices of infringement or misappropriation from any third party with respect to the use by Seller of any Intellectual Property owned or used by Seller during such period; (ii) to Seller's knowledge, no third party is infringing or misappropriating any registered Intellectual Property owned by Seller; and (iii) since November 13, 2006, Seller has not violated or infringed any Intellectual Property of any third party.

2.12 Litigation. Except as set forth on Section 2.12 of the Disclosure Schedule, there are no actions, suits, proceedings arbitrations, complaints, or, to Seller's knowledge, grievances or investigations currently pending or, to Seller's knowledge, threatened against Seller or, with respect to Seller's business, any officers, directors or employees of Seller or other person who might be entitled to indemnification from Seller or coverage by any of Seller's insurance policies (including its directors' and officers' insurance) in connection with such matter, at law or in equity, before or by any Governmental Authority or private arbitration panel, and Seller is not subject to any outstanding judgment, order or decree of any Governmental Authority.

2.13 Employee Benefit Plans.

(a) Section 2.13(a) of the Disclosure Schedule sets forth a list of each Employee Benefit Plan maintained by Seller or to which Seller is obligated to contribute.

(b) Except as set forth on Section 2.13(b) of the Disclosure Schedule:

(i) Each such Employee Benefit Plan has been maintained, funded, invested and administered in material compliance with its terms and all applicable Laws, except as would not result in a material Loss to Seller;

(ii) Other than routine claims for benefits, there is no claim or lawsuit pending or, to Seller's knowledge, threatened against Seller arising out of any such Employee Benefit Plan, except for any such claim or lawsuit as would not result in a material Loss to Seller;

(iii) Each such Employee Benefit Plan is, and has been during the two (2) year period preceding the date hereof, established and registered where required by applicable Law, and is in good standing thereunder (including registration with the relevant tax authorities where such registration is required to qualify for tax exemption or other beneficial tax status);

(iv) All obligations regarding the Employee Benefit Plans have been satisfied and there are no outstanding defaults or violations by any party thereto and no taxes, penalties, or fees are owing under any of the Employee Benefit Plans;

(v) No such Employee Benefit Plan is a "registered pension plan" as defined in subsection 248(1) of the *Income Tax Act* (Canada) or a supplemental non-registered pension plan or arrangement that contains a "defined benefit provision" as defined in subsection 147.1(1) of the *Income Tax Act* (Canada);

(vi) No such Employee Benefit Plan provides post-retirement benefits to or in respect of employees or former employees, or their respective beneficiaries; and

(vii) Seller does not contribute to, has never contributed to, nor does it have or ever had any obligation to contribute to, any Multi-Employer Pension Plan.

(c) Seller has made available to Buyer true, correct, up-to-date and complete copies of all the Employee Benefit Plans (or, where oral, written summaries of the material terms thereof) as amended as of the date hereof together with all related documentation including amendments thereto including annuity contracts, trust agreements, collective bargaining agreements and any material employee booklets, brochures, or manuals circulated to employees or former employees regarding the Employee Benefit Plans.

(d) All contributions or premiums required to be made by Seller under the terms of each Employee Benefit Plan, any collective bargaining agreement or by applicable Laws have been made or accrued for in a timely fashion in accordance with the terms of the Employee Benefit Plan, applicable collective bargaining agreement or applicable Law. All liabilities of Seller (whether accrued, absolute, contingent or otherwise) related to all Employee Benefit Plans have been fully and accurately disclosed in accordance with GAAP in the Financial Statements.

(e) This Section 2.13 constitutes the sole and exclusive representations and warranties of Seller with respect to any matters relating to any Employee Benefit Plan.

2.14 Insurance. Section 2.14 of the Disclosure Schedule lists each workers' compensation, general liability, property or other insurance policy applicable to Seller or for its own benefit. All of such insurance policies are in full force and effect, and Seller is not in default with respect to its obligations under any of such insurance policies. Seller has made available to Buyer copies of such insurance policies and a list of all material claims which have been made by Seller since January 1, 2011 under any of its insurance policies (including the insurance policies listed on Section 2.14 of the Disclosure Schedule). Except as set forth on such list, there are no pending or, to the Seller's knowledge, threatened claims under any insurance policy. Such claim information includes the following information with

respect to each accident, loss, or other event: (a) the identity of the claimant, (b) the date of the occurrence; (c) the status as of the report date; and (d) the amounts paid or expected to be paid or recovered. Seller may exclude or redact any information as necessary to comply with any Law.

2.15 Compliance with Laws.

(a) Except as set forth on Section 2.15 of the Disclosure Schedule, Seller is in compliance in all material respects with all Laws, orders, judgments and decrees of any Governmental Authority applicable to Seller. Since January 1, 2011 Seller has not received from any third party, including any Governmental Authority, any written notification of or with respect to any noncompliance or breach of any applicable Law, order, judgment or decree.

(b) Without limiting the generality of the foregoing, all of Seller's products comply with (i) all Laws pertaining to the manufacturing, packaging, labeling and sale and delivery of such products and (ii) any Laws promulgated by the U.S. Food and Drug Administration and the Canadian Food Inspection Agency applicable to products that will be in contact with food, and Seller has all necessary certifications from its suppliers required by such Laws or written customer Contracts to document such compliance.

2.16 Environmental Matters. Except as set forth on Section 2.16 of the Disclosure Schedule:

(a) Seller is in compliance in all material respects with all applicable Environmental Laws;

(b) Seller possesses all material permits, licenses and other authorizations required under applicable Environmental Laws to be possessed by it with respect to the conduct of its business as presently conducted, and Seller is in compliance in all material respects with such permits, licenses and authorizations;

(c) Seller has not, within the past two (2) years, received any written notice from any third party including any Governmental Authority that alleges that Seller is in violation of any Environmental Law or has any liability arising under applicable Environmental Laws relating to Seller or its facilities;

(d) The Former Real Property was, with respect to periods owned or operated by Seller, in compliance in all material respects with all Environmental Laws, and no liability has arisen under applicable Environmental Laws, and, to Seller's knowledge, no condition exists or event has occurred with respect to the Former Real Property which, with or without notice or the passage of time or both, would constitute a violation of or give rise to any material liability of Seller under any applicable Environmental Law;

(e) There are no, and Seller has not used, generated, treated, recycled, stored or disposed of any Hazardous Substances in, on, beneath or at any of the Real Property or the Former Real Property, and, to Seller's knowledge, no Hazardous Substances have been used in the construction or repair of, or any alterations or additions to, any of the Real Property, except in each case for Hazardous Substances used, generated, treated, recycled, stored or disposed of in the ordinary course of business and in compliance in all material respects with all applicable Environmental Laws and environmental permits;

(f) Seller is not subject to any pending or, to Seller's knowledge, threatened litigation or proceedings in any judicial or administrative forum, or, to Seller's knowledge, any investigation, involving a demand for damages, injunctive relief, penalties, or other potential liability arising under any Environmental Law;

(g) Seller has delivered or otherwise made available to Buyer any and all material documents, correspondence, pleadings, reports, assessments, analytical results or environmental permits in Seller's or Seller's possession, custody or control concerning Environmental Laws or Hazardous Substances; and

(h) This Section 2.16 constitutes the sole and exclusive representations and warranties of Seller with respect to any environmental, health or safety matters, including any arising under Environmental Laws.

2.17 Related Party Agreements. Except as (i) set forth on Section 2.17 of the Disclosure Schedule, or (ii) reflected in the Closing Statement and/or the Closing Payment Estimate, during the two (2) year period prior to the date hereof, none of KPGLP, any of KPGLP's other Subsidiaries or any officer or director of Seller has entered into any agreement or contract with Seller outside of the ordinary course of business.

2.18 Employees.

(a) Section 2.18 of the Disclosure Schedule contains an accurate and complete list of the titles or job descriptions, date of hire, and compensation for all the employees and officers of Seller. The individuals represented by their titles or job descriptions on Section 2.18 of the Disclosure Schedule (i) are actively employed by Seller (including employees currently on vacation), (ii) are inactive employees of Seller on temporary lay-off, maternity or parental leave, sick leave, or other statutory leave in accordance with applicable Law, or short-term or long-term disability leave. All inactive employees listed on Section 2.18 of the Disclosure Schedule are noted with an asterisk.

(b) Except as set forth on Section 2.12 of the Disclosure Schedule or Section 2.18 of the Disclosure Schedule, (i) Seller has not experienced any strike or other collective bargaining dispute within the past two years, (ii) to Seller's knowledge, no organizational effort is presently being made or threatened by or on behalf of any labor union, trade union or employee organization that may qualify as a trade union with respect to employees of Seller, (iii) no collective bargaining agreement, accreditation, certification, letter of understanding, voluntary recognition or other legally binding commitment is in effect with respect to Seller, (iv) Seller is in substantial compliance with all applicable Laws regarding employment and employment practices, except where noncompliance would not result in a material Loss to Seller, and (v) to Seller's knowledge, there is no labor strike, labor dispute or work stoppage or slowdown pending or threatened against Seller with respect to its employees.

(c) All persons whose employment with Seller has been involuntarily terminated by Seller in the last twelve (12) months are listed on Section 2.18(c) of the Disclosure Schedule.

(d) Except as set forth on Section 2.18(d) of the Disclosure Schedule, no bonus or other compensation will be payable to any employee, director or officer of Seller as a result of the consummation of the transaction contemplated in this Agreement. Such payments identified on Section 2.18(d) of the Disclosure Schedule shall be referred to herein as the "Change in Control Payments".

(e) Except as set forth on Section 2.18(e) of the Disclosure Schedule, all amounts due and owing or accrued due but not yet owing for all salary, wages, bonuses, commissions, vacation with pay, pension benefits or other employee benefits to present and past employees of Seller and all amounts due under Employee Benefits Plans have been paid or accrued for.

2.19 Brokerage. Except as set forth on Section 2.19 of the Disclosure Schedule, there are no claims for brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement or agreement made by Seller.

2.20 Governmental Licenses and Permits. Section 2.20(a) of the Disclosure Schedule contains a list of all material permits and licenses issued by Governmental Authorities that are owned or possessed by Seller and no other material permits and licenses of Governmental Authorities are required to be owned or possessed by Seller for the conduct of its business as presently conducted in all material respects. The licenses and permits set forth on Section 2.20 of the Disclosure Schedule are collectively referred to herein as the "Seller Licenses". All such Seller Licenses are valid and in full force and effect and Seller is in compliance in all material respects with each such Seller License.

2.21 Inventory. Except as set forth on Section 2.21 of the Disclosure Schedule, the inventory of Seller consists of a quality and quantity useable and saleable in the ordinary course of business of Seller, is in all material respects fit for the purpose for which it was procured or manufactured and none of which is obsolete, damaged or defective, subject to the applicable reserves for, or adjustments to inventory balances with respect to, inventory writedowns or unmarketable, obsolete, defective and/or damaged inventory or similar reserves reflected on (or taken into account in determining the inventory balances reflected on) the Financial Statements, as adjusted for the passage of time through the Closing Date in accordance with the past custom and practice of Seller.

2.22 Accounts Receivable. Except as set forth on Section 2.22 of the Disclosure Schedule, all the net accounts receivable of Seller are reflected properly on the books and records of Seller in accordance with the Seller's Accounting Principles and Practices and are valid receivables arising from sales in the ordinary course of business and are not subject to any material setoffs or counterclaims (other than with respect to credits for returned or damaged product or goods or similar setoffs or counterclaims), subject to the reserves for bad debt or doubtful accounts reflected on the Financial Statements as adjusted for the passage of time through the Closing Date in accordance with the past custom and practice of Seller.

2.23 Customers and Suppliers. Section 2.23 of the Disclosure Schedule lists the (a) ten (10) largest customers of Seller for the most recently completed fiscal year of Seller in terms of aggregate total sales in dollars by Seller, and (b) ten (10) largest suppliers of Seller for the most recently completed fiscal year of Seller in terms of aggregate total purchases in dollars by Seller. Since January 1, 2012, (i) Seller has not received any written notice from any customer listed on Section 2.23 of the Disclosure Schedule to the effect that such customer will stop, or materially decrease the rate of, buying materials, products or services from Seller or materially change the terms on which it purchases products or services from Seller, and (ii) Seller has not received any written notice from any supplier listed on Section 2.23 of the Disclosure Schedule to the effect that such supplier will stop, or materially decrease the rate of, supplying materials, products or services to Seller or materially change the terms on which it sells products or services to Seller, except as set forth on Section 2.23 of the Disclosure Schedule.

2.24 Product Defects; Product Warranties. Except as set forth on Section 2.26 of the Disclosure Schedule, since January 1, 2010 Seller has not received any written notice or, to Seller's knowledge, any other notice with respect to any claim against Seller asserting that a product sold or delivered by Seller was not in material conformity with all applicable contractual commitments and any applicable warranties given by Seller, except for claims in the ordinary course of business which do not or did not exceed \$100,000 during the fiscal year such claim was made. Seller has made available to Buyer a list of all product returns alleging product defects since January 1, 2010, except for returns the value of which do not or did not exceed \$100,000 during the fiscal year such returns occurred. No product sold or delivered

by Seller relating to the Business is subject to any guaranty, warranty or other indemnity beyond the applicable standard terms, conditions of sale or lease or imposed by applicable Law.

2.25 No Other Representations or Warranties. EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS ARTICLE II (AS QUALIFIED BY THE DISCLOSURE SCHEDULE), SELLER MAKES NO EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY, AND SELLER HEREBY DISCLAIMS ANY SUCH REPRESENTATION OR WARRANTY WITH RESPECT TO THE EXECUTION AND DELIVERY OF THIS AGREEMENT AND THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR OTHERWISE.

ARTICLE III

INTENTIONALLY OMITTED.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller that:

4.01 Organization and Authority. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the province of Ontario, with all requisite power and authority to execute and deliver this Agreement, perform its obligations hereunder and consummate the transactions contemplated hereby.

4.02 Authorization; Valid and Binding Agreement. This Agreement has been duly authorized, executed and delivered by Buyer. Assuming that this Agreement is a valid and binding obligation of Seller, this Agreement constitutes a valid and binding obligation of Buyer, enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy laws, other similar laws affecting creditors' rights and general principles of equity affecting the availability of specific performance and other equitable remedies.

