

EXHIBIT K

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**MASTER LEASE AGREEMENT** No. SC-002157

620 Newport Center Drive, Ste 1450, Newport Beach, Ca 92660

Tel: 949-336-3400, Facsimile: 949-336-1380

LESSEE: The Great Lakes Tissue Company			STATE OF INCORPORATION: Michigan	
STREET:	CITY:	COUNTY:	STATE:	ZIP:
437 S. Main Street	Cheboygan	Cheboygan	MI	49721

1. Agreement & Lease: Lessee agrees to lease from Sertant Capital, LLC ("Sertant"), and, subject to Sertant's written acceptance of a Lease ("Acceptance") and any conditions specified by Sertant in the Acceptance, Sertant agrees to lease to Lessee, the personal property described in each Lease Schedule(s) ("Schedule(s)") executed from time to time in accordance with this Master Lease Agreement, together with all replacement parts, additions, repairs, accessions, attachments and accessories now or hereafter made a part thereof (collectively, the "Equipment"). This Master Lease Agreement is herein defined as the "Agreement". Each Schedule shall incorporate all of the terms and conditions of this Agreement. Each Schedule shall constitute a complete and separate Lease, independent of all other Schedules. In the event of a conflict between the provisions of this Agreement and the provisions of any Schedule, the provisions of the Schedule shall prevail. The term "Lease" shall mean this Agreement and any Schedule executed in connection therewith. A Lease is legal, valid and in force and binding upon Lessee to the extent of the unilateral obligations of Lessee contained herein when signed by Lessee and shall become legal, valid and binding upon Lessee and Sertant in all respects upon Acceptance.

2. Uniform Commercial Code: Lessee agrees and acknowledges that the term "Finance Lease" as used in a Lease has the meanings ascribed to it under Article 2A of the Uniform Commercial Code (and has no effect on any tax or accounting treatment of a Lease) and any Lease shall be considered a "finance lease". By executing a Lease, Lessee agrees that either: (i) Lessee has received a copy of the contract by which Sertant intends to acquire the Equipment, or (ii) that Sertant has informed Lessee of the identity of the vendor, seller or other supplier of the Equipment or (iii) Lessee has selected the vendor, seller or other supplier of the Equipment and has directed Sertant to acquire the Equipment or the right to possession and use of the Equipment from the vendor, seller or other supplier of the Equipment Lessee has selected. Lessee is entitled to the promises and warranties provided by the vendor, seller, or other supplier of the Equipment, and Lessee may contact the vendor, seller or other supplier of the Equipment for a description of those promises and warranties, and any disclaimers, limitations and modifications of remedies. This provision survives expiration or earlier termination of a Lease.

3. No Warranties/Manufacturer's Warranties: Sertant, not being the manufacturer, vendor, seller, publisher, distributor, licensor or supplier ("Supplier(s)") of the Equipment, nor Supplier's agent or employer, MAKES NO AND EXPRESSLY DISCLAIMS ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE FITNESS, QUALITY, DESIGN, CONDITION, CAPACITY, SUITABILITY, MERCHANTABILITY OR PERFORMANCE OF THE EQUIPMENT OR OF THE MATERIAL OR WORKMANSHIP THEREOF, IT BEING AGREED THAT THE EQUIPMENT IS LEASED "AS IS" AND THAT ALL SUCH RISKS, AS BETWEEN SERTANT AND LESSEE, ARE TO BE BORNE BY LESSEE AT ITS SOLE RISK AND EXPENSE. Lessee accordingly agrees not to assert any claim whatsoever against Sertant based thereon. Lessee further agrees, regardless of cause, not to assert any claim whatsoever against Sertant for loss of anticipatory profits or consequential damages. Sertant shall have no obligation to install, erect, test, adjust or service the Equipment. Lessee shall look to the Supplier for any claims related to the Equipment. Provided that no Event of Default (as defined below) shall have occurred and be continuing, Lessee shall be entitled to the benefit of any applicable Supplier's warranties and such warranties are hereby assigned by Sertant to Lessee, to the extent assignable.

4. Supplier Not an Agent: Lessee further understands and agrees that neither the Supplier, nor any sales representative or agent of the Supplier, is an agent or employee of Sertant. Sales representatives of the Supplier, persons not employed by Sertant (including, without limitation, brokers) or by any Sertant personnel who are not a duly authorized signer of a Lease are not authorized to waive or alter any term or condition of a Lease. Only a duly authorized signer of a Lease may waive or alter any term or condition of a Lease. No representation as to the Equipment by the Supplier, by any person not employed by Sertant or by any Sertant personnel who is not a duly authorized signer of a Lease shall in any way bind Sertant or affect Lessee's obligations under a Lease.

5. Performance of Lessee's Obligations by Sertant: If Lessee shall fail duly and promptly to perform any of its obligations under a Lease, Sertant may, at its option, perform the same for the account of Lessee without thereby waiving such default, and any amount paid or expense (including reasonable attorneys' fees), penalty or other liability incurred by Sertant in such performance, together with interest at the rate of 1 1/2% per month thereon (but in no event greater than the highest rate permitted by applicable law) until paid by Lessee to Sertant, shall be payable by Lessee upon demand as additional Rent for the Equipment. This right to perform includes, but is not limited to, when Lessee does not timely provide an appraisal or the appraiser chosen by Lessee does not use the definition of FMV provided for in Option 2 of the Schedule, then Sertant shall have the right without further notice to Lessee to select the second appraiser whose appraisal in accordance with the definition of FMV provided for herein will be used to determine the average appraisal amount. Lessee shall be responsible for and pay to Sertant for all other related costs and expenses incurred by Sertant.

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6. Further Assurances and Notices: Lessee's signing of a Lease constitutes a firm offer (the "Offer"). In consideration of Sertant's time and effort in reviewing and acting on the Offer, Lessee agrees that its Offer is irrevocable until forty-five business days from the receipt by Sertant of all credit, financial and business information and documentation requested by Sertant (the "Acceptance Period"). After expiration of the Acceptance Period, unless the Offer has been accepted by Sertant, the Offer will expire five business days after Sertant's receipt of Lessee's notice to revoke the Offer. The Acceptance shall be evidenced by Sertant's signing of the Lease or other written acceptance of the Offer. An Acceptance is conditioned upon and subject to no adverse change in the financial condition of Lessee or guarantor or the financial markets each as judged solely by Sertant (an "Adverse Change"). The Acceptance may be subject to commercially reasonable conditions, if any, as specified in the Acceptance. Lessee agrees that during the Acceptance Period Lessee will not offer or submit the proposed transaction related to the Offer to any other finance source or agency thereof. Sertant at its sole discretion, for some or all of the Equipment, may elect to document the transaction in one or more Schedules. Sertant may accept all or part of the Equipment or the value of the Equipment offered by Lessee in a Lease. The Deposit indicated on a Schedule is due and payable to Sertant at the time Lessee signs a Lease and upon Acceptance by Sertant, shall be fully earned by Sertant and shall not, in whole or in part, be either applied to Rents accruing upon such Schedule (unless otherwise specified in such Schedule) or be returned or refunded to Lessee. In the event Lessee does not fulfill its commitment with respect to completion of the terms and conditions of a Lease, including the agreed upon Equipment Cost, then the Deposit will be considered an earned processing fee by Sertant. Lessee agrees to sign and provide any documents which Sertant deems necessary in its sole discretion for confirmation, assignment and assurance of performance by Lessee of its obligations under a Lease and for perfection of a Lease, Sertant's title to the Equipment and a first priority security interest of Sertant in the Equipment in the event a Lease or any part thereof is deemed to be a lease creating a security interest to secure Lessee's obligations under a Lease. Lessee authorizes Sertant to and agrees that Sertant may file Uniform Commercial Code (UCC) Financing Statements naming Lessee and describing the Equipment and to take any similar action with respect to the titling and registration of titled Equipment subject to a state certificate of title law. UCC filing and lien search fees, physical inspection fees, legal fees and all other transaction costs will be Lessee's sole responsibility. Lessee authorizes Sertant to insert or update applicable dates, supplier information, Equipment description, cost, and quantity information, invoice numbers and other such information, as well as such information as serial numbers and other such information as necessary to complete all documentation for a Lease. If required by Sertant, Lessee agrees to ACH payment processing. Prior to Sertant's Acceptance and for the duration of a Lease, Lessee agrees to promptly provide Sertant with all business and credit information and documentation requested by Sertant including, but not limited to, Lessee's and any guarantor's comparative audited financial statements for the most current annual reporting period and comparative un-audited financial statements for the most current interim reporting periods. After Acceptance and before funding and commencement of a Lease, the occurrence of a material adverse change in the financial condition (as determined by Sertant) or the occurrence of any event of default as defined herein shall, at the option of Sertant, permit Sertant to revoke its Acceptance of a Lease. If Acceptance is revoked in whole, or as to any Schedule, then the Deposit indicated in a Lease as to which Acceptance has been revoked, shall be deemed fully earned by Sertant and such Deposit shall not, in whole or in part, be returned or refunded to Lessee. **All notices from Lessee to Sertant shall be sent certified mail, return receipt requested, to Sertant at its address shown herein or to such other address as directed by Sertant in writing.**

7. Lessee's Representations and Warranties: Lessee represents and warrants that (i) Lessee is duly organized, validly existing and in good standing under the laws of the state of its incorporation or organization, which state is accurately shown on this Agreement, and is qualified to do business where necessary to carry on its business and operations and own its property, (ii) a Lease has been duly authorized, executed and delivered by Lessee and constitutes the valid, legal and binding obligation of Lessee, enforceable in accordance with its terms, (iii) the execution, delivery and performance by Lessee of its obligations under a Lease or with respect to the Equipment will not violate any judgment, order, law or governmental regulation applicable to Lessee or any provision of Lessee's formation documents, by-laws or other organizational documents or result in any breach of or constitute a default under any instrument or agreement to which Lessee is a party or by which Lessee or its assets may be bound, (iv) the Equipment will be used solely in the conduct of Lessee's business and not for personal, family, household or other consumer purposes, and (v) Lessee or any other person who owns a controlling interest or otherwise controls Lessee in any manner is not listed on the Specially Designated Nationals and Blocked Persons Lists maintained by the Office of Foreign Assets Control ("OFAC") or other similar lists maintained by the federal government pursuant to any federal law or regulation regarding a person designated under Executive Order No. 13224 or similar lists. All representations and warranties contained herein shall be continuing in nature and in effect at all times prior to Lessee satisfying all of Lessee's obligations to Sertant under each Lease.

8. Rent & Lease Duration: The rent and other amounts payable by Lessee to Sertant under a Lease shall be as set forth in the applicable Schedule (the "Rent"). A Lease commences and Rent is due beginning on the date that Lessee certifies in writing to Sertant that all of the Equipment has been completely received, installed, tested and accepted as satisfactory by Lessee, and Lessee authorizes Sertant in writing to disburse payment to the Supplier ("Acceptance Date"). The Initial Period of each Schedule is reflected on each Schedule and begins on the first day of the calendar quarter following the Acceptance Date. A calendar quarter begins on the first day of January, April, July and October. Rent is due to Sertant, in advance, for each month or portion of a month beginning on the Acceptance Date and continuing for each month that a Lease is in effect. If the Acceptance Date does not fall on the first day of a calendar month, then the first Rent payment shall be calculated by multiplying the number of days beginning on the Acceptance Date through the last day of the month by a daily rental equal to one-thirtieth of the Rent. The term "Index Rate" means the Sertant Cost of Funds rate that is equally maturing with the Initial Period. Cost of Funds means Sertant's cost of funds, as determined by Sertant, which is based upon the cost of Sertant's funds from the syndication participants as selected by Sertant, subject to the then current prevailing market rates, terms, conditions and restrictions. Standards.

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Prior to the Acceptance Date of a Lease, Sertant at its sole discretion and while maintaining the implicit rate herein may adjust the Deposit, the Initial Period, LRF, Rent, Early Purchase Option and Fair Market Value not less than 10% as provided in Option (2). Lessee shall pay all Rents hereunder to Sertant, its successors or assigns, at Sertant's address set forth above (or as otherwise directed in writing by Sertant, its successors or assigns), whether or not Lessee has received any notice that such payment is due. **LESSEE'S OBLIGATION TO PAY RENT AND OTHER OBLIGATIONS HEREUNDER SHALL BE ABSOLUTE AND UNCONDITIONAL AND ARE NOT SUBJECT TO ANY ABATEMENT, SET OFF, DEFENSES, CLAIMS, COUNTERCLAIMS, OR RIGHT OF CANCELLATION OR TERMINATION FOR ANY REASON WHATSOEVER, AND LESSEE SHALL NOT DEDUCT ANY AMOUNT OR DAMAGES FROM OR REDUCE ANY RENT OR OTHER ITEMS PAYABLE UNDER A LEASE FOR ANY REASON WITHOUT THE PRIOR WRITTEN CONSENT OF SERTANT, ITS SUCCESSORS OR ASSIGNS.** In the event Sertant agrees to make payment(s) to Supplier(s) prior to the Acceptance Date, which such payments shall be paid solely and directly to the Supplier (or Lessee as applicable and if agreed to in writing by Sertant), such payments shall be billed from the respective acceptance date(s) of the Equipment at the Rent. Lessee shall not be entitled to reimbursement from Sertant for any amount paid by Lessee to the Supplier prior to the Acceptance Date unless agreed to in writing by Sertant at its sole discretion. Lessee and Sertant mutually agree that a Lease extends for a period of twelve months at the Rent unless Lessee provides to Sertant written notice of Lessee's election not to extend the Lease past the Initial Period at least five months and not greater than twelve months prior to the expiration of the Initial Period. Late charges on any past due Rent, taxes, or other charges hereunder shall accrue at the rate of \$.05 per dollar (5%) per month of the unpaid amount (or if such rate shall exceed the maximum rate allowed by law, then at the highest rate that is permitted to be charged on liquidated amounts after judgment) beginning with the date that such amount was due and continuing until the amount is paid. If late charges are assessed by Sertant's successors or assigns due to any late payment, Lessee agrees to pay such late charges or if applicable, to reimburse Sertant for their payment made on behalf of Lessee to Sertant's successors or assigns. Lessee agrees to make payment for any late charges promptly upon demand by Sertant.

9. Return of Equipment Option: Unless otherwise provided in writing and made part of a Lease, Lessee may return all but not less than all of the Equipment pursuant to the terms and conditions herein and subject to any Schedule as of the expiration of any extension period as agreed to by Lessee and Sertant, provided Lessee is not in default hereunder and has provided notice to Sertant as specified in this Agreement. If Lessee elects to return the Equipment in accordance with this paragraph ("Return of Equipment Option"), Lessee will discontinue the use of the Equipment and immediately, at its own expense, ship the Equipment with all manuals, as originally furnished by Supplier, to a location within the continental United States in accordance with the Equipment return instructions provided by Sertant. Lessee agrees that the Equipment, when returned, shall be in the same condition as when delivered to Lessee, reasonable wear and tear excepted, and as further set forth in the Schedule, and shall be eligible for the manufacturer's or vendor's best standard maintenance contract without the need for repair or rehabilitation. Lessee agrees that Lessee will, upon the request of Sertant, store the Equipment on Lessee's premises, at a safe location acceptable to Sertant that is in accordance with the manufacturer's recommendations, without charge to Sertant for a period of up to 90 days following the expiration or earlier termination of a Schedule. During such storage period, Lessee shall not use the Equipment for any purpose. Upon the expiration of the storage period Lessee will return the Equipment to Sertant in accordance with this Section. In the case of Software, Lessee will erase, delete and destroy all intangible Software items, and deliver to Sertant all tangible items constituting Software. At Sertant's request, Lessee will also certify in a written form acceptable to Sertant that: (i) all the tangible Software has been delivered to Sertant; (ii) all intangible records have been destroyed; (iii) Lessee has not retained the Software in any form; (iv) Lessee will not use the Software after termination, and (v) Lessee has not received from Supplier(s) anything of value relating to or in exchange for Lessee's use, rental or possession of the Software during the duration of the Lease (including a trade-in, substitution or upgrade allowance). Until Lessee has complied with all of the requirements of this Section, Rent payment obligations will continue and be payable on a quarterly basis, in advance, or Sertant may, in its sole discretion, declare an Event of Default.

10. Insuring the Equipment: Throughout the duration of the Lease, including while the Equipment is in the possession of Lessee or a third party, Lessee at its own expense shall maintain (i) commercial general liability insurance (naming Sertant or its assigns as additional insured) for bodily injury and property damage resulting from the maintenance, use or transport of the Equipment and (ii) property insurance (naming Sertant and/or its assigns as sole loss payee) covering all risks of loss or damage to the Equipment from any cause whatsoever including, without limitation, property damage, liability, fire, theft, vandalism, malicious mischief and all other risks. All insurance will be from an insurer(s) and in a form and amount satisfactory to Sertant. Lessee shall deliver to Sertant the certificates of such insurance (and each renewal or replacement thereof) and upon request by Sertant the original policies and evidence of the payment of the premiums for such insurance policies. All policies will provide that no cancellation or material modification of such insurance shall be effective without thirty days prior written notice to Sertant. Lessee authorizes Sertant to communicate with Lessee's Insurance Agent to confirm compliance with all insurance requirements. Lessee acknowledges and agrees that Insurance Agent is authorized to communicate with Sertant regarding insurance coverage for the Equipment and to provide Sertant with copies of policies and proof of payment of the premiums for such insurance. If the policy is not in compliance with the requirements of the Lease, Lessee authorizes Sertant to order said coverage (at Lessee's expense) from Lessee's insurance agent or insurance company. If Lessee fails to obtain such coverage, Sertant may place coverage at Lessee's expense. Lessee acknowledges that any such replacement coverage will benefit Sertant only, will be at a cost higher than insurance Lessee might otherwise obtain, and may result in profit to Sertant. Sertant is, however, not offering to sell insurance, is not in the insurance industry and is not obligated to place such insurance and any loss incurred during any period in which coverage is not in place shall be borne by Lessee. Sertant may, at its own expense, for its own benefit, purchase insurance in excess of that required under this Lease.

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11. Risk of Loss to the Equipment: Throughout the duration of the Lease, including while the Equipment is in the possession of Lessee or a third party, Lessee agrees to assume the entire risk of any partial or complete loss with respect to the Equipment from any cause whatsoever including theft, loss, damage, destruction or governmental taking, whether or not such loss is covered by insurance or caused by any default or neglect of Lessee. In the case of Software, any loss, impairment or incapacity of the Software by any cause will also be deemed a partial or complete loss with respect to the Equipment. Lessee agrees to give Sertant immediate notice of any damage to or loss of any Equipment. All physical damage insurance proceeds shall be payable directly to Sertant unless otherwise specifically provided for herein. If any of the Equipment is lost, destroyed, damaged beyond repair, or taken by governmental action, on the next succeeding Rent payment date, Lessee will (1) at Lessee's sole expense either replace the Equipment with like-kind Equipment, free and clear of any liens or rights of other parties, acceptable to Sertant or Sertant's assignee and continue to pay all Rents without interruption as they come due, or (2) pay to Sertant all past due Rents and other amounts then late or due plus an amount equal to either the Stipulated Loss indicated in the specific Schedule or an amount equal to the FMV at the discretion of Sertant ("Stipulated Value"). Following payment of any Stipulated Value, and if no Event of Default has occurred and remains continuing, Sertant will then: (a) transfer to Lessee Sertant's rights to the Equipment "as is", "where is" and with all defects, without recourse and without representation or warranty, express or implied, other than a warranty that the Equipment is free and clear of any liens created by Sertant; and (b) remit to Lessee any physical damage insurance proceeds arising out of such loss up to the amount of the Stipulated Value paid. Sertant shall determine in the exercise of its reasonable judgment whether the Equipment is damaged beyond repair. In the event of damage or loss, which does not result in damage beyond repair or a total loss of the Equipment or any item thereof, Lessee shall at Lessee's sole expense cause the affected Equipment to be restored to the condition required by the terms of the Lease. Upon completion of such repair and after supplying Sertant with satisfactory evidence thereof (and provided no Event of Default has occurred and remains continuing), Lessee shall be entitled to receive any insurance proceeds or other recovery to which Sertant would otherwise be entitled in connection with such loss up to the amount expended by Lessee in making the repair. Prior to Sertant's Acceptance of the Lease or, if accepted prior to the Acceptance Date, if any of the Equipment is lost, destroyed, damaged beyond repair, or taken by governmental action, Lessee will immediately replace such Equipment with equipment of like kind, quality, value and condition (the "Replacement Equipment"). Sertant shall have the absolute discretion to determine whether the Replacement Equipment is acceptable in all respects to replace the Equipment. Lessee acknowledges and agrees that such loss, destruction, damage beyond repair or governmental taking does not release, relieve, waive, excuse, terminate or otherwise affect Lessee's duty to perform its obligations under the Lease. Sertant shall not be obligated to undertake by litigation or otherwise the collection of any claim against any person for loss of, damage to, or government agency taking of the Equipment. Except as expressly provided above, the total or partial destruction of any Equipment or Lessee's total or partial loss of use or possession thereof shall not release or relieve Lessee from its obligations under the Lease including the duty to pay the Rent(s) therein provided.

12. Title & Right of Inspection: Title to the Equipment shall at all times be in Sertant's name or Sertant shall at all times have a first priority security interest upon the Equipment in the event a Lease or any part thereof is deemed to be a lease creating a security interest. Lessee will at all times protect and defend, at its own cost and expense, the title or first priority security interest of Sertant from and against all claims, liens and legal processes of creditors of Lessee and keep the Equipment free and clear from all such claims, liens and processes. The Equipment is and shall remain personal property. Lessee acknowledges that any license agreement (between the Supplier and Lessee) to use the Software is being provided to Lessee solely because of payments made by Sertant to the Supplier and, therefore Lessee agrees that Sertant has an interest in the license. Any Software agreement shall be separate and distinct from the Lease, and Sertant shall not have obligations thereunder. Lessee agrees that if it or any of its affiliates receives anything of value from the Supplier (including a trade-in, substitution, discount or upgrade allowance) other than Lessee's rights to use the Software reflected on the Schedule for the duration of this Lease, Lessee will advise Sertant and pay to Sertant an amount equal to such additional value obtained by Lessee. Lessee agrees that it will not surrender, transfer or modify the license agreement without first obtaining the written consent of Sertant. Sertant and its agents shall have the right from time to time during reasonable business hours to enter upon Lessee's premises or elsewhere for the purpose of confirming the existence, condition and proper maintenance (including the right to review Lessee's equipment log and applicable maintenance records) of the Equipment and during any period of storage, Sertant shall also have the right to demonstrate and show the Equipment to others. Lessee shall, upon the request of Sertant, and at its own expense firmly affix to the Equipment, in a conspicuous place, a label or metal plate as shall be supplied by Sertant showing Sertant as the owner and lessor of such Equipment.

13. Possession, Use, Maintenance and Location of Equipment: So long as Lessee is not in default under the Lease it shall be entitled to the possession and use of the Equipment in accordance with the terms of the Schedule. The Equipment shall be used in the conduct of the lawful business of Lessee, and no item of Equipment shall be removed from its location as specifically shown on the Schedule without the prior written consent of Sertant. Lessee shall not, without Sertant's prior written consent, part with possession or control of the Equipment or attempt or purport to sell, pledge, mortgage, sublease or otherwise encumber any of the Equipment or otherwise dispose of or encumber any interest under the Lease. Lessee shall comply with all governmental laws, ordinances, regulations, requirements and rules with respect to the use, maintenance and operation of the Equipment. Unless otherwise set forth in the Schedule, Lessee shall be responsible for all transportation, packing, installation, testing and other charges incurred in connection with the delivery, installation and use of the Equipment. Lessee, at its expense, shall maintain the Equipment in good operating order, condition, repair and appearance, and protect the Equipment from deterioration other than normal wear and tear. Unless otherwise agreed to by Sertant in writing, Lessee shall enter into and keep in force the

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best standard maintenance agreement with the Supplier of the Equipment (or such other party as is acceptable to Sertant) and furnish evidence of such agreement to Sertant upon request.

14. Additions & Modifications to the Equipment: Unless Sertant shall otherwise agree in writing, all accessions, upgrades, modifications, alterations or additions (collectively "Additions & Modifications") to the Equipment at any time during a Lease, become a part of the Equipment and are owned by Sertant. Lessee shall obtain Sertant's prior written consent for all Additions & Modifications to the Equipment. Software, as described on any Schedule(s), includes all updates, revisions, upgrades, enhancements, modifications, derivative works, maintenance fixes, translations, adaptations, and copies of the foregoing or of the original version of the Software whether obtained from the Supplier, licensor or from any source, and references in this Lease to Software will be interpreted as references to any of the foregoing. All Additions & Modifications to the Equipment must be free and clear of any liens or rights of other parties

15. Taxes: Lessee shall file all required personal property tax returns relating to the Equipment: Lessee shall pay, and shall indemnify and hold Sertant harmless from and against, all fees, taxes, withholdings, assessments and other governmental charges, however designated, together with any penalties, fines or interest, if any, thereon, (collectively, the "Impositions") which are at any time levied or imposed against Sertant, Lessee, the Lease, the Equipment or any part thereof by any Federal, state, local or foreign government or taxing authority upon, with respect to, as a result of, or measured by (i) the Equipment (or any part thereof), or the Lease or the interest of Sertant therein, or (ii) the purchase, ownership, delivery, leasing, possession, maintenance, use, operation, return, sale or other disposition of the Equipment or any part thereof, or (iii) the Rents, receipts or earnings payable under the Lease or otherwise