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FACSIMILE TRANSMITTAL SHEET

DATE: November 25, 2005

TO: Rebecca Elli
IFC Credit Corporation

FAX NO.: 847-324-1517

TOTAL NO. OF PAGES SENT: 13
(including this cover sheet)

TRANSMITTER: Attorney C. David Stellpflug

IMPORTANT MESSAGE:

Re: IFC Additional Collateral

Attached are letters of intent relating to the additional collateral as follows:

1. Maryland Tissue
2. SCA
3. ST Paper (which includes Utah). Ron expects this to be signed next week.

We intend to pledge the payment proceeds arising under these contracts to IFC as additional collateral as required under the 9-9-05 CLP.

Please call if we can be of further assistance.

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EXHIBIT A

Mark A. Bartels

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Jackson T. Main, Jr.

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Christina L. Peterson

Kathryn M. Reinhard

Patricia Janka Sandoz

C. David Stellpflug

Maryland Tissue Project

Summary of Key Business Terms

July 22, 2005

Set forth below is a summary of the key business terms of the proposed Maryland Tissue Project (the "Project"). This summary is not a comprehensive list of all material terms and conditions of the Project, and none of the terms or conditions herein is intended to be an offer to, or binding upon, any party. Any agreements between the parties regarding the Project shall be reflected in definitive agreements signed by the parties.

Transaction Overview

General

The de-inking pulp mill (the "DIP Mill") owned by Newstech MD will be converted into a new tissue mill (the "Tissue Mill") that is capable of achieving mutually agreed upon performance standards (the "Performance Standards").¹

Stages of Transaction

Stage 1: Newstech MD transfers the DIP Mill to a newly formed Delaware limited partnership ("Maryland Tissue Company" or "MTC") in exchange for 100% of the equity of MTC.²

Immediately after the DIP Mill is transferred to MTC, Partners Concepts Developments, Inc. ("PCDI") transfers an after-dryer system (the "After-Dryer System") to MTC for \$1.00 consideration.

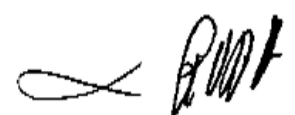
PCDI purchases from Newstech MD 50% of the equity of MTC for \$5.0 million in cash, when a satisfactory financing commitment for the senior debt has been obtained and the EPC Contract, the Sales and Marketing Agreement and the Operating and Maintenance Agreement are signed.

MTC finances the Project with \$25 million of senior debt and approximately \$13.9 million of mezzanine debt.

Stage 2: Spirit Construction Services, Inc. (the "Contractor") converts the DIP Mill into the Tissue Mill pursuant to an EPC

¹ The date on which the Tissue Mill achieves the Performance Standards is referred to herein as the "Date of Substantial Completion."

² The dryer system currently at the DIP Mill, and certain other assets and surplus real estate owned by Newstech MD, will not be transferred to MTC.



Contract (with Tissue Product Technology, Corp. ("TPTC") acting as a subcontractor to the extent appropriate) for a guaranteed fixed price of approximately \$31 million. Ten percent (10%) of the EPC contract price shall be set aside as retainage. Retainage shall be payable only upon achievement of the Performance Standards as defined in the EPC Contract with the Contractor, subject to any claims by MTC under the EPC Contract.

As part of the EPC Contract, TPTC will (i) obtain all permits necessary for MTC to own and operate the Tissue Mill, (ii) hire and train all personnel necessary to start-up, operate and maintain the Tissue Mill, (iii) manage the start-up of the Tissue Mill, and (iv) pay all training, labor and related costs incurred prior to the Date of Substantial Completion.

Prior to Mechanical Completion, TPTC may, at its expense, use the Converting System for its own account (and retain any profits from such use).

Stage 3: On the Date of Substantial Completion:

- TPTC begins to manage the day-to-day operations of the Tissue Mill pursuant to an Operations and Maintenance Agreement in exchange for a monthly management fee of \$75,000;
- TPTC begins to act as the marketing and sales agent of MTC pursuant to a Sales and Marketing Agreement in exchange for 4% of MTC's sales; and
- Newstech MD or one of its affiliates (collectively, "Newstech") begins to act as the asset manager of MTC in exchange for 4% of MTC's sales.

*Sources and Uses of
Cash*

Sources of Cash:

Senior Loan	\$25,000,000
Mezzanine Loan	<u>\$13,925,000</u>
	\$38,925,000

Uses of Cash:

EPC Contract	\$31,000,000
Construction Loan Interest	\$ 1,625,000
Working Capital and Contingency	<u>\$6,300,000</u>
	\$38,925,000

EPC Contract

Contractor Spirit Manufacturing Services, Inc. (TPTC will be a subcontractor to the extent appropriate.)

Scope of Project Contractor will provide all services and equipment necessary to complete the Project, which shall include: (i) providing and installing the Swing Tissue Machine, (ii) installing the Converting System, (iii) rebuilding the Stock Prep System, (iv) providing and installing the Cocoon Wrapped Tissue Parent Roll System, (v) rebuilding the Waste Water System, (vi) installing the After-Dryer System, and (vii) obtaining all necessary construction permits.

Guaranteed Fixed Contract Price Contractor guarantees that the Project will be completed for \$30,931,488.

Guaranteed Performance Standards Contractor guarantees that the Tissue Mill will be capable of achieving the Performance Standards (which will be specified in the EPC Contract).

Guaranteed Completion Date Contractor guarantees that the Project will achieve the Performance Standards by the earlier of (i) 15 months after the start of the Project, and (ii) 3 months after Mechanical Completion.

Warranty Period The Project will have a 12 month warranty period commencing from the Date of Substantial Completion. All repairs made during the warranty period will have a separate warranty period of 12 months from the date of repair.

Liquidated Damages Contractor will pay liquidated damages of \$20,000 for each day after the Guaranteed Completion Date that the Tissue Mill has not achieved the Performance Standards.

Total liquidated damages are limited to a maximum amount of \$10,000,000.

Indemnities Contractor will indemnify MTC for losses incurred by MTC due to (i) violations of law, (ii) breaches resulting in death, personal injury or property damage, (iii) breaches of specified covenants (e.g., payment of taxes, keeping Project free of subcontractor liens, avoiding patent infringements), and (iv) gross negligence, fraud intentional breach or willful misconduct.

A handwritten signature in black ink, appearing to be "RUDH" with a stylized flourish.

Limitation on Liabilities Contractor's maximum liability under the EPC Contract is limited to 90% of the Guaranteed Fixed Contract Price; *provided, however*, that there is no limit on liabilities resulting from (i) gross negligence, fraud, intentional breach or willful misconduct, or (ii) breach of indemnities.

Termination MTC may terminate the EPC Contract for cause or convenience.

Contractor may not terminate the EPC Contract for any reason other than cause.

If MTC terminates for cause, then Contractor shall be responsible for (i) all of the costs incurred to complete the Project in excess of the unpaid amount of the Guaranteed Fixed Contract Price *plus* (ii) all of the Liquidated Damages that become payable if the Tissue Mill does not achieve the Performance Standards by the Guaranteed Completion Date.

Insurance Contractor shall provide all property, liability and other insurance required for the Project.

Exhibits All Exhibits to the EPC Contract (including a detailed Statement of Work) will be prepared by Contractor and approved by Newstech prior to the commencement of the Project.

Joint Venture Arrangements

Non-Performance Buy Out Option

If the Tissue Mill does not achieve the Performance Standards by the Guaranteed Completion Date, then during the following six months Newstech can require PCDI to tender to MTC for redemption the 50% equity of MTC owned by PCDI for \$100.

General Partner Newstech will be the general partner of MTC.

PCDI Rights PCDI will have customary limited partnership rights in MTC.

Sales and Marketing Agreement

Commissions TPTC will act as the marketing and sales agent for MTC in exchange for a sales commission equal to 4% of MTC's sales.

Off-take requirements TPTC shall be obligated to purchase 100% of the product that MTC is capable of producing at any time. Except as otherwise agreed by Newstech and TPTC, the price, mix and grade of products that are produced by MTC at any time will be selected by Newstech based on all of TPTC's current orders and delivery requirements for all of TPTC's customers.

Term The Sales and Marketing Agreement will have a term of 10 years.

MTC may terminate the Sales and Marketing Agreement at any time for cause.

TPTC may not terminate the Sales and Marketing Agreement for any reason other than cause.

Customer Contracts After the first 5 years of the term, if requested by Newstech, MTC will have the right to enter into sales contracts with customers, and TPTC will assist MTC in connection with its efforts to enter into such contracts on favorable terms. TPTC's Off-Take Requirements shall be reduced by the amount of product sold to MTC's customers pursuant to any such contracts.

Newstech's Option to Purchase Equity

Option Newstech will have an option, on mutually acceptable terms, to purchase up to (i) 30% of TPTC for \$7,050,000, (ii) 10% of NWTC for \$2,500,000, and/or (iii) 10% of PCDI for \$3,500,000.

Financing

Senior Loan \$25,000,000 to be provided by third party lenders on a project financing basis. It is understood that this project will not proceed unless a financing commitment is received for the senior loan, on terms satisfactory to Newstech MD.

Mezzanine Loan \$13,925,000 to be provided by third party lenders if available. If the mezzanine financing is provided by Newstech, interest shall be at an annual rate of 18% and on such other terms as are acceptable to Newstech.



The parties have executed this Summary of Key Business Terms to indicate their agreement in principle with the terms herein contained.

NESTECH MD, LP

By: 

Name: Lars Darnberg

Title: Vice President

TISSUE PRODUCT TECHNOLOGY, CORP.

By: 

Name: Ron Van Den Heuvel

Title: President

PARTNERS CONCEPTS DEVELOPMENTS, INC.

By: 

Name: Ron Van Den Heuvel

Title: President

SPIRIT CONSTRUCTION SERVICES, INC.

By: 

Name: Steve Van Den Heuvel

Title: President



August 4, 2005

Mr. Ron Van Den Heuvel
EcoFibre, Inc.
3131 Market Street
Green Bay, WI 54304

Dear Ron:

This letter will evidence our discussions with respect to negotiating a supply agreement of 145 tons per day of tissue from the proposed new swing conventional tissue machine at the EcoFibre facility. This agreement will be a duplicate model of the OFTI currently operating working document with a reduced facility use charge of \$533,000 per month. As we stated previously, our management team supports this initiative and we look forward to successfully concluding an agreement with EcoFibre. SCA has received the tissue machine permits issued by the State of Wisconsin to EcoFibre, has the toll supply agreement modeled after the OFTI agreement, the proof of outside financing availability, the EPC contract to build the new swing tissue machine with the production guarantee.

SCA North America must do a comparison of costs in a relatively short period of time to determine whether SCA can approve a deal structure that is satisfactory for SCA, EcoFibre and your lenders.

In consideration of the time and expense SCA will incur in pursuing the proposed deal, we ask that, for a period of thirty days from the date of this letter, you and your affiliated companies work with us on an exclusive basis. This means you will not solicit, encourage, or discuss proposals or indications of interest relating to a long term supply agreement, partnership or other arrangement involving the proposed EcoFibre swing machine, or initiate or continue any negotiations or enter into any written or oral agreements or understandings with respect thereto.

Neither party, either directly or indirectly through any advisor or representative, will disclose the existence or terms of this letter or our mutual expression of interest in working together to find a satisfactory arrangement for the 5 year term supply of conventional wet and crepe tissue parent rolls to SCA from EcoFibre.

If the foregoing is acceptable, we request that you evidence your approval by signing and returning a copy of the letter to us.

Sincerely,

SCA Tissue North America, L.L.C.

By: Ronald Thiry
Name: Ronald Thiry
Title: Vice President - Manufacturing

AGREED AND ACCEPTED:

As of this 4th day of August 2005:

EcoFibre, Inc.

By: Ronald H. Van Den Heuvel
Name: Ronald H. Van Den Heuvel
Title: President

SCA TISSUE NORTH AMERICA
P. O. Box 2400
Neenah, WI 54957-2400
www.sca.com



August 4, 2005

Mr. Ron Van Den Heuvel
EcoFibre, Inc.
3131 Market Street
Green Bay, WI 54304

Dear Ron:

This letter will evidence our discussions with respect to the long term supply of TAD product from the proposed EcoFibre facility. As we stated previously, our management team supports this initiative and we look forward to successfully concluding an agreement with EcoFibre. SCA has received the TAD tissue machine permits issued by the State of Wisconsin to EcoFibre, the TAD toll supply agreement modeled after the OFTI agreement, the proof of outside financing availability, the EPC contract to build the new TAD tissue machine with the production guarantees and the private label KRT towel agreement which are being reviewed.

SCA North America must do a substantial amount of work in a relatively short period of time to determine whether SCA can approve a deal structure that is satisfactory for SCA, EcoFibre and your lenders.

In consideration of the time and expense SCA will incur in pursuing the proposed deal, we ask that, for a period of thirty days from the date of this letter, you and your affiliated companies work with us on an exclusive basis. This means you will not solicit, encourage, or discuss proposals or indications of interest relating to a long term supply agreement, partnership or other arrangement involving the proposed EcoFibre TAD facility, or initiate or continue any negotiations or enter into any written or oral agreements or understandings with respect thereto.

Neither party, either directly or indirectly through any advisor or representative, will disclose the existence or terms of this letter or our mutual expression of interest in working together to find a satisfactory arrangement for the long term supply of TAD product to SCA from EcoFibre.

If the foregoing is acceptable, we request that you evidence your approval by signing and returning a copy of the letter to us.

Sincerely,

SCA Tissue North America, L.L.C.

By: Ronald Thiry

Name: Ronald Thiry

Title: Vice President - Manufacturing

AGREED AND ACCEPTED:

As of this 4th day of August 2005:

EcoFibre, Inc.

By: Ronald H. Van Den Heuvel

Name: Ronald H. Van Den Heuvel

Title: President

SCA TISSUE NORTH AMERICA
P. O. Box 2400
Neenah, WI 54957-2400
www.sca.com

ST Paper Tissue Project

Summary of Key Business Terms

November 21, 2005

Set forth below is a summary of key business terms of the proposed business relationship (the "Project") between ST Paper, LLC. ("ST Paper"), a Delaware limited liability company, and Ron Van Den Heuvel, , Partners Concepts Developments, Inc., Tissue Products Technology Corp., and all tissue affiliates based in Wisconsin either owned or controlled by Ron Van Den Heuvel (collectively "Van Den Heuvel"). This summary expresses basic intentions only and is not a comprehensive list of all material terms and conditions of the Project. None of the terms or conditions set forth herein is intended to be an offer to, acceptance by, or legally binding upon, any party. Any understandings and agreements between the parties regarding the Project shall be reflected only in definitive agreements executed by all parties.

Project Overview

General: ST Paper will enter into a business arrangement with PCDI Tissue Group & Van Den Heuvel to develop and construct three tissue mills in the United States. Van Den Heuvel will provide, or will cause Tissue Products Technology Corp ("TPTC") or Spirit Construction using Siemens as the vendor to provide, the EPC guarantees for each mill which are acceptable to lending institutions, and Van Den Heuvel will ensure the placement of 100% of the production for 6 of the 7 tissue machines installed as part of the Project. In exchange for consideration to be agreed upon Van Den Heuvel will (i) sell to ST Paper 50% -90% of its stake in the existing Eco Fiber facilities in DePere, Wisconsin; (ii) Sell to ST Paper 50%-90% of its permitted 6 acre parcel with utility rights on the existing Oconto Falls Tissue Facility and (iii) subordinate the entire facilities (which shall have no existing liens or claims against them) as equity in the Projects. Van Den Heuvel will also purchase a 10% equity stake in ST Paper's Utah mill included in the Project.

ST Paper will be the general partner in the three tissue mill LLC's which are as follows:

1. ST Paper/Eco Fiber LLC, DePere, Wisconsin – One 140" TAD and One 110" Swing or Wet Crepe Start Construction in March 2006, Plant Startup in June 2007.
2. ST Paper/St George LLC, Utah Site – Three Machines, all 110" – One Dry Crepe and Two Wet/Swing Machines. Start Construction in June 2006, Plant Startup in Sept 2007.
3. ST Paper/Oconto Falls LLC, Wisconsin Site – Two Machines, both 110" – One Wet/Swing and One Dry Crepe. Start Construction in August 2006, Plant Startup in Sept 2008.

Stage 1: Van Den Heuvel has provided ST Paper with detailed engineering and design layouts of the three mills. These layouts will continue to be refined to meet the parties needs. Van Den Heuvel will provide, or shall cause TPTC or Spirit Construction using Siemens as a vendor to provide, a guaranteed, fixed price EPC contract for each of the three ST Paper mills. Initial EPC contracts and scope of work documents have been provided.

Stage 2: ST Paper will agree to purchase 50% equity (inclusive of all licenses, permits, property, equipment) in Van Den Heuvel's existing Eco Fiber and RAR facilities at a price to be determined by both parties (\$12 million plus \$3 million), contingent on de-ink system use and financial closing of the ownership of the Eco fibre facility. The Eco Tissue/ST Paper financial closing for 2 new tissue machines will follow shortly thereafter. As part of this agreement, Van Den Heuvel will agree to subordinate the Eco Fiber facilities as equity in the Project. This Eco Fiber facility will have no debt associated with it at the time the definitive agreements are executed or thereafter. All proceeds (EBITDA) from current operations will be split 50/50 starting 12/1/05.

Stage 3: ST Paper will agree to purchase 50% equity in new OFTI LLC (inclusive of all licenses, permits, property, equipment) at Van Den Heuvel's existing Oconto Falls facility at a price to be determined by both parties at (\$5 million each), at financial closing of the 6 acre permitted plot of property at OFTI's mill. This will be followed later by two new tissue machines EPC contract financial closing. As part of this agreement, Van Den Heuvel will agree to subordinate the Oconto Falls permitted parcel and support facilities as equity in the Project. This Oconto Falls permitted parcel will have no debt.

Stage 4: Van Den Heuvel will purchase up to a 10% equity stake (valued at a \$5 million contributed equity to the company) in ST Paper's St. George, Utah mill when financial closing of the Project is achieved and the EPC contract, the Sales and Marketing Agreements, and the Operating and Maintenance Agreements are executed for the Project.

Stage 5: Van Den Heuvel will construct, or will cause TPTC or Spirit Construction using Siemens as a vendor to construct, each of the three ST Paper mills in accordance with the EPC contracts for each ST Paper investment, in the sequence and time frame agreed upon by both parties.

As part of the EPC contracts, Van Den Heuvel will (i) apply all permits it has already obtained for its Eco Fiber and Oconto Falls facilities in Wisconsin to the jointly owned ST Paper mill new LLC for each location ("Wisconsin Mills"), (ii) obtain the balance of permits required for the Wisconsin Mills and the ST Paper mill in St. George, Utah ("Utah Mill"), (iii) build with TPTC or Spirit Construction using Siemens all of the mills included in the Project on a fixed price EPC contract basis, and (iv) provide trained

personnel necessary to start-up, operate, and maintain all of the mills included in the Project on a time and material basis as requested by ST Paper.

Sales and Marketing Agreement

Commissions: Van Den Heuvel's PCDI/TPTC will act as the marketing and sales agent for 100% of the production of ST Paper's tissue machines at ST Paper's Wisconsin Mills, and 100% of the production of the two wet/swing machines at the ST Paper Utah Mill in exchange for a commission calculated at 4% of the mills' sales.

Pricing: ST Paper will receive from Van Den Heuvel 30% of the profit made on the case sale price Van Den Heuvel will purchase 100% of the production from the TAD machine at its Eco Fiber mill. All other ST Paper product for which Van Den Heuvel is acting as the marketing and sales agent will be sold at market price.

Off-take Requirements: Van Den Heuvel will pass through the off-take agreements obtained from Svenska Cellulosa Aktiebolaget ("SCA") and Georgia-Pacific Corporation ("GP") and Sellars and NPS and Natures Way Tissue Corp. to ST Paper's mills in Eco Fiber, Oconto Falls, and Utah. These off-take agreements will ensure that 100% of the product manufactured at both ST Paper Wisconsin Mills will be sold to SCA and/or GP, or others, and 100% of the product manufactured by the two wet/swing machines at ST Paper's Utah Mill will be sold to SCA and/or GP or others.

Term: Each Sales and Marketing Agreement will have an initial term of 5 years commencing from the start-up of the tissue machine, with an optional two-year renewal added to the end of the contract.

ST Paper and Van Den Heuvel may not terminate the Sales and Marketing Agreement for any reason other than "for cause."

Non-Competition Agreement

Within the United States for a period of seven years after completion of the Project, and other than in connection with their involvement in the Project, (a) ST Paper will not to engage in tissue converting operations. Van Den Heuvel's tissue group will be responsible for 6 of the 7 tissue machines' offtakes and receive 4% of the sale price for the tissue market relationships they hold.

The parties have executed this Summary of Key Business Terms to indicate their agreement in principle with the terms herein contained.

ST PAPER

By: _____
Name: Sharad Tak
Title: President

TISSUE PRODUCT TECHNOLOGY CORP.

By: _____
Name: Ronald Van Den Heuvel
Title: President

PARTNERS CONCEPTS DEVELOPMENT, INC.

By: _____
Name: Ronald Van Den Heuvel
Title: President