4.03 No Breach; Consents. The execution, delivery and performance of this Agreement by Buyer and the consummation of the transactions contemplated hereby do not (i) result in any breach of, constitute a default under or result in a violation of the provisions of Buyer's certificate or articles of incorporation or bylaws or equivalent organizational documents, (ii) result in any breach of, constitute a default under or result in a violation of the provisions of any material contract or material agreement to which Buyer is a party or bound, (iii) violate any applicable Law, order, judgment or decree to which Buyer is subject or (iv) require Buyer to obtain any authorization, consent or approval of or require Buyer to provide any notice to or make any filing with (x) any Governmental Authority under the provisions of any applicable Law, order, judgment or decree of any Governmental Authority to which Buyer is subject or (y) any other Person under the provisions of any material contract or material agreement to which Buyer is a party or bound.

4.04 Litigation. There are no actions, suits or proceedings pending or, to Buyer's knowledge, threatened against or affecting Buyer at law or in equity, before or by any Governmental Authority, which would adversely affect Buyer's performance under this Agreement or the consummation of the transactions contemplated hereby.

4.05 Brokerage. There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement or agreement made by or on behalf of Buyer.

4.06 Financing. Buyer has (and at Closing will have) sufficient unrestricted cash or other sources of immediately available unrestricted funds to enable Buyer to consummate the transactions contemplated by this Agreement, to satisfy its obligations hereunder on and after the Closing Date and to make payment of all amounts to be paid by it under this Agreement on and after the Closing Date.

4.07 Solvency. Immediately after giving effect to the transactions contemplated hereby, Buyer and each of its Subsidiaries shall be able to pay their respective debts as they become due and shall own property which has a fair saleable value greater than the amounts required to pay their respective debts (including a reasonable estimate of the amount of all contingent liabilities). Immediately after giving effect to the transactions contemplated hereby, Buyer and each of its Subsidiaries shall have adequate capital to carry on their respective businesses. No transfer of property is being made and no obligation is being incurred in connection with the transactions contemplated by this Agreement with the intent to hinder, delay or defraud either present or future creditors of Buyer and its Subsidiaries.

4.08 Investment Canada Act. Buyer is a WTO Investor within the meaning of the *Investment Canada Act*.

4.09 Taxes. Buyer is a registrant in accordance with the provisions of the Excise Tax Act (Canada) and An Act Respecting Quebec Sales Tax.

4.10 No Other Representations or Warranties. EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES OF BUYER CONTAINED IN THIS AGREEMENT, BUYER MAKES NO EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY, AND BUYER HEREBY DISCLAIMS ANY SUCH REPRESENTATION OR WARRANTY WITH RESPECT TO THE EXECUTION AND DELIVERY OF THIS AGREEMENT AND THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

ARTICLE V

COVENANTS OF BUYER

5.01 Access to Books and Records. From and after the Closing, Buyer shall provide Seller and its Affiliates and their authorized representatives with reasonable access, during normal business hours, to any of the books and records (including accountant's work papers) (in Buyer's possession), properties, facilities and employees of Buyer related to the Business with respect to periods prior to the Closing Date and/or in connection with any matter relating to or arising out of this Agreement or the transactions contemplated hereby. Unless otherwise consented to in writing by Seller, Buyer shall not, for a period of seven (7) years following the Closing Date, destroy, alter or otherwise dispose of any of its books and records or any portions thereof, relating to periods prior to the Closing Date and/or matters relating to this Agreement and the transactions contemplated hereby without first giving at least thirty (30) days prior written notice to Seller and offering to surrender to Seller such books and records or such portions thereof.

5.02 Severance Obligations. Effective upon Closing, Buyer shall assume liability, if any, for severance pay, any other payments due on termination and similar obligations payable to any Employee

(other than the individuals identified on Section 5.02 of the Disclosure Schedule) due to any person who does not accept Buyer's offer of continued employment with the Business. Such payment shall be made pursuant to Buyer's normal severance policy and in accordance with applicable Law. Buyer shall compute severance pay for any terminated Employees giving full credit for all years of service that would have been recognized under the severance policies of Seller. Seller shall be responsible for any severance to the individuals listed on Section 5.02 of the Disclosure Schedule.

5.03 Employees; Employee Benefits.

(a) Employees.

(i) Buyer shall offer continued employment to all Employees (other than the individuals identified on Section 5.02 of the Disclosure Schedule), effective upon the Closing Date. All offers of continued employment by Buyer to the Employees shall be for positions similar to and requiring substantially similar qualifications as their current positions within Seller and with substantially the same terms and conditions of employment as were in effect on the day immediately preceding the Closing Date. Notwithstanding the foregoing, unless agreed otherwise by an Employee, the position Buyer offers such individual shall be for employment in the same location where the Employee is currently employed or at another location within a reasonable commute relative to the Employee's home or shall permit such Employee to work remotely from his or her home or another location within a reasonable commute relative to the Employee's home.

(ii) Buyer shall, no later than the date required by applicable Law, pay to such Continuing Employees the amounts of compensation with respect to vacation accrued for in Net Working Capital, but not yet taken by, such Employees up to the Closing Date.

(iii) Buyer assumes and will discharge all such obligations and liabilities accruing on or after the Closing Date in respect of all Continuing Employees.

(b) Employee Benefit Plans. All Continuing Employees shall be eligible to participate in the any employee benefits plans and other fringe benefits Buyer establishes for employees of the Business, including continued participation in the La Capitale Plan. Buyer shall credit, for eligibility and vesting purposes, Continuing Employees for their length of service with Seller (and its Affiliates and predecessors) for all purposes under each such employee benefits plan and other fringe benefits of Buyer, to the same extent such service was recognized under a similar plan of Seller except to the extent such credit would result in a duplication of benefits and except if such credit is not permitted by the insurers under any such benefit plan. Such service need not be counted for purposes of calculating accrued benefits under any pension benefit plan that Buyer may adopt for the Business. Without limiting the generality of the foregoing, Buyer covenants and agrees that: (i) Buyer shall make reasonable efforts such that each Continuing Employee shall be immediately eligible to participate, without any waiting time, in any employee benefits plans, programs and policies sponsored by Buyer and its Affiliates for the benefit of employees of the Business (such plans, collectively, the "New Plans") to the extent coverage under such New Plan replaces coverage under a comparable Employee Benefit Plan in which such employee participated immediately before the Closing Date (such comparable Employee Benefit Plans, collectively, the "Old Plans"), unless such waiting time applied under the Old Plans; and (ii) for purposes of each New Plan providing medical, dental, pharmaceutical or vision benefits to any employee, Buyer shall make reasonable efforts to cause all pre-existing condition exclusions and actively-at-work requirements of such New Plan to be waived for such Continuing Employee and his or her covered

dependents (unless such exclusions or requirements applied under the Old Plans), and Buyer shall make reasonable efforts to cause any eligible expenses incurred by such employee and his or her covered dependents during the portion of the plan year of the Old Plan ending on the date such employee's participation in the corresponding New Plan begins to be taken into account under such New Plan for purposes of satisfying all deductible, coinsurance and maximum out-of-pocket requirements applicable to such Continuing Employee and his or her covered dependents for the applicable plan year as if such amounts had been paid in accordance with such New Plan. For purposes of this Section 5.03, "employee benefit plans and other fringe benefits" includes pension and profit sharing plans, retirement and post retirement welfare benefits, health insurance benefits (medical, dental and vision), short-term disability, long-term disability, life and accident insurance, sickness benefits, severance and vacation. Buyer has elected to retain the La Capitale Plan after Closing, and Seller shall reasonably cooperate with Buyer to the extent necessary to effect such election, and nothing in this Section 5.03 shall require Buyer to adopt or implement any particular New Plan.

(c) Responsibility for Payment. Seller shall retain the responsibility for payment of all claims under each Employee Benefit Plan (other than the La Capitale Plan) incurred by any Employee, including Employees who become Continuing Employees (or any covered dependent thereof), prior to Closing, and Buyer shall not assume any liability with respect to such claims, except to the extent that Seller assigns such Employee Benefit Plans to Buyer and Buyer assumes such Employee Benefit Plan. For avoidance of doubt, Buyer and Seller acknowledge and agree that the La Capitale Plan is hereby being assigned by Seller to Buyer and Buyer assumes all rights, liabilities and obligations under the La Capitale Plan, and Seller shall have no obligation or liability with respect to any claims under the La Capitale Plan incurred by any Employee of Seller (whether or not incurred prior to or after the Closing).

5.04 Collective Dismissal. Buyer shall be solely responsible for providing any payment, notice or other filing required by contract or under the Act Respecting Labour Standards and/or any other similar Laws governing plant closings or mass layoffs in respect of the termination after the Closing of the employment of any Continuing Employee, and shall indemnify and hold Seller harmless from any liability arising from any failure of Buyer to comply fully with this Section 5.04.

5.05 Accrued Bonuses. Buyer acknowledges and agrees that from January 1, 2012 through the Closing Date, Seller accrued for bonuses payable to the employees of Seller pursuant to the incentive compensation plan of KPGLP for 2012 and such accrual is reflected as a current liability in Net Working Capital in the amount of \$125,560 (the "**2012 Bonus Amounts**"), as set forth on Section 5.05 of the Disclosure Schedule. The parties hereto acknowledge and agree that the 2012 Bonus Amounts will not be paid to the employees of Seller at Closing and that Buyer shall pay the 2012 Bonus Amounts to the applicable employees of Seller in accordance with such incentive compensation plan and payroll practices in effect immediately prior to the Closing. Buyer further agrees that upon payment or upon the reasonable request of Seller, Buyer shall provide evidence reasonably satisfactory to Seller that the 2012 Bonus Amounts have been paid in accordance with such incentive compensation plan and payroll practices. Buyer shall pay the 2012 Bonus Amounts as to the applicable employees of Seller in accordance with such plans and practices but in no event later than February 28, 2013.

ARTICLE VI

ADDITIONAL COVENANTS AND AGREEMENTS

6.01 Acknowledgment by Buyer.

(a) Buyer acknowledges that it has conducted to its satisfaction, an independent investigation and verification of the financial condition, results of operations, assets, liabilities, properties and projected operations of Seller and the Business and, in making its determination to proceed with the transactions contemplated by this Agreement, Buyer has relied on the results of its own independent investigation and verification and the representations and warranties of Seller expressly and specifically set forth in this Agreement (as qualified by the Disclosure Schedule). **BUYER ACKNOWLEDGES AND AGREES THAT SUCH REPRESENTATIONS AND WARRANTIES BY SELLER CONSTITUTE THE SOLE AND EXCLUSIVE REPRESENTATIONS AND WARRANTIES OF SELLER TO BUYER IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED HEREBY, AND BUYER UNDERSTANDS, ACKNOWLEDGES AND AGREES THAT ALL OTHER REPRESENTATIONS AND WARRANTIES OF ANY KIND OR NATURE EXPRESS OR IMPLIED (INCLUDING, BUT NOT LIMITED TO, ANY RELATING TO THE FUTURE OR HISTORICAL FINANCIAL CONDITION OR PROJECTIONS, RESULTS OF OPERATIONS, ASSETS OR LIABILITIES OF SELLER) ARE SPECIFICALLY DISCLAIMED BY SELLER.** Seller neither makes or provides, and Buyer hereby waives, any warranty or representation, express or implied, as to the quality, merchantability, fitness for a particular purpose, conformity to samples, or condition of Seller's assets or any part thereto. Buyer acknowledges and agrees that no claim shall be brought or maintained by Buyer, any of its post-Closing Affiliates and/or any of their respective successors or permitted assigns against Seller or any direct or indirect equityholder or Affiliate of Seller and/or any officer, partner, director or employee (present or former) of Seller, and no recourse shall be brought or granted against any of them, by virtue of or based upon any alleged misrepresentation or inaccuracy in, or breach of any of the representations, warranties or covenants of Seller set forth or contained in this Agreement or any certificate delivered hereunder, except against Seller to the extent provided in Article VII hereof or except for fraud.

(b) In connection with Buyer's investigation of Seller and the Business, Buyer acknowledges and agrees that it has received from or on behalf of Seller certain estimates, projections and other forecasts and plans. Buyer acknowledges and agrees that there are uncertainties inherent in attempting to make such estimates, projections and other forecasts and plans, that Buyer is familiar with such uncertainties, that Buyer is taking full responsibility for making its own evaluation of the adequacy and accuracy of all estimates, projections, plans and other forecasts and plans so furnished to it (including the reasonableness of the assumptions underlying such estimates, projections, plans and forecasts), and that Buyer shall have no claim against Seller, any direct or indirect equityholder or Affiliate of Seller and/or any officer, partner, director or employee (present or former) of Seller with respect thereto. Accordingly, Buyer acknowledges and agrees that Seller makes no representations or warranties whatsoever with respect to such estimates, projections and other forecasts and plans (including the reasonableness of the assumptions underlying such estimates, projections, plans and forecasts). Buyer agrees that neither Seller nor any other Person will have or be subject to any liability to Buyer or any other Person resulting from the distribution to Buyer, or Buyer's use of, any information regarding Seller or its business, including the Confidential Evaluation Materials prepared by Robert W. Baird & Co. and any information, document or material made available to Buyer or its Affiliates in certain "data rooms," management presentations, discussions with management or any other form in expectation of the transactions contemplated by this Agreement.

6.02 Tax Matters.

(a) Seller and Buyer will jointly execute an election, in the prescribed form and containing the prescribed information, to have Section 167 of the Excise Tax Act (Canada) and Section 75 of An Act

Respecting the Quebec Sales Tax apply to the sale and purchase of the Purchased Assets. Buyer will file such elections with the appropriate Governmental Authority within the time prescribed.

(b) Seller and the Buyer will jointly execute and file with the appropriate Governmental Authority, within the prescribed time limits and using the prescribed form, a joint election under section 22 of the Income Tax Act (Canada) and corresponding provisions of any applicable provincial legislation as to the sale of the accounts receivable of Seller purchased under this Agreement, and prepare their respective tax returns in a manner consistent with such joint election. For purposes of such joint election, the elected amount in respect of the account receivable will be consistent with the Purchase Price allocation as set forth in or determined pursuant to Section 1.05.

(c) Transfer Taxes. Buyer, on the one hand, and Seller, on the other hand, will each pay, and will indemnify and hold the other harmless against, fifty percent (50%) of any documentary, stamp, share transfer, excise, sales, use, value added, registration, recording, property or similar Tax imposed on Seller as a result of the transactions contemplated by this Agreement, and any penalties or interest with respect to such Taxes (collectively, "Transfer Taxes").

6.03 Further Assurances. From time to time, as and when requested by any party hereto and at such requesting party's expense, the other party hereto shall execute and deliver, or cause to be executed and delivered, all such documents and instruments and shall take, or cause to be taken, all such further or other actions as the requesting party may reasonably deem necessary or desirable to evidence and effectuate the transactions contemplated by this Agreement on and subject to the terms and conditions hereof.

6.04 Cancellation of Inter-Company Services. Effective as of the Closing, any coverage under any insurance policies maintained by Seller or any of its Affiliates shall continue in force only for the benefit of Seller and such Affiliates and not for the benefit of Buyer or its Affiliates. Buyer agrees to arrange for its own insurance policies with respect to the Business covering all periods beginning after the Closing and agrees not to seek, through any means, to benefit from any of the insurance policies maintained by Seller or its Affiliates which may provide coverage for claims relating in any way to the Business on or prior to the Closing.

6.05 Non-Competition; Filing.

(a) Following the Closing, for so long as Tricor Pacific Capital Partners Fund III, L.P., a Canadian limited partnership (the "Tricor"), owns a controlling equity interest of KPGLP, directly or indirectly, neither Tricor nor KPGLP or any of KPGLP's Subsidiaries shall, directly or indirectly, engage in any business in North America with respect to manufacturing or selling any egg cartons.

(b) For a period of two (2) years after the Closing, neither Seller nor any of its Affiliates shall, directly or indirectly, solicit for employment or an independent contractor arrangement any persons who are officers or employees of the Business as of the Closing Date; provided, however, that this Section 6.05(b) shall not prohibit Seller or any of its Affiliates from (i) conducting general employment solicitations by newspaper or other mass media which are not targeted directly to or at the employees of the Business, (ii) hiring any of the individuals identified on Section 6.05(b) of the Disclosure Schedule or (iii) hiring any other employees or independent contractors of the Business (x) whose employment or engagement is terminated by Buyer after the Closing, or (y) twelve (12) months after such Person terminates his or her employment or engagement with Buyer or the Business.

(c) Seller and Buyer will, subject to applicable Law and administrative practice, execute and file on a timely basis and in the required manner and using a form reasonably acceptable to their respective counsel, and on the prescribed form (if available), an election pursuant to proposed paragraph 56.4(7) of the Canadian Income Tax Act (or such similar provision as is or may be enacted) to have proposed subsection 56.4(5) of the Canadian Income Tax Act apply to the non-compete covenant granted pursuant to Section 6.05(a).

6.06 Confidentiality.

(a) Following the Closing, the Confidentiality Agreement will terminate.

(b) At Closing, Seller shall assign to Buyer all of Seller's rights under any confidentiality or non-disclosure agreements entered into by Seller or its Affiliates, or by any party on behalf of Seller or such Affiliates, solely in connection with the sale or similar process of the Business with respect to transactions contemplated hereunder.

(c) For a period of two (2) years following the Closing, Seller shall, and shall cause its Affiliates and representatives to, maintain in confidence any written, oral or other information relating solely to Seller's business prior to the Closing.

6.07 Consents. Buyer acknowledges and agrees that certain consents to the transactions contemplated by this Agreement may be required from parties to contracts, leases, permits, licenses or other agreements to which Seller is a party and such consents have not been (and may not be) obtained. For the avoidance of doubt, Buyer agrees, however, that (a) none of Seller nor any of their respective Affiliates or representatives shall have any liability whatsoever to Buyer or any of its arising out of or relating to the failure to obtain any consents that may have been or may be required in connection with the transactions contemplated by this Agreement or because of the default, acceleration or termination of any such contract, lease, license or other agreement as a result thereof and (b) no representation, warranty or covenant of Seller contained herein shall be breached or deemed breached as a result of the failure to obtain any consent or as a result of any such default, acceleration or termination or any lawsuit, action, claim, proceeding or investigation commenced or threatened by or on behalf of any Person arising out of or relating to the failure to obtain any consent or any such default, acceleration or termination. Nothing in this Section 6.07 shall modify in any way Seller's obligation to disclose certain required consents pursuant to the representations and warranties in Section 2.04, or in any way limit Buyer's remedies in the event of a breach of such representations and warranties.

6.08 Payments Received. After the Closing, Seller (a) will hold and will promptly (and in no event longer than five (5) business days) transfer and deliver to Buyer (with any appropriate endorsements), from time to time, as and when received by Seller, any cash, checks, electronic fund or similar transfers or other property that Seller may receive on or after the Closing which properly belongs to Buyer, and (b) will account to Buyer for all such receipts. After the Closing, Buyer (i) will hold and will promptly (and in no event longer than five (5) business days) transfer and deliver to Seller (with any appropriate endorsements) from time to time, as and when received by Buyer, any cash, checks, electronic fund or similar transfers, insurance proceeds or other property that Buyer may receive on or after the Closing which properly belongs to Seller, and (ii) will account to Seller for all such receipts. The parties hereto agree to use their commercially reasonable efforts not to convert any check properly belonging to the other party into cash or other funds.

6.09 KPGLP's Guarantee. KPGLP hereby unconditionally and irrevocably guarantees for the benefit of Buyer all of the obligations of Seller under this Agreement, including under Article VII; provided, however, that KPGLP's maximum aggregate liability under this Section 6.09 for indemnification of any Loss under Article VII shall not exceed an amount equal to the Purchase Price. Notwithstanding anything to the contrary herein, however, KPGLP reserves the right to assert any and all defenses which Seller may have to any of its obligations under this Agreement.

6.10 Use of Interplast Name. After the Closing, Seller may not, directly or indirectly, use the name "Interplast" or any derivative thereof or any similar name to identify itself. Immediately following the Closing, Seller shall file a change of name amendment in the Province of British of Columbia and in each other jurisdiction in which it is qualified to transact business.

ARTICLE VII

INDEMNIFICATION

7.01 Survival Period. The representations, warranties, covenants and agreements set forth in this Agreement shall survive the Closing for a period beginning on the Closing Date and ending on the eighteen (18) month anniversary of the Closing Date (the "Survival Period") and shall thereafter be of no further force or effect; provided that (i) the applicable Survival Period for claims for breaches of the representations and warranties contained in Sections 2.01 (Organization and Corporate Power), 2.02 (Authorization; Valid and Binding Agreement), 2.09(a) (Title to Properties), 2.19 (Brokerage), 4.01 (Organization and Authority), 4.02 (Authorization; Valid and Binding Agreement) and 4.05 (Brokerage) (collectively, the "Fundamental Representations") shall be the period beginning on the Closing Date and ending on the expiration of the applicable statute of limitations thereof, (ii) the applicable Survival Period for claims for breaches of the representations and warranties contained in Section 2.09 (Tax Matters) shall be the period beginning on the Closing Date and ending on the 15th day after the four (4) year anniversary of the filing of the last Tax Return covering any portion of the Pre-Closing Period, and (iii) with respect to any covenant or agreement contained herein that contemplates performance or observance, as the case may be, after the eighteen (18) month anniversary of the Closing Date, the Survival Period for such covenant or agreement shall continue through the period of such contemplated performance or observance, as the case may be; provided further that, for the avoidance of doubt, that the applicable Survival Period for any such covenant or agreement described in clause (iii) of the preceding proviso shall end upon the expiration of the period of such contemplated performance or observance, as the case may be, for such particular covenant or agreement, at which time such covenant or agreement shall expire and be of no further force and effect.

7.02 Indemnification by the Seller for the Benefit of Buyer.

(a) Subject to the applicable provisions and limitations of this Article VII, after the Closing, Seller shall indemnify Buyer against any actual loss, liability, damage or expense (including reasonable legal fees and expenses) (collectively, "Losses" and individually, a "Loss") which Buyer actually suffers as a result of (i) any breach by Seller of any representation or warranty of Seller contained in Article II of this Agreement, (ii) any breach by Seller of any covenant or agreement of Seller contained in this Agreement, or (iii) any Excluded Taxes. Buyer's Losses shall be determined without consideration of any qualifications of material, materiality, having a Material Adverse Effect, or words of similar meaning.

(b) Any amount finally determined hereunder to be owed by Seller to Buyer pursuant to Section 7.02(a) shall first be satisfied from any then remaining balance of the Escrow Amount held in

escrow in the Escrow Account by the Escrow Agent. For the avoidance of doubt, amounts paid out of the Escrow Amount to Buyer (or any of its designees) on behalf of a Seller shall, for all purposes hereof, be deemed to have been paid by such Seller hereunder.

(c) Notwithstanding any other provision in this Agreement to the contrary (but subject to the other applicable limitations on indemnification recovery set forth in this Article VII), Seller shall have no liability under Section 7.02(a)(i) above, unless the aggregate of all Losses relating thereto for which Seller would be liable, but for this Section 7.02(c), exceeds on a cumulative basis \$250,000 (the "Deductible"), and then only to the extent such Losses exceed the Deductible; provided that Seller's aggregate liability under Section 7.02(a)(i) (other than with respect to Fundamental Representations) shall in no event exceed an amount equal to the \$4,000,000 (the "Cap"); and provided further that no claim for indemnification by Buyer under this Section 7.02(a)(i) may be asserted with respect to any individual Loss where the amount that would otherwise be payable by Seller hereunder relating to such claim with respect to any such individual Loss is less than \$10,000 (the "Mini-Basket"), and if such claim does not exceed such amount of the Mini-Basket, the amount of such claim shall not be taken into account in determining whether or not or to the extent to which the Deductible has been exceeded or reached. Notwithstanding anything in this Agreement to the contrary, in no event shall Seller's aggregate liability under this Section 7.02 (including with respect to Fundamental Representations) exceed the Final Closing Payment.

(d) Notwithstanding any other provision in this Agreement to the contrary, Seller shall in no event be liable to, or have any obligation to indemnify, Buyer for any Losses (i) to the extent that such Losses result from or are increased by a failure of Buyer to mitigate damages in accordance with Section 7.02(e) below, (ii) that are punitive, special, consequential, incidental or exemplary damages (provided that such damages paid to a third party by Buyer shall be included in Losses hereunder), (iii) to the extent that such Losses result from or are increased by the passing of or any change in, after the date hereof, any Law or regulatory or administrative practice of any Governmental Authority in effect on the date hereof and/or (iv) to the extent that an accrual for or reserve against any such Losses was or is included in the Financial Statements and/or Closing Statement (as finally determined pursuant to Section 1.04). Buyer acknowledges and agrees (on behalf of itself and its post-Closing Affiliates) that the indemnification provided by Section 7.02(a) constitutes Buyer's (and its post-Closing Affiliates') sole and exclusive remedy for any and all Losses or other claims relating to or arising from this Agreement or in connection with the transactions contemplated hereby (including with respect to any misrepresentation or inaccuracy in, or breach of, any representations or warranties or any breach or failure in performance of any covenants or agreements made by Seller herein) or any exhibit, schedule (including the Disclosure Schedule) or certificate delivered hereunder or otherwise with respect to the transactions contemplated hereby

(e) Buyer shall use all commercially reasonable efforts to mitigate all losses, costs, damages and expenses upon and after becoming aware of any event which could reasonably be expected to give rise to losses, costs, damages and expenses that are or may be indemnifiable under this Article VII.

(f) Buyer shall not be entitled to recover any Losses relating to any matter (i) arising under one provision of this Agreement to the extent that Buyer had already recovered Losses with respect to such matter pursuant to any of other provision of this Agreement or (ii) to the extent such matter has been included in the calculation of (or otherwise taken into account in determining) the Purchase Price or the Final Purchase Price (including by virtue of being expressly included in the calculation of the Net Working Capital Amount as determined pursuant to Section 1.04 hereof).

7.03 Indemnification by Buyer for the Benefit of the Seller. Subject to the applicable provisions of this Article X, after the Closing, Buyer shall indemnify Seller and each of their respective officers, directors, partners, Affiliates, employees, agents, representatives, successors and permitted assigns (collectively, the "Seller Indemnified Parties") against any Losses which any of the Seller Indemnified Parties actually suffer as a result of: (a) any breach of any representation or warranty of Buyer contained in this Agreement, (b) any breach of any covenant or agreement set forth in this Agreement to be performed by Buyer, (c) the ownership and/or the operation of the Business and Buyer's business from and after the Closing, and (d) any claim or suit brought against any of the Seller Indemnified Parties relating to actions taken by (or omitted to be taken by) any of Buyer or the Business and/or the conduct by any of them or any of their respective businesses (other than any claim or action by Buyer against Seller pursuant to Section 7.02(a) to the extent Buyer is entitled to indemnification therefore from Seller under Section 7.02(a)). Notwithstanding any other provision in this Agreement to the contrary (but subject to the other applicable limitations on indemnification recovery set forth in this Article VII), Buyer shall have no liability under Section 7.03(a), unless the aggregate of all Losses relating thereto for which Buyer would be liable, but for this sentence, exceeds the Deductible, and then only to the extent such Losses exceed the Deductible.

7.04 Manner of Payment. Any indemnification payment pursuant to this Article VII shall be effected by wire transfer of immediately available funds from (or on behalf of) the applicable indemnifying party to an account designated by each applicable indemnified party within twenty-one (21) days after the determination thereof. Any indemnification payment under this Agreement shall be treated as an adjustment to the Final Purchase Price for Tax purposes.

7.05 Defense of Third Party Claims. Promptly after the assertion by any third party of any claim (a "Third Party Claim") against any Person entitled to seek indemnification under Section 7.02 or Section 7.03 (an "Indemnitee") that results or may result in the incurrence by such Indemnitee of any Loss for which such Indemnitee desires to seek indemnification under this Article X, such Indemnitee shall notify each of the parties from whom such indemnification could be sought hereunder with respect to such claim (collectively, the "Indemnitor") of such claim in writing promptly after receiving notice of such claim, describing the claim, the amount thereof (if known and quantifiable) and the basis thereof in reasonable detail (such written notice, an "Indemnification Notice"); provided that the failure to so notify an Indemnitor shall not relieve the Indemnitor of its obligations hereunder except to the extent that such failure shall have caused the damages for which the Indemnitor is obligated to be greater than such damages would have been had the Indemnitee given the Indemnitor prompt notice hereunder. Any Indemnitor shall be entitled to participate in the defense of such action, proceeding, investigation or other claim giving rise to an Indemnitee's claim for indemnification at such Indemnitor's expense, and at its option shall be entitled to assume the defense thereof by appointing a reputable counsel reasonably acceptable to the Indemnitee to be the lead counsel in connection with such defense; provided that the Indemnitee shall be entitled to participate in the defense of such claim and to employ counsel of its choice for such purpose; provided however, that the fees and expenses of such counsel engaged by Indemnitee pursuant to the previous clause shall be borne by the Indemnitee and shall not be recoverable from such Indemnitor(s) under this Article X. If Seller is defending a Third Party Claim, the reasonable expenses of Seller incurred in defending a Third Party Claim (or any participation in a Third Party Claim that could result in Losses to Seller) shall be reimbursed, when and as incurred, from the funds remaining in the Escrow Account. If the Indemnitor shall control the defense of any such claim, the Indemnitor shall be entitled to settle such claims; provided that the Indemnitor shall obtain the prior written consent of the Indemnitee (which consent shall not be unreasonably withheld) before entering into any settlement of a claim or ceasing to defend such claim if, pursuant to or as a result of such settlement, injunctive or other

equitable relief will be imposed against the Indemnitee or if such settlement does not expressly and unconditionally release the Indemnitee from all liabilities and obligations with respect to such claim. In all cases, the Indemnitee shall provide, and the Indemnitee shall cause its Affiliates to provide, their reasonable cooperation with the Indemnitor in defense of claims or litigation, including by making employees, information and documentation reasonably available. In no event will an Indemnitee consent to the entry of any judgment or enter into any settlement with respect to any Third Party Claim without the written consent of the Indemnitor (which consent shall not be unreasonably withheld) if any Indemnitee is seeking or will seek indemnification hereunder with respect to such matter; it being understood and agreed, for the avoidance of doubt, that any such consent of the Indemnitor to any such consent to the entry of judgment or settlement shall not be deemed to be an admission or acknowledgement that any Indemnitee is entitled to indemnification hereunder with respect to any such Third Party Claim.

7.06 Determination of Loss Amount. The amount of any Loss subject to indemnification under Section 7.02(a) shall be calculated net of (i) any Tax Benefit that Buyer and/or any of their respective Affiliates actually realize (or are reasonably expected to realize, as determined in good faith by Buyer) as a result of incurring such Loss, and (ii) any insurance proceeds or other third party indemnification or reimbursement proceeds actually received by any of them on account of such Loss. If Buyer and/or any of their respective Affiliates realizes a Tax Benefit and such Tax Benefit was not included in the computation of the Loss, Buyer shall within ten (10) days of filing the Tax Return claiming the Tax Benefit (or, if the Tax Benefit is in the form of a refund, within ten (10) days of receiving the refund from the Governmental Authority) pay to Seller the amount of such Tax Benefit. Buyer shall, and shall cause its Affiliates to, seek full recovery under all insurance policies and other third party agreements covering any Loss to the same extent as they would if such Loss were not subject to indemnification hereunder. In the event that an insurance recovery or a recovery under any other third party agreement is made by Buyer and/or any of its Affiliates with respect to any Loss for which Buyer has been indemnified hereunder, then a refund equal to the aggregate amount of the recovery shall be made promptly by Buyer to Seller. Seller shall be subrogated to all rights of Buyer and its Affiliates in respect of any Losses indemnified by Seller.

7.07 Expiration of Indemnification. No Person shall be liable for any claim for indemnification under Section 7.02(a) or Section 7.03 unless written notice (stating in reasonable detail the nature of, and factual and legal basis for, any such claim for indemnification, and the provisions of this Agreement upon which such claim for indemnification is made) is delivered by the Person seeking indemnification to the Person from whom indemnification is sought prior to the expiration of the applicable Survival Period, in which case the representation, warranty, covenant or agreement which is the subject of such claim shall survive, to the extent of such claim only, until such claim is resolved, whether or not the amount of the Losses resulting from such breach has been finally determined at the time the notice is given, if, but only if, (i) in the case of a claim made by reason of a Third Party Claim, the written notice is accompanied by a copy of the written notice of the third party claimant and (ii) in the case of any claim made other than by reason of a Third Party Claim, some Losses shall have actually been incurred by the Person seeking indemnification with respect to such claim in good faith at or prior to the date such written notice is delivered to the Person from whom indemnification is sought.

7.08 Limitation on Recourse

(a) Buyer covenants and agrees that no claim shall be brought or maintained by Buyer or any of its successors or permitted assigns against any present or former officer, director, employee, partner or Affiliate of any party hereto which is not otherwise expressly identified as a party hereto, and no recourse

shall be brought or granted against any of them, by virtue of or based upon any alleged misrepresentation or inaccuracy in or breach of any of the representations, warranties, agreements or covenants of any party hereto set forth or contained in this Agreement or any exhibit or schedule hereto (including the Disclosure Schedule) or any certificate delivered hereunder. After the consummation of the Closing, no party may seek the rescission of the transactions contemplated by this Agreement.

(b) Effective as of the Closing, Buyer (on behalf of itself and its Affiliates) hereby releases Seller and its officers, directors, shareholders, members, partners, Affiliates, employees, agents and attorneys (collectively, the “**Seller Released Parties**”) from any and all claims, and agrees not to bring or threaten to bring or otherwise join in any claim against the Seller Released Parties or any of them, whether at law or in equity, relating to, arising out of or in connection with any facts or circumstances relating to Seller, the Business and/or any of its assets, businesses or operations which existed on or prior to the Closing Date; provided that the foregoing shall not apply to any claim that Buyer may properly bring against Seller under this Agreement (subject to the applicable provisions and limitations set forth herein).

ARTICLE VIII

DEFINITIONS

8.01 Definitions. For purposes hereof, the following terms, when used herein with initial capital letters, shall have the respective meanings set forth herein:

“Affiliate” of any particular Person means any other Person controlling, controlled by or under common control with such particular Person. For the purposes of this definition, “control” means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, by contract or otherwise.

“Assigned Contracts” means all Contracts of Seller (including the confidentiality agreements to which Seller and each of the Persons identified on Section 8.01(b) of the Disclosure Schedule are a party), other than the Contracts included in the Excluded Assets.

“Assumed Liabilities” means all (i) the obligations and liabilities of Seller reflected or reserved for on the Final Closing Balance Sheet as current liabilities (in accordance with the definition of Net Working Capital); (ii) liabilities and obligations which arise after the Closing with respect to the Purchased Assets; (iii) liabilities and obligations of Seller arising on, prior to or after the Closing under the Assigned Contracts; (iv) liabilities and obligations of Seller under the La Capitale Plan; and (v) any liabilities and obligations assumed by Buyer pursuant to the terms of Sections 5.03 and 5.05.

“Assumption Agreement” means the assumption agreement to be entered into by and between Buyer and Seller at Closing reflecting the assumption of the Assumed Liabilities by Buyer.

“Bill of Sale and Assignment Agreement” means the bill of sale and assignment agreement to be entered into by and between Buyer and Seller at Closing with respect to the Purchased Assets.

“Canadian Income Tax Act” means the Income Tax Act (Canada) and legislation of any legislature of any province or territory of Canada (including the Taxation Act (Québec)) and any regulations thereunder in force of like or similar effect.

"Code" means the United States Internal Revenue Code of 1986, as amended.

"Confidentiality Agreement" means that certain Confidentiality Agreement, dated July 11, 2012, between Rank Group Limited and Robert W. Baird & Co. (on as agent for Seller).

"Constitutive Documents" means the articles of incorporation, together with any amendments, by-laws and/or other organizational documents of Seller.

"Continuing Employee" means any Employee who accepts employment with Buyer.

"Contracts" means all agreements, contracts, commitments and undertakings, written or oral, to which any Person is a party, an obligor or a beneficiary, or by which any of its assets or properties is bound.

"Disclosure Schedule" means the Disclosure Schedule delivered by Seller to Buyer on or about the date hereof.

"Employee" means any individual employed by Seller, including those on any approved leave under Seller's employment policies or under any applicable Law.

"Employee Benefit Plan" means each material written or oral employee benefit, welfare, bonus, current or deferred compensation, incentive compensation, equity compensation, share purchase, share option, share appreciation, phantom share, savings, profit sharing, severance or termination pay, notice or payment in lieu of notice, change of control, health, dental or other medical life, disability or other insurance (whether insured or self-insured), pension or retirement plan, program, agreement or arrangement sponsored, maintained, contributed to, or required to be contributed to by Seller for the benefit of any of Seller's employees, former employees or their respective dependents or beneficiaries, but excluding the Canada Pension Plan, the Quebec Pension Plan, any health, medical, welfare, pension, drug or similar plan established and/or administered by a Province of Canada or any other Governmental Authority or by any Law and workers' compensation insurance provided by federal or provincial legislation or any other Law and any comparable programs or plans established and/or administered inside or outside Canada.

"Environmental Laws" shall mean all applicable federal, state, provincial, local and foreign Laws concerning Hazardous Substances, the protection of the environment or impact on human health with respect to exposure to Hazardous Substances, as the foregoing are enacted and in effect on or prior the Closing Date.

"Escrow Account" means the account established by the Escrow Agent to hold the Escrow Amount and any earnings thereon pursuant to the Escrow Agreement.

"Escrow Agent" means PNC Bank, NA.

"Escrow Agreement" means the Escrow Agreement, substantially in the form of Exhibit A hereto, to be entered into among Buyer, Seller and the Escrow Agent at the Closing.

"Escrow Amount" means \$1,500,000.

"Estimated Aggregate Purchase Price" means (i) Twenty-Five Million Dollars (\$25,000,000) plus (ii) the amount, if any, by which the Estimated Net Working Capital Amount exceeds the Target Net Working Capital Amount, minus (iii) the amount, if any, by which the Target Net Working Capital Amount exceeds the Estimated Net Working Capital Amount plus (iv) the Assumed Liabilities.

"Excluded Assets" means the following: (i) all cash and cash equivalents and marketable securities of Seller; (ii) insurance contracts of Seller (and proceeds therefrom), except as may be specifically assigned hereunder; (iii) all Employee Benefit Plans of Seller (other than the La Capitale Plan); (iv) all of Seller's corporate records, including its Constitutive Documents, minute books, stock books and other records relating to the organization of Seller and all Tax Returns (and related work papers and work product); (v) financial records of Seller not relating to the Business; (vi) all of Seller's rights pursuant to or under this Agreement or any other agreement contemplated to be entered into by Seller in connection with the consummation of the transactions contemplated hereunder; (vii) any trade name, trademark, service mark or logo using or incorporating the name "Keyes", "KEYES & Design" or any derivatives thereof, including any letterhead or labels using or incorporating any such mark or logo; (viii) all rights demands, claims, actions and causes of action or rights of recovery or set-off of every kind and character, including under warranties, guarantees and indemnities, arising out of or related to the Excluded Assets and Excluded Liabilities that Seller or any of its Affiliates may have against any third party, including any Governmental Authority; (ix) any loans or other amounts payable to Seller from its current or former employees or consultants; (x) all rights to refunds and credits for Excluded Taxes; (xi) a copy of all personnel records and files related to the Employees; and (xi) all of Seller's right, title and interest in, to and under the assets identified on Section 1.02(c) of the Disclosure Schedule.

"Excluded Liabilities" means all liabilities of Seller, other than the Assumed Liabilities, including (i) all Excluded Taxes; (ii) liabilities listed on Section 5.02 of the Disclosure Schedules, and (ii) all liabilities of Seller arising under this Agreement.

"Excluded Taxes" means the following liabilities for Taxes: (i) all Taxes that relate to the Purchased Assets, the Business or any Employee (including the Continuing Employees) for any Pre-Closing Tax Period; (ii) all Taxes of Seller that are unrelated to the Purchased Assets, the Business or any Continuing Employee; (iii) all income, franchise, net worth, or other similar Taxes of Seller (including to the extent related to the Purchased Assets, the Business, or any Continuing Employees). For the avoidance of doubt, Transfer Taxes shall not be an Excluded Tax and shall be governed by Section 6.02(c).

"Final Aggregate Purchase Price" means the Estimated Aggregate Purchase Price as adjusted by the Final Adjustment Amount in the same manner that the Closing Payment and Purchase Price is adjusted pursuant to Section 1.04(b)(ii).

"GAAP" means United States generally accepted accounting principles, consistently applied.

"Governmental Authority" means any government or political subdivision thereof, whether federal, state, provincial, municipal, local or foreign, or any agency or instrumentality of any such government or political subdivision thereof, or any federal, state, provincial, municipal, local or foreign court, tribunal, board, commission or arbitrator or any quasi-governmental or private body exercising regulatory authority.

"Hazardous Substances" means a substance regulated or defined or designated as a contaminant, hazardous, extremely or imminently hazardous, dangerous or toxic by any federal, state, provincial, local and foreign Governmental Authority, or any substance the use of which is otherwise regulated pursuant to Environmental Laws.

"Indebtedness" means, with respect to Seller at any date, without duplication, the sum of (i) all payment obligations of Seller for indebtedness for borrowed money (excluding, for the avoidance of doubt, any trade payables, accounts payable and other current liabilities) and any payment obligations for any accrued but unpaid interest or prepayment premiums related thereto, (ii) all payment obligations of Seller for indebtedness of Seller evidenced by bonds, debentures or promissory notes, (iii) all Indebtedness of any Person (other than Seller) of the type of referred to in clauses (i) and (ii) above guaranteed by Seller and (iv) any capital leases; provided that, notwithstanding anything in the foregoing to the contrary, Indebtedness shall not include any (a) liabilities or obligations of Seller in respect of any letter of credit, performance bond, surety bond, sureties or similar obligation issued by or on behalf of Seller, whether issued in connection with any customer or supplier contracts, proposals or otherwise, (b) intercompany accounts, payables or loans of any kind or nature between or among any of Seller and/or KPGLP or its other Subsidiaries and/or (c) any obligations of any Person under operating leases.

"Intellectual Property" means patents, trademarks, service marks, domain names, copyrights and registrations, applications for the registration of any of the foregoing, and any trade secrets, and know-how.

"La Capitale Plan" means that certain group insurance plan, contract number 1826, effective as of October 1, 2010, insured by La Capitale Insurance and Financial Services (with collaboration of ACT Conseillers Inc.) for the benefit of Seller, as amended, restated, modified and renewed from time to time, together with all other agreements and documents related thereto.

"Law" means, with respect to any particular Person, any statute, law, ordinance, rule, policy, guideline or regulation of a Governmental Authority applicable to such Person, as the case may be, in all cases, having the force of law.

"Liens" means any lien, mortgage, hypothec, pledge, security interest, conditional sale or other title retention agreement or encumbrance.

"Multi-Employer Pension Plan" shall have the meaning set forth the applicable provincial pension standards legislation.

"Material Adverse Effect" means a material adverse effect which has occurred or is reasonably likely to occur to the financial condition or results of operations of Seller, taken as a whole; provided, that, for purposes of this Agreement, a Material Adverse Effect shall not include the effect of (i) changes to the industry or markets in which the business of Seller operates that are not unique to the business of Seller, provided that Seller is not disproportionately adversely effected thereby, (ii) the announcement or disclosure of the transactions contemplated herein, (iii) general economic, regulatory or political conditions or changes, (iv) changes in or the condition of financial, banking or securities markets (including any disruption thereof and any decline in the price of any security or any market index), (v) military action or any act of terrorism, (vi) changes in Law or GAAP after the date hereof, (vii) compliance with the terms of this Agreement or with any request of Buyer, (viii) any "Act of God", including, but not limited to, any hurricane, earthquake or other natural disaster, or (ix) any matter expressly set forth in the Disclosure Schedule. Buyer acknowledges that there could be a disruption to

Seller's business as a result of the execution of this Agreement, the announcement by Buyer of its intention to purchase Seller or the announcement of Seller of its intention to sell the Business, and the consummation of the transactions contemplated hereby, and Buyer agrees that such disruptions do not and shall not constitute a Material Adverse Effect.

"Net Working Capital" means the excess of (i) the current assets of the Business over (ii) the current liabilities of the Business, in each case determined in accordance with the Seller's Accounting Practices and Procedures; provided that, notwithstanding anything in this Agreement or Exhibit B to the contrary, for purposes of calculating "Net Working Capital", (x) in no event will the determination of "Net Working Capital" include (1) any intercompany accounts of any kind or nature between or among Seller and/or any of KPGLP or its other Subsidiaries, (2) any Seller Transaction Expenses, (3) any Indebtedness, (4) any liabilities or obligations of Seller in respect of letters of credit, performance bonds, surety or similar instruments or arrangements, (5) any fees, expenses or other liabilities of Seller relating to Buyer's financing for the transactions contemplated hereby, (6) any cash or cash equivalents, (7) any asset or liability for deferred Tax items or Transfer Taxes, (8) any amounts accrued by Seller for bonuses payable to Hal Scott Lindley and Harry Seeley pursuant to the incentive compensation plan of KPGLP for 2012 and/or (9) any asset or liability for income Taxes and Canadian Goods and Services Tax (and corresponding provincial Taxes), and (y) for purposes of determining the accrual for Taxes, the parties shall use Seller's existing practices and procedures as in effect as of the close of business on the day immediately preceding the date hereof and, to the extent applicable, for Taxes other than income Taxes, the conventions in Section 6.02 and shall not include any accruals or reserves required under GAAP with respect to contingent Taxes or uncertain Tax positions. For the avoidance of doubt, but subject to the application of the proviso in the preceding sentence, "Net Working Capital" shall be calculated in a manner consistent with the sample calculation set forth on Exhibit B.

"Net Working Capital Amount" means the Net Working Capital of the Business as of 11:59 p.m. (Montreal (Quebec) time) on the day immediately preceding the Closing Date.

"Permitted Liens" means (i) any restrictions arising under any applicable securities laws, (ii) Liens in respect of Taxes or other governmental charges not yet due and payable or the amount or validity of which is being contested in good faith by appropriate proceedings by Seller and for which Seller has an appropriate reserve or accrual; (iii) mechanics', carriers', workers', repairers' and similar statutory Liens arising or incurred in the ordinary course of business; (iv) zoning, entitlement, building and other land use regulations imposed by any Governmental Authority having jurisdiction over any Real Property which are not violated by the current use and operation of the Real Property; (v) covenants, conditions, restrictions, easements and other similar matters of record or otherwise disclosed on title surveys affecting any Real Property which do not materially impair the occupancy or use thereof for the purposes for which it is currently used or proposed to be used by Seller in connection with Seller's business; (vi) Liens arising under worker's compensation, unemployment insurance, social security, retirement and similar legislation or Laws; (vii) purchase money Liens and Liens securing rental payments under capital lease arrangements; (viii) Liens of lessors and licensors arising under lease agreements or license arrangements; (ix) those Liens set forth on Section 8.01(a) of the Disclosure Schedule; (x) Liens to be terminated or released in connection with the transactions contemplated by this Agreement; and (xi) Liens granted to any lender at or about the Closing in connection with any financing by Buyer or any of its Affiliates of the transactions contemplated hereby and any other Liens as may result for any action taken by or at the direction of Buyer and/or any of its Affiliates.

“Person” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

“Pre-Closing Tax Period” means any taxable period that ends before the Closing Date.

“Post-Closing Tax Period” means any taxable period that begins on or after the Closing Date.

“Purchased Assets” means the Business and all assets, rights and properties owned by Seller (other than the Excluded Assets) on the Closing Date, whether or not carried and reflected on the books of Seller, wherever located, including the following:

- (i) all accounts, notes, contracts or other receivables of Seller;
- (ii) all deposits and advances (including customer deposits), prepaid expenses and other prepaid items of Seller, to the extent the foregoing are transferable to Buyer and the full amount thereof is realizable by Buyer after the Closing;
- (iii) all inventories of Seller;
- (iv) all tangible assets, including vehicles and other transportation equipment, machinery, equipment, tools, strapping, pallets, spare parts, operating supplies, fuel, furniture and office equipment, fixtures, construction-in-progress, telephone systems, telecopiers, photocopiers and computer hardware, of Seller;
- (v) all of Seller’s right, title and interest in and to the Real Property Leases;
- (vi) all of Seller’s right, title and interest in, to or under the Assigned Contracts and the La Capitale Plan;
- (vii) all of Seller’s right, title and interest in and to its Intellectual Property, including the “Interplast” trade name;
- (viii) all permits and licenses used in the Business to the extent transferable or assignable to Buyer;
- (ix) all of Seller’s files, papers, documents and records, including credit, sales and accounting records, price sheets, catalogues and sales literature, books, processes, advertising material, stationery, office supplies, forms, catalogues, manuals, correspondence, logs, employment records and any other information reduced to writing;
- (x) Seller’s general ledgers and books of original entry;
- (xi) all of Seller’s right, title and interest in, to or under restrictive covenants and obligations of its present and former employees, agents, representatives, independent contractors and others; and

(xii) all other assets used by Seller in the conduct of the Business.

"Seller's Accounting Practices and Procedures" means the accounting methods, policies, practices and procedures, including classification and estimation methodology, used by Seller in the preparation of the Financial Statements.

"Seller Transaction Expenses" means, without duplication of amounts, all fees and expenses of Seller, including applicable goods and service tax and harmonized sales tax and Quebec sales tax, (i) to Robert W. Baird & Co. for investment banking services to Seller, (ii) to Winston & Strawn LLP for legal services to Seller and KPGLP, (iii) to McCarthy Tétrault LLP for legal services to Seller and KPGLP and (iv) the Change in Control Payments, in each case for clauses (i) – (iii) of the foregoing to the extent incurred prior to the Closing in connection with the transactions contemplated by this Agreement and to the extent unpaid as of the Closing Date; provided that, for the avoidance of doubt, in no event shall "Seller Transaction Expenses" be deemed to include any fees and expenses to any Person to the extent relating to Buyer's and/or any of its Affiliates' financing for the transactions contemplated hereby.

"Subsidiary or Subsidiaries" means, with respect to any Person of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers, or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof or (ii) if a limited liability company, partnership, association or other business entity (other than a corporation), a majority of partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more Subsidiaries of that Person or a combination thereof and for this purpose, a Person or Persons owns a majority ownership interest in such a business entity (other than a corporation) if such Person or Persons shall be allocated a majority of such business entity's gains or losses or shall be or control any managing director or general partner of such business entity (other than a corporation).

"Target Net Working Capital Amount" means \$1,469,715.

"Tax" or "Taxes" means any net income, capital gains, gross income, gross receipts, sales, use, transfer, ad valorem, franchise, profits, license, capital, withholding, payroll, estimated, employment, excise, goods and services, severance, stamp, occupation, premium, property, social security, environmental, alternative or add-on, value added, registration, windfall profits or other tax or customs duties or amount imposed by any Governmental Authority, or any interest, or any penalties, incurred under applicable Laws with respect to such taxes.

"Tax Benefit" shall mean any reduction in Taxes payable to a Governmental Authority or any increase in any Tax refund receivable (including any related interest) from a Governmental Authority.

"Tax Return" or "Tax Returns" means any return, declaration, report, claim for refund, information return or statement (including schedules or any related or supporting information) filed or required to be filed with any Governmental Authority in connection with the determination, assessment or collection of any Tax or the administration of any Laws, regulations or administrative requirements relating to any Tax.

8.02 Cross-Reference of Other Definitions. Each capitalized term listed below is defined in the corresponding Section of this Agreement:

<u>Term</u>	<u>Section No.</u>
2012 Bonus Amounts	5.05
Agreement	Preamble
Buyer	Preamble
Canadian Securities Laws	4.06
Cap	7.02(b)
Change in Control Payments	2.18(d)
Closing	1.03(a)
Closing Date	1.03(a)
Closing Payment	1.01(b)
Closing Payment Estimate	1.01(a)
Closing Statement	1.04(a)(i)
Deductible	7.02(b)
Estimated Cash on Hand	1.01(a)
Estimated Net Working Capital Amount	1.01(a)
Final Adjustment Amount	1.04(b)(ii)
Final Closing Payment	1.04(b)(ii)
Final Purchase Price	1.04(b)(ii)
Financial Statements	2.05
Fundamental Representations	7.01
Indemnitee	7.05
Indemnification Notice	7.05
Indemnitor	7.05
Independent Auditor	1.04(a)(ii)
Interim Financial Statements	2.05
KPGLP	Preamble
Latest Balance Sheet	2.05
Losses	7.02(a)
Material Contract	2.10(b)
Mini-Basket	7.02(b)
MT	9.16
New Plans	6.03
Objections Statement	1.04(a)(i)
Old Plans	6.03
Pending Escrow Claim	1.03(b)(iv)(A)
Purchase Price	1.01(a)(i)
Real Property	2.08(a)
Real Property Leases	2.08(a)
Securities Act	4.06
Seller	Preamble
Seller Indemnified Parties	7.03
Seller License	2.19
Seller's knowledge	9.03
Severance Agreement Assignment	1.03(c)(i)(G)
STE Statement	1.03(c)(i)(D)
Survival Period	7.01
Tax Contests	6.02(d)(i)

Third Party Claim	7.05
Transfer Taxes	6.02(c)
Tricor	6.05(a)
W&S	9.16
Year-End Financial Statements	2.05

ARTICLE IX

MISCELLANEOUS

9.01 Press Releases and Communications. Following the Closing, each of the parties hereto covenants and agrees that it will not (and will cause its Affiliates and representatives not to) issue or make any press release or public announcement related to this Agreement or the transactions contemplated herein that discloses the purchase price, the enterprise value or the multiple of EBITDA paid for the Business hereunder or any other information from which any of the foregoing can be reasonably derived; provided, however, Buyer may disclose the purchase price or the enterprise value paid for Business only in the event that Buyer believes in good faith and upon advice of counsel that the disclosure of such information in connection with a public filing is required by Law and in such event Seller shall have the right, to the extent permitted by Law, to review such disclosure prior to Buyer making such public filing.

9.02 Expenses. Except as otherwise set forth in this Agreement, each of the parties hereto shall be solely responsible for and shall bear all of its own costs and expenses incident to its obligations under and in respect of this Agreement and the transactions contemplated hereby, including any such costs and expenses incurred by any party hereto in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement (including the fees and expenses of legal counsel, accountants, investment bankers or other representatives and consultants), regardless of whether the transactions contemplated hereby are consummated; provided that (i) if the Closing, occurs, Buyer shall be responsible for and shall pay or cause to be paid all of the Seller Transaction Expenses deducted from the definition of the "Closing Payment" pursuant to clause (iv) of the definition thereof, (ii) if the Closing, occurs, Seller shall be responsible for any Seller Transaction Expenses that are not deducted from the definition of the "Closing Payment" pursuant to clause (iv) or which are not otherwise paid by or on behalf of Seller at or prior to the Closing and (iii) Buyer shall pay any and all costs and expenses relating to any filings and consents required in connection with the transactions contemplated by this Agreement.

9.03 Seller Knowledge. For purposes of this Agreement, the term "Seller's knowledge" or similar phrases as used herein shall mean, and shall be limited to, the actual knowledge of Rebecca Kalis, Josh Weldy, Germain Archambault, Melissa Bergeron, and Jack Westerman in each case, as at the applicable date and time the relevant representation and warranty of Seller is made in this Agreement.

9.04 Notices. All notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given when personally delivered, one day after deposit with Federal Express or similar overnight courier service or three days after being mailed by first class mail, return receipt requested. Notices, demands and communications to Buyer and Seller shall, unless another address is specified in writing, be sent to the addresses indicated below:

Notices to Buyer:

Pactiv
1900 W. Field Court
Lake Forest, IL 60045
Attn: CEO
Tel: (847) 482-2264
Fax: (847) 615-6337
E-mail: jmcgrath@pactiv.com

with a copy to:

Reynolds Group Holdings Limited
1900 W. Field Court
Lake Forest, IL 60045
Attn: Group Legal Counsel
Tel: (847) 482-2409
Fax: (847) 615-6417
E-mail: jdoyle@pactiv.com

Notices to Seller:

Keyes Packaging Group, L.P.
c/o Tricor Pacific Capital, Inc.
One Westminster Place
Suite 100
Lake Forest, IL 60045
Attn: Jack Westerman
Fax: (847) 295-4243
E-mail: jwesterman@tricorpacific.com

with a copy (which shall not constitute notice or service of process) to:

Winston & Strawn LLP
35 West Wacker Drive
Chicago, Illinois 60601
Attn: Andrew J. McDonough
Tel: (312) 558-5600
Fax: (312) 558-5700
E-mail: AMcdonou@winston.com

Notwithstanding the foregoing, any party may send any notice, request, demand, claim, or other communication required or permitted hereunder to the intended recipient at the address set forth above by personal delivery, messenger service, ordinary mail and/or facsimile transmission; provided, however, that no such notice, request, demand, claim, or other communication will be deemed to have been duly given unless and until it actually is received by the intended recipient. Any party may change the address to which notices, requests, demands, claims, and other communications required or permitted hereunder are to be delivered by giving the other party(ies) notice in the manner herein set forth.

9.05 Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns; provided that no party hereto may assign, delegate or otherwise transfer any of such party's rights or obligations under this Agreement without the written consent of Seller and Buyer, provided that Buyer may assign its right to purchase the Purchased Assets and the obligation to assume the Assumed Liabilities to any Affiliate, with Buyer remaining liable for all obligations of such Affiliate under this Agreement. Nothing in this Agreement, express or implied, is intended to or shall confer upon any Person other than the parties hereto or their respective successors and permitted assigns, any rights, remedies or liabilities under or by reason of this Agreement, other than sections which are specifically for the benefit of Seller Indemnified Parties and Persons to whom which Seller Transaction Expenses are owed (including Section 1.03, Section 5.02, Section 5.03, Section 6.01 and this Section 9.05), each of which is intended to be for the benefit of the Persons covered thereby or to be paid thereunder and may be enforced by such Persons.

9.06 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement. Without limiting the generality of the foregoing, no representation or warranty regarding or relating to (i) Tax matters or compliance with Tax Laws is being made, except as set forth in Sections 2.09 and 2.13, (ii) employee benefit matters is being made, except as set forth in Section 2.13 and (iii) environmental, health or safety matters (including any arising under Environmental Laws) is being made, except as set forth in Section 2.16.

9.07 References. The table of contents and the section and other headings and subheadings contained in this Agreement and the exhibits hereto are solely for the purpose of reference, are not part of the agreement of the parties hereto, and shall not in any way affect the meaning or interpretation of this Agreement or any exhibit hereto. All references to days or months shall be deemed references to calendar days or months. All references to "\$" or "dollars" shall be deemed references to United States dollars. Any reference in this Agreement to wire transfers or other payments requires payment in dollars of the United States of America unless some other currency is expressly stated in that reference. Unless the context otherwise requires, any reference to a "Section," "Exhibit," or "Schedule" shall be deemed to refer to a section of this Agreement, exhibit to this Agreement or a schedule to this Agreement, as applicable. The words "hereof," "herein" and "hereunder" and words of similar import referring to this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. The term "including" means "including, without limiting the generality of the foregoing".

9.08 No Strict Construction. The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any Person.

9.09 Amendment and Waiver. Except as otherwise provided herein, any provision of this Agreement may be amended or waived only in a writing signed by Buyer and Seller. No waiver of any provision hereunder or any breach or default thereof shall extend to or affect in any way any other provision or prior or subsequent breach or default.

9.10 Complete Agreement. This Agreement and the documents referred to herein (including the Escrow Agreement, Confidentiality Agreement and the Disclosure Schedule) contain the complete agreement between the parties hereto and supersede any prior understandings, agreements or

representations by or between the parties, written or oral, which may have related to the subject matter hereof in any way.

9.11 Counterparts. This Agreement may be executed in multiple counterparts (including by means of telecopied or electronic pdf signature pages), any one of which need not contain the signatures of more than one party, but all such counterparts taken together shall constitute one and the same instrument.

9.12 Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH OF THE PARTIES HERETO HEREBY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 9.12.

9.13 Disclosure Schedule. The inclusion of information in the Disclosure Schedule shall not be construed as or constitute an admission or agreement that a violation, right of termination, default, liability or other obligation of any kind exists with respect to any item, nor shall it be construed as or constitute an admission or agreement that such information is material to the Business and/or Seller. In addition, matters reflected in the Disclosure Schedule are not necessarily limited to matters required by this Agreement to be reflected in the Disclosure Schedule. Such additional matters are set forth for informational purposes and do not necessarily include other matters of a similar nature. Neither the specifications of any dollar amount in any representation, warranty or covenant contained in this Agreement nor the inclusion of any specific dollar amount or item in the Disclosure Schedule is intended to imply that such amount, or higher or lower amounts, or the item so included or other items, are or are not material, and no party shall use the fact of the setting forth of any such amount or the inclusion of any such item in any dispute or controversy between the parties as to whether any obligation, item or matter not described herein or included in the Disclosure Schedule is or is not material for purposes of this Agreement or otherwise. Further, neither the specification of any item or matter in any representation, warranty or covenant contained in this Agreement nor the inclusion of any specific item in the Disclosure Schedule is intended to imply that such item or matter, or other items or matters, are or are not in the ordinary course of business, and no party shall use the fact of setting forth or the inclusion of any such items or matter in any dispute or controversy involving any of the parties hereto as to whether any obligation, item or matter not described herein or included in the Disclosure Schedule is or is not in the ordinary course of business for purposes of this Agreement.

9.14 Specific Performance. Seller agrees that Buyer shall have the right, in addition to any other rights and remedies existing in its favor, to enforce its rights and the obligations of Seller hereunder not only by an action or actions for damages but also by an action or actions for specific performance, injunctive and/or other equitable relief. Furthermore, Buyer agrees that Seller shall have the right, in addition to any other rights and remedies existing in their favor, to enforce their rights and the obligations of Buyer hereunder not only by an action or actions for damages but also by an action or actions for specific performance, injunctive and/or other equitable relief.

9.15 Governing Law; Jurisdiction.

(a) All matters relating to the interpretation, construction, validity and enforcement of this Agreement shall be governed by and construed in accordance with the domestic laws of the State of Illinois without giving effect to any choice or conflict of law provision or rule (whether of the State of Illinois or any other jurisdiction) that would cause the application of laws of any jurisdiction other than the State of Illinois.

(b) Except as otherwise expressly provided in this Agreement, any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in the United States District Court for the Northern District of Illinois or any Illinois State court sitting in Chicago, Illinois, and each of the parties hereby consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding which is brought in any such court has been brought in an inconvenient form. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each party agrees that service of process on such party as provided in Section 9.04 shall be deemed effective service of process on such party.

9.16 Legal Representation; Related Matters. It is acknowledged by each of the parties hereto that Seller has retained Winston & Strawn, LLP ("**W&S**") and McCarthy Tétrault LLP ("**MT**") to act as their counsel in connection with the transactions contemplated hereby and that neither W&S nor MT has acted as counsel for any other party in connection with the transactions contemplated hereby and that none of the other parties has the status of a client of W&S or MT for conflict of interest or any other purposes as a result thereof. Buyer further agrees that, as to all communications among W&S or MT and Seller that relate to the transactions contemplated by this Agreement, the attorney-client privilege and the expectation of client confidence belongs to Seller and may be controlled by Seller and shall not pass to or be claimed by Buyer.

9.17 Prevailing Party. If any litigation or other court action, arbitration or similar adjudicatory proceeding is commenced by any party hereto to enforce its rights under this Agreement against any other party hereto, all out-of-pocket fees, costs and expenses, including reasonable attorneys fees and court costs, incurred by the prevailing party in prosecuting or defending (as applicable) such litigation, action, arbitration or proceeding shall be reimbursed by the losing party; provided, that if a party to such litigation, action, arbitration or proceeding prevails in part, and loses in part, the court, arbitrator or other adjudicator presiding over such litigation, action, arbitration or proceeding shall award a reimbursement of the fees, costs and expenses incurred by such party on an equitable basis.

* * * *

IN WITNESS WHEREOF, the parties hereto have executed this Asset Purchase Agreement on the day and year first above written.

SELLER:

INTERPLAST PACKAGING, INC.

By: 

Name: Jack Westerman

Its: Vice President

BUYER:

PACTIV CANADA INC.

By: _____

Name: _____

Its: _____

KPGLP:

Solely for purposes of Section 6.09:

KEYES PACKAGING GROUP, L.P.

By: TRICOR (KPG) INVESTMENT COMPANY,
INC.

Its: General Partner

By: 

Name: Bradley S. Seaman

Its: Chairman

[Signature Page to Asset Purchase Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Asset Purchase Agreement on the day and year first above written.

SELLER:

INTERPLAST PACKAGING, INC.

By: _____
Name: _____
Its: _____

BUYER:

PACTIV CANADA INC.

By: John McCreath
Name: President & CEO
Its: John McCreath

KPGLP:

Solely for purposes of Section 6.09:

KEYES PACKAGING GROUP, L.P.

By: TRICOR (KPG) INVESTMENT COMPANY,
INC.
Its: General Partner

By: _____
Name: _____
Its: _____

[Signature Page to Asset Purchase Agreement]

Exhibit A

Escrow Agreement

See Attached.

Interplast Packaging Inc.

Balance sheet accounts to be included in calculation of net working capital

11000 TRADE RECEIVABLES CDN
11001 TRADE RECEIVABLES - US
11002 FX ON TRADE RECEIVABLES US
11020 PROVISION FOR BAD DEBTS CDN
11021 PROVISION FOR BAD DEBTS US
11022 FX ON PROVISION FOR BAD DEBTS US
11399 Employee reward fund
11410 TEMP AR CDN
11411 TEMP AR USD
12000 ADVANCE YVES ST-ONGE CDN
13000 OTHER RECEIVABLE CDN
13001 OTHER RECEIVABLE US
13002 FX ON OTHER RECEIVABLE US
13010 GROUP INSURANCE RECEIVABLE FROM EMPLOYEES
13020 ADVANCE TO EMPLOYEES
13030 C.S.S.T. (WORKERS COMP) RECEIVABLE
13100 VOLUME REBATE RECEIVABLE - DIECO CDN
13110 VOLUME REBATE RECEIVABLE - MITCHEL LINCOLN CAD
13500 PREPAID EXPENSES
13501 Prepaid expenses US
13502 FX on prepaid expenses US
19000 INVENTORY - FINISHED PRODUCTS (KITS)
19100 INVENTORY - LABELS
19105 INVENTORY - OBSOLESCENCE (LABELS)
19200 INVENTORY - LABELS / DEFERRED CHARGES
19300 INVENTORY - RAW MATERIALS
19301 INVENTORY - PLASTIC US
19302 FX INVENTORY - PLASTIC US
19400 INVENTORY - WIP
19500 INVENTORY - WRAPPING
19600 INVENTORY - PALLETS
19700 INVENTORY REGRIND
19701 INVENTORY - REGRIND US
19702 FX INVENTORY - REGRIND US
20140 OTHER LIAB
21000 ACCRUALS - CDN
21001 ACCRUALS - US
21002 FX ON ACCRUALS - US
21100 DEFERRED REVENUE - LABELS
22000 TRADE PAYABLES CDN
22001 TRADE PAYABLES US
22002 FX ON TRADE PAYABLES - US
23000 SALARIES PAYABLE
23020 VACATIONS ACCRUAL
23080 GROUP INSURANCE PAYABLE
23100 C.S.S.T. (WORKERS COMP) PAYABLE

Exhibit B

Working Capital Calculation

See Attached.

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (as the same may be modified from time to time pursuant to the terms hereof, this "Agreement") is made and entered into as of September 24, 2012, by and among Pactiv Canada Inc., an Ontario corporation (the "Buyer"), Interplast Packaging, Inc., a British Columbia corporation (the "Seller"), and PNC Bank, National Association, as escrow agent (the "Escrow Agent"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Agreement (as defined below).

WHEREAS, the Buyer and the Seller are parties to that certain Asset Purchase Agreement, dated as of September 24, 2012 (the "Purchase Agreement"), pursuant to which, among other things, on and subject to the terms and conditions set forth therein, the Buyer has agreed to purchase from the Seller, and the Seller has agreed to sell to the Buyer, certain assets of Seller related to its business and the Buyer has agreed to assume, and the Seller has agreed to transfer to the Buyer, certain liabilities of the Seller with respect to its business;

WHEREAS, pursuant to Section 1.03(b)(iv) of the Purchase Agreement, at the Closing, the Buyer is required to deliver, by wire transfer of immediately available funds, the Escrow Amount (as defined below) to the Escrow Agent for deposit into a separate escrow account established pursuant to the terms of this Agreement to ensure the performance of certain obligations under the Purchase Agreement; and

WHEREAS, the execution and delivery of this Agreement by the Buyer, the Seller and the Escrow Agent is a condition precedent to the Closing.

NOW, THEREFORE, in consideration of the agreements and understandings contemplated in the Purchase Agreement and herein, the parties hereto agree as follows:

1. Appointment of Escrow Agent. The Buyer and the Seller hereby appoint and designate the Escrow Agent as the escrow agent for the purposes set forth in this Agreement, and the Escrow Agent hereby accepts such appointment under the terms and conditions set forth in this Agreement.

2. Formation and Treatment of Escrow Funds.

(a) At the Closing, the Buyer shall deposit with the Escrow Agent cash in an amount of \$1,500,000 (the "Escrow Amount"). The Escrow Agent shall accept the Escrow Amount and hereby agrees to record and hold such amounts in a separate account (the "Escrow Account"), which Escrow Account shall include all interest, income and gains accrued thereon. The Escrow Amount, together with any interest, income and gains accrued thereon, minus any distributions from the Escrow Account pursuant to this Agreement is hereinafter referred to as the "Escrow Funds." The Escrow Agent shall hold the Escrow Funds in accordance with the provisions of this Agreement and shall not distribute the Escrow Funds (or any portion thereof) except in accordance with the express terms and conditions of this Agreement.

(b) The Escrow Agent shall hold and administer the Escrow Funds in accordance with the terms and conditions of this Agreement. The Escrow Agent agrees that the Escrow Funds shall at all times be segregated from all other property held by it and shall be identified as being held in connection with this Agreement. The Escrow Funds will not be subject to any encumbrance, attachment, trustee process or any other judicial process of any creditor of any party hereto.

3. Claims by the Buyer. At any time and from time to time prior to the earlier of the Final Release Date or the distribution of all Escrow Funds hereunder, the Buyer may, in good faith, give one or more written notices signed by an officer of the Buyer (a "Claim Notice") contemporaneously to the Escrow Agent and the Seller stating that the Buyer has made a claim for indemnification under Article VII of the Purchase Agreement (a "Claim") and specifying the amount of the Losses incurred (or which may be reasonably anticipated and estimated by the Buyer to be incurred) by the Buyer with respect to such Claim if known, and, if not known, the Buyer's reasonable good faith estimate of the amount of the Loss thereunder (the specified amount of such Losses with respect to such Claim being referred to as the "Claim Amount"). The date of delivery of such Claim Notice to the Seller is hereinafter referred to as the "Notice Date" for such Claim Notice.
4. Distribution of Escrow Funds to the Buyer; Dispute of Claims. With respect to any particular Claim Notice, the Escrow Agent shall distribute out of the Escrow Funds to the Buyer the Claim Amount specified in such Claim Notice thirty (30) days after the Notice Date for such Claim Notice; provided that if prior to the expiration of such 30-day period (the "Review Period") the Seller, in good faith, delivers a written notice to the Escrow Agent (a "Dispute Notice") objecting to the payment of such Claim Amount, then the Escrow Agent shall deliver to the Buyer from the Escrow Funds the undisputed portion of such Claim Amount (if any) but shall not deliver to the Buyer the disputed portion of such Claim Amount (a "Disputed Amount") until such time as the Escrow Agent receives the required information under Section 5(e). The Seller shall contemporaneously deliver to the Buyer a copy of the Dispute Notice. If no Dispute Notice is received by the Escrow Agent within the Review Period, then the dollar amount of Losses claimed by the Buyer as set forth in the applicable Claim Notice and the payment of such amount to the Buyer will be deemed binding on all parties for purposes of this Agreement and the Purchase Agreement and, at the end of such Review Period, the Escrow Agent, shall pay to the Buyer the dollar amount claimed in the Claim Notice from the Escrow Funds.
5. Distribution of Escrow Funds to the Seller and the Buyer.

(a) For purposes of this Agreement, (i) the "First Release Date" shall mean the first anniversary of the date hereof; (ii) the "Final Release Date" shall mean the eighteen (18) month anniversary of the date hereof; and (iii) the First Release Date and Final Release Date, collectively, shall be referred to herein as the "Release Dates" and, individually, each, a "Release Date."

(b) First Release Date. Within two (2) business days after the First Release Date, the Escrow Agent shall distribute to the Seller from the Escrow Account an amount equal to one-half (1/2) of the Escrow Amount less the Pending Claim Amount (as defined

below) as of the First Release Date. For purposes hereof, the "Pending Escrow Claims" shall mean the sum of all Claim Amounts (without duplication of amounts) for which Claims for indemnification were asserted against the Escrow Amount in accordance with the terms hereof and the Purchase Agreement prior to the applicable Release Date and which are not yet resolved as of such Release Date (*i.e.*, without duplication of amounts, (i) the sum of all Claim Amounts then pending pursuant to Section 4 hereof with respect to which a Dispute Notice has not been delivered by the applicable Release Date and (ii) the sum of all then pending Disputed Amounts). The aggregate amount of the Pending Escrow Claims outstanding as of either Release Date is referred to herein as the "Pending Claim Amount".

(c) Final Release Date. Within two (2) business days after the Final Release Date, the Escrow Agent shall distribute to the Seller from the Escrow Account the remaining balance of the Escrow Funds less the Pending Claim Amount outstanding as of the Final Release Date (which amounts held back in the Escrow Account with respect to any particular Pending Escrow Claim shall be held and paid, as applicable, in accordance with Section 5(d)).

(d) Release of Pending Claim Amount. In the event that, after either Release Date, it is determined in accordance with the Purchase Agreement that the Buyer is not entitled to any portion of the Pending Claim Amount that was outstanding as of such Release Date pursuant to a Final Determination (as defined below in Section 5(e)) or upon the mutual agreement of the Buyer and the Seller, the Buyer and the Seller shall, within two (2) business days after such determination, cause the Escrow Agent (including by delivering joint written instructions signed by the Buyer and the Seller in substantially the form attached hereto as Exhibit A (a "Joint Instruction") to the Escrow Agent) to distribute to the Seller from the Escrow Account such portion (as applicable) of the Pending Claim Amount; provided that the remaining Escrow Funds, after giving effect to such distribution, are at least equal to the aggregate amount of all Claims for indemnification of the Buyer which were asserted against the Escrow Account in accordance with the terms hereof and the Purchase Agreement prior to, and were not yet resolved on, the applicable Release Date and which are not yet resolved as of the date of such distribution of such Pending Claim Amount (or portion thereof).

(e) With respect to any Disputed Amount pursuant to Section 4 hereof, the Escrow Agent shall continue to hold the Disputed Amount in the Escrow Funds until such time as it receives either (i) a Joint Instruction directing the Escrow Agent as to the disposition of the Disputed Amount or (ii) a final, non-appealable Order issued by a court of competent jurisdiction as to the disposition of such Disputed Amount (a "Final Determination"). Upon receipt of such Joint Instruction or such Final Determination, as the case may be, the Escrow Agent shall release to the applicable party the Disputed Amount in accordance with such Joint Instruction or such Final Determination.

6. No Duty to Verify. Except as otherwise provided herein, the Escrow Agent shall have neither the duty nor the authority to verify the accuracy of the information contained in the foregoing instructions, notices or certificates, nor the genuineness of the signatures thereon or the authority of such signatories to execute such instructions, notices or

certificates. Upon distribution of the entire Escrow Funds to the Buyer and/or to the Seller in accordance with Section 4 and Section 5 hereof, the Escrow Agent shall be deemed to have fully discharged its duties and obligations hereunder, and shall have no further liability or obligation to any party with respect to this Agreement, other than liabilities or obligations arising out of or relating to the Escrow Agent's gross negligence or willful misconduct.

7. Investment of Escrow Funds. The Escrow Agent shall follow the Joint Instructions of the Buyer and the Seller concerning the permissible investment, reinvestment, purchase and sale of the assets on deposit in the Escrow Account (the "Fund Assets"). Permissible investments shall be limited to: (i) obligations of the United States government, (ii) insured certificates of deposit of commercial banks (including a certificate of deposit issued by an affiliate of the Escrow Agent) having combined capital and surplus of at least \$100,000,000, and (iii) in an aggregate amount of no more than \$1,000,000 per issuer outstanding at any time, commercial paper issued by any corporation organized under the laws of any state of the United States of America, rated no lower than "A-1" by Standard & Poors Corp. or "P-1" by Moody's Investment Service, Inc. All such investments shall have a maturity date no more than thirty (30) days from the date of investment or reinvestment (and the obligation of the Escrow Agent to distribute amounts hereunder shall be delayed to the extent cash is not available until any applicable investments have matured). Interest and other earnings on investments shall be deposited into the Escrow Account and become part of the Escrow Funds until distributed in accordance with Section 5. Any loss or exposure incurred as a result of an investment will be borne by the Escrow Account. In the event that the Escrow Agent does not receive directions to invest the Fund Assets, the Escrow Agent shall invest such Fund Assets in PNC Advantage Government Money Market, PAVXX, Institutional Share Class or a successor or similar fund offered by the Escrow Agent. The fund prospectus for such funds has been and shall be made available to the Buyer and Seller via download from its website previously provided to them or by request. The Escrow Agent shall have no responsibility or liability for any diminution in value of any Fund Assets which may result from any investments or reinvestment made in accordance with this Section 7, except for any such diminution in value caused or otherwise attributable to the Escrow Agent's, or any of its affiliates', gross negligence or willful misconduct. The parties hereto (other than the Escrow Agent) acknowledge and agree that the Escrow Agent or its affiliate(s) may provide financial or investment advice or other services to, or receive shareholder servicing fees from, some or all of the investments permitted hereby and that the Escrow Agent or an affiliate may be a manager, promoter or placement agent for or have underwritten such investments and the Escrow Agent and its affiliate(s) may be separately and additionally compensated for providing such services or for underwriting such investments. Further, shares of mutual funds are not insured by the FDIC, are not deposits of or guaranteed by the Escrow Agent or its affiliate(s) and are subject to investment risks, including the loss of principal. The Escrow Agent is hereby authorized to execute purchases and sales of permitted investments through the facilities of its own trading or capital markets operations or those of any affiliated entity. The parties hereto other than the Escrow Agent hereby instruct Escrow Agent to vote all proxies in accordance with the proxy policy in effect from time to time for the Escrow Agent unless otherwise specifically instructed jointly by the parties. Each of said parties specifically

acknowledges that it understands that this provision may involve the Escrow Agent's voting shares of mutual funds that pay fees to the Escrow Agent or its affiliates and that, in voting such shares, the Escrow Agent may be in a position to vote to change fees paid at the mutual fund level to itself or to an affiliate. The Escrow Agent shall send statements to each of the parties hereto on a monthly basis reflecting activity in the Escrow Account maintained pursuant to this Agreement for the Escrow Funds for the preceding month. Although the Buyer and the Seller each recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, the Buyer and the Seller hereby agree that confirmations of permitted investments are not required to be issued by the Escrow Agent for each month in which a monthly statement is rendered. The Buyer and the Seller acknowledge and agree that the delivery of the escrowed property is subject to the sale and final settlement of permitted investments. Proceeds of a sale of permitted investments will be delivered on the business day on which the appropriate instructions are delivered to the Escrow Agent if received prior to the deadline for same day sale of such permitted investments. If such instructions are received after the applicable deadline, proceeds will be delivered on the next succeeding business day.

8. Income. Notwithstanding anything to the contrary contained herein, the parties hereto agree and acknowledge that, for federal, state, and local income tax purposes, the Buyer shall be treated as owning the assets that make up the Escrow Funds, and thus, in computing the Buyer's income tax liability, the Buyer will take into account all items of interest, income and gain of the Escrow Funds (the "Income"), whether or not the Income was distributed during a taxable year, until the release of all Escrow Funds pursuant to this Agreement. The Escrow Agent shall issue a U.S. Internal Revenue Service ("IRS") Form 1099 (or any successor or applicable form) relating to such Income to the Buyer as required under applicable law. The Buyer agrees to provide to the Escrow Agent all forms and information necessary to accomplish such reporting as requested by the Escrow Agent. The Buyer agrees to pay all income taxes on all Income earned until the release of all Escrow Funds pursuant to this Agreement.

9. Provisions with Respect to the Escrow Agent.

(a) Protection of the Escrow Agent. The Escrow Agent, the Buyer, and the Seller agree that: (i) the Escrow Agent will provide to the Buyer and the Seller (upon request by such party) any information that either of them may reasonably request to confirm the then existing balances of the Escrow Funds in the Escrow Account; (ii) in performing its duties hereunder, the Escrow Agent may rely on written statements furnished to it by any officer of either the Buyer or the Seller (provided that such notice is otherwise in accordance with the requirements hereof), or any other evidence reasonably deemed by the Escrow Agent to be reliable, and shall be entitled to act on the advice of counsel selected by it and shall not be liable to any of the parties hereto or their successors by reason of such reliance or action; (iii) if the Fund Assets are attached, garnished, or levied upon under the order of any court, or the delivery thereof shall be stayed or enjoined by the order of any court, or any other order, judgment or decree shall be made or entered by any court affecting the Escrow Funds, the Escrow Agent is hereby expressly authorized to obey and comply with all writs, orders or decrees so entered or

issued, whether with or without jurisdiction, and the Escrow Agent shall not be liable to any of the parties hereto or their successors by reason of compliance with any such writ, order or decree notwithstanding such writ, order or decree being subsequently reversed, modified, annulled, set aside or vacated; (iv) the Escrow Agent may, in its sole and absolute discretion, deposit the Escrow Funds or so much thereof as remains in its hands with the then chief or presiding judge of the Federal District Court whose jurisdiction includes Chicago, Illinois, and interplead the parties hereto, and upon so depositing such property and filing its complaint in interpleader, it shall be relieved of all liability under the terms hereof as to the property so deposited and shall be entitled to recover in such interpleader action, from the other parties hereto, its reasonable out-of-pocket attorneys' fees and related out-of-pocket costs and expenses incurred in commencing and prosecuting such action and furthermore, the parties hereto for themselves and their respective successors and assigns, do hereby submit themselves to the jurisdiction of said court and do hereby appoint the then clerk, or acting clerk, of said court as their agent for the service of all process in connection with such proceedings; (v) in case the Escrow Agent becomes involved in litigation in connection with this Agreement or is unable to determine, to the Escrow Agent's reasonable satisfaction, the proper disposition of all or any portion of the Escrow Funds, it shall have the right to retain counsel, and shall have a lien on the Escrow Funds for all reasonable and necessary out-of-pocket costs, attorneys' fees, charges, disbursements and expenses in connection therewith; (vi) if the Escrow Agent's fees, costs, expenses, or reasonable attorney's fees provided for herein are not promptly paid, the Escrow Agent shall have the right to sell the property held hereunder and reimburse itself therefor from the proceeds of such sale or from the cash held hereunder; (vii) notwithstanding anything herein to the contrary, the Escrow Agent shall be under no duty to monitor or enforce compliance by the Seller or the Buyer with any term or provision of the Purchase Agreement; and (viii) anything in this Agreement to the contrary notwithstanding, in no event shall the Escrow Agent be liable for special, indirect, incidental, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

(b) Resignation, Removal, New Escrow Agent. The Escrow Agent reserves the right to resign at any time by giving at least 30-days advance written notice of resignation to the Buyer and the Seller, specifying the effective date thereof. Similarly, the Escrow Agent may be removed and replaced following the delivery of a 30-days' advance written notice to the Escrow Agent by the Buyer and the Seller. Within thirty (30) days after the receipt of one of the notices referred to in the preceding sentences, the Buyer and the Seller agree to appoint a successor escrow agent with a combined surplus and capital in excess of \$100,000,000 (a "Successor Escrow Agent"). The Successor Escrow Agent shall be a party to and agree to be legally bound by this Agreement by means of a joinder agreement. The Successor Escrow Agent shall be deemed to be the Escrow Agent under the terms of this Agreement. If a Successor Escrow Agent has not been appointed and/or has not accepted such appointment by the end of the 30-day period commencing upon the receipt of the notice of resignation by the Buyer and the Seller, the Escrow Agent may apply to a court of competent jurisdiction for the appointment of a Successor Escrow Agent, and the out-of-pocket costs, expenses and reasonable attorneys'

fees which the Escrow Agent incurs in connection with such a proceeding shall be paid out of the Escrow Funds.

(c) Indemnification. Without limiting any protection or indemnity of the Escrow Agent under any other provision hereof, or otherwise at law, the Buyer and the Seller severally agree to indemnify and hold harmless the Escrow Agent (one-half to be paid by the Buyer and one-half to be paid by the Seller) from and against any and all liabilities, losses, damages, penalties, claims, actions, suits, and out-of-pocket costs, expenses and disbursements, including reasonable out-of-pocket legal or advisor fees and disbursements, of whatever kind and nature which may at any time be imposed on, incurred by or asserted against the Escrow Agent in connection with the performance of its duties and obligations hereunder, other than such liabilities, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements arising by reason of the Escrow Agent's breach of this Agreement, gross negligence, willful misconduct or fraud. This provision shall survive the resignation or removal of the Escrow Agent, or the termination of this Agreement. In so agreeing to indemnify and hold harmless the Escrow Agent, as among themselves, the Buyer, on one hand, and the Seller, on the other hand, shall share equally (one-half each, on a several basis) all amounts required to be paid under this Section 9(c).

(d) Duties. The Escrow Agent shall have only those duties as are specifically provided in this Agreement, which shall be deemed purely ministerial in nature, and shall under no circumstance be deemed a fiduciary for any of the parties to this Agreement. The Escrow Agent shall neither be responsible for, nor chargeable with, knowledge of the terms and conditions of any other agreement, instrument or document between the other parties hereto, in connection herewith, including without limitation the Purchase Agreement. This Agreement sets forth all matters pertinent to the escrow contemplated hereunder, and no additional obligations of the Escrow Agent shall be inferred from the terms of this Agreement or any other agreement.

10. Fees and Reimbursement of the Escrow Agent. The Escrow Agent shall be entitled to be paid the applicable fees set forth on the Fee Schedule attached as Exhibit B hereto until this Agreement is deemed terminated in accordance with Section 11 hereof for its services hereunder and to be reimbursed for the reasonable out-of-pocket costs and expenses incurred by the Escrow Agent related to the Escrow Funds and this Agreement. Such fees, costs and expenses shall be borne the Seller; provided, however, that if such fees, costs and expenses are not so paid by the Seller then, to the extent the Escrow Funds are sufficient to do so, the Escrow Agent is authorized and directed to pay such fees, costs and expenses which are the responsibility of the Seller, as applicable, from the Escrow Funds; provided, further, that within ten (10) business days of any such payment from the Escrow Funds, the Seller shall deposit into the Escrow Account the amount of any such fees, costs and expenses withdrawn from the Escrow Account. If the Escrow Agent pays for such fees, costs and expenses from the Escrow Funds, the Escrow Agent shall give the Buyer and the Seller notice of such withdrawal from the Escrow Funds.
11. Termination. This Agreement shall terminate when all of the Escrow Funds have been distributed in accordance with this Agreement.

12. Miscellaneous.

(a) Notices. All notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given (i) if personally delivered, on the date of delivery, (ii) if delivered by express overnight courier service of national standing (with charges prepaid) that issues a receipt or other confirmation of delivery, on the business day following the date of delivery to such courier service, or (iii) if delivered by facsimile prior to 5:00 p.m. local time of the recipient party on a business day, upon confirmation of successful transmission and otherwise on the next business day following the date of transmission (provided that if given by facsimile, such notice, demand or other communication shall be followed up within two (2) business days by dispatch pursuant to one of the other methods described herein). Notwithstanding anything to the contrary herein, the Escrow Agent shall not be bound by any notice to be delivered to the Escrow Agent unless actually received by the Escrow Agent. Notices, demands and communications to the Buyer, the Seller and the Escrow Agent will, unless another address or facsimile number is specified in writing, be sent to the address or facsimile number indicated below to the attention of the individuals indicated below:

Notices to the Escrow Agent:

PNC Bank, National Association
620 Liberty Avenue, 7th Floor
Pittsburgh, PA 15222
Attention: Rose Provins
Telephone: 412-762-4828
Fax: 1-800-449-7382

with copies to (but which shall not constitute notice or service of process to the Escrow Agent):

PNC Bank Legal Department
1600 Market Street, 28th Floor
Philadelphia, PA 19103

or

PNC Bank Legal Department
One PNC Plaza
249 Fifth Avenue
Pittsburgh, PA 15222

Notices to the Buyer:

Pactiv Canada Inc.
c/o Pactiv
1900 W. Field Court
Lake Forest, IL 60045
Attention: CEO
Telephone: (847) 482-2264
Fax: (847) 615-6337

with copies to (but which shall not constitute notice or service of process to the Buyer):

Reynolds Group Holdings Limited
1900 W. Field Court
Lake Forest, IL 60045
Attention: Group Legal Counsel
Telephone: (847) 482-2409
Fax: (847) 615-6417

Notices to the Seller:

with copies to (but which shall not

Keyes Packaging Group, L.P.
c/o Tricor Pacific Capital, Inc.
One Westminster Place
Suite 100
Lake Forest, IL 60045
Attention: Jack Westerman
Fax: (847) 295-4243

constitute notice or service of process
to the Seller):

Winston & Strawn LLP
35 West Wacker Drive
Chicago, Illinois 60601
Attention: Andrew J. McDonough
Telephone: (312) 558-5600
Fax: (312) 558-5700

(b) Governing Law. The provisions of this Agreement and any other document or instrument delivered pursuant hereto, their negotiation, execution, performance or nonperformance, interpretation, termination, construction and all matters based upon, arising out of or related to any of the foregoing (whether arising in contract, tort, equity, law or statute) shall be governed by and construed in accordance with the internal laws, both procedural and substantive of the State of Illinois applicable to agreements made and to be performed entirely within such State, without regard to the conflicts of law principles of such State that would require the application of the laws of a jurisdiction other than the State of Illinois.

(c) Consent to US Jurisdiction. Each party to this Agreement agrees that all proceedings relating to this Escrow Agreement shall be brought in courts located within the District of Columbia only, and not in any other country, state or jurisdiction. In the event that any party hereto commences any form of proceeding relating to this Escrow Agreement or the Escrow Fund, the parties hereto agree that the United States District Court for the District of Columbia shall have the sole and exclusive jurisdiction over such proceeding. If such court lacks federal subject matter jurisdiction, the parties agree that the Superior Court of the District of Columbia shall have sole and exclusive jurisdiction over such proceeding. Either of these courts shall be the proper venue for such proceeding and the parties hereto irrevocably waive any objection to such venue on the grounds of forum non-conveniens or any similar grounds. The parties hereto consent to and agree to submit to the jurisdiction of either of these courts for such proceeding and agree to accept service of process by mail or in any other manner permitted by applicable law to vest personal jurisdiction over them in either of these courts.

(d) WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY DISPUTE THAT ARISES OR IS RELATED TO THE NEGOTIATION, EXECUTION, PERFORMANCE OR NON-PERFORMANCE, INTERPRETATION, TERMINATION OR CONSTRUCTION OF THIS AGREEMENT, AND ANY OTHER DOCUMENT OR INSTRUMENT DELIVERED PURSUANT HERETO, AND ALL MATTERS BASED UPON, ARISING OUT OF OR RELATED TO THE FOREGOING (WHETHER IN CONTRACT, TORT, EQUITY, LAW OR STATUTE). EACH OF THE PARTIES HERETO HEREBY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED,

EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ANY SUCH DISPUTE, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 12(D) AND (C) THAT THE PARTIES TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

(e) Counterparts. This Agreement may be executed on two or more separate counterparts (including by means of facsimile machine or other electronic transmission), each of which will be an original and all of which taken together will constitute one and the same agreement.

(f) Successors and Assigns. Except as otherwise expressly provided in this Agreement, neither this Agreement nor any of the rights or obligations hereunder may be assigned by any party (whether by operation of law or otherwise) without the prior written consent of the other parties. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

(g) Amendment, Waiver, etc. This Agreement shall not be amended, modified, altered or revoked without the prior written consent of each of the Buyer, the Seller and the Escrow Agent. No failure or delay by a party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof, and no single or partial exercise thereof shall preclude any right of further exercise or the exercise of any other right, power or privilege.

(h) Headings. Section headings used herein are for convenience of reference only and shall not be deemed to constitute a part of this Agreement for any other purpose, or to limit, characterize or in any way affect any provision of this Agreement, and all provisions of this Agreement will be enforced as if such headings had not been included herein.

(i) No Strict Construction. The parties hereto hereby expressly acknowledge and agree that the language of this Agreement constitutes the collective intention and understanding of the parties, and that each party hereto has been represented by competent counsel in connection herewith. Accordingly, each party hereto hereby waives any doctrine of strict construction with respect to the interpretation hereof or the resolution of any ambiguities herein, and none of the foregoing shall be resolved against any party as a result of any such doctrine.

(j) Delivery by Facsimile or Electronic Transmission. This Agreement, and any amendments hereto, to the extent signed and delivered by means of a facsimile machine or other electronic transmission, shall be treated in all respects as an original

contract and shall be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person. At the request of any party hereto, each other party hereto shall re-execute original forms thereof and deliver them to all other parties. No party hereto shall raise the use of a facsimile machine or other electronic transmission to deliver a signature or the fact that this Agreement or any signature was transmitted or communicated through the use of facsimile machine or other electronic means as a defense to the formation of a contract and each such party forever waives any such defense.

(k) Business Days. To the extent any payment or other action or delivery is required to be made on a date which is not a business day, then the period required for such payment, action or delivery shall automatically be extended to the next business day immediately following. All references to a day or days shall be deemed to refer to a calendar day or calendar days, as applicable, unless otherwise specifically provided.

(l) Severability. The parties hereto agree that (i) the provisions of this Agreement shall be severable in the event that for any reason whatsoever any of the provisions hereof are invalid, void or otherwise unenforceable, (ii) such invalid, void or otherwise unenforceable provisions shall be automatically replaced by other provisions which are as similar as possible in terms to such invalid, void or otherwise unenforceable provisions but are valid and enforceable and (iii) the remaining provisions shall remain enforceable to the fullest extent permitted by law.

(m) Third Party Beneficiaries. Except as otherwise set forth herein, nothing herein expressed or implied is intended or shall be construed to confer upon or to give any Person other than the Escrow Agent, the Seller and the Buyer any rights or remedies under or by reason of this Agreement.

(n) Automatic Succession. Any bank or corporation into which the Escrow Agent may be merged or with which it may be consolidated, or any bank or corporation to whom the Escrow Agent may transfer a substantial amount of its escrow business, shall be the successor to the Escrow Agent without the execution or filing of any document or any further act on the part of any of the parties, anything herein to the contrary notwithstanding.

(o) Bankruptcy Proceedings. In the event of the commencement of a bankruptcy case or cases wherein the Seller or the Buyer is the debtor, the Escrow Funds shall not constitute property of the debtor's estate within the meaning of 11 U.S.C. § 541.

(p) Specific Performance. The obligations of the parties hereto (including the Escrow Agent) are unique in that time is of the essence, and any delay in performance hereunder by any party will result in irreparable harm to the other parties hereto. Accordingly, any party may seek specific performance and/or injunctive relief before any court of competent jurisdiction in order to enforce this Agreement or to prevent violations of the provisions hereof, and no party shall object to specific performance or injunctive relief as an appropriate remedy. The Escrow Agent acknowledges that its obligations, as

well as the obligations of any party hereunder, are subject to the equitable remedy of specific performance and/or injunctive relief.

(q) Conflict. In the event of any conflict between the terms and provisions of this Agreement and those of the Purchase Agreement or any other agreement among the parties, the terms and conditions of this Agreement shall control, solely with respect to any rights and obligations of the Escrow Agent. In the event of any conflict between the terms and provisions of this Agreement and those of the Purchase Agreement, the terms and conditions of the Purchase Agreement shall control, solely with respect to any rights and obligations of the Buyer and the Seller.

(r) Authority, Execution and Delivery, Enforceability. Each party hereto represents and warrants that such party has all requisite entity power and authority to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance by such party of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of such party. Such party has duly executed and delivered this Agreement and this Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or other similar laws affecting the enforcement of creditors' rights generally and general equitable principles.

* * * *

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the parties have executed this Escrow Agreement on the date first written above.

BUYER:

Pactiv Canada Inc.

By: _____

Name: _____

Its: _____

ESCROW AGENT:

PNC Bank, National Association

By: _____

Name: _____

Its: _____

SELLER:

Interplast Packaging, Inc.

By: _____

Name: _____

Its: _____

EXHIBIT A

[Date]

PNC Bank, National Association
620 Liberty Avenue, 7th Floor
Pittsburgh, PA 15222
Attention: Chris Reiser
Facsimile: 412-762-7034

Ladies and Gentlemen:

Reference is hereby made to that certain Escrow Agreement, dated as of September 24, 2012 (the "Escrow Agreement"), by and among Pactiv Canada Inc., as the Buyer, Interplast Packaging, Inc., as the Seller, and you, as Escrow Agent. Capitalized terms used but not defined in this joint instruction letter shall have the meaning ascribed to such terms in the Escrow Agreement.

Pursuant to Section [4 / 5] of the Escrow Agreement, this letter will serve as instructions to the Escrow Agent to distribute to the Buyer, \$ _____ of the Escrow Funds pursuant to the following: *[add wire instructions]*

Very Truly Yours,

PACTIV CANADA INC.

By: _____
Name:
Title:

INTERPLAST PACKAGING, INC.

By: _____
Name:
Title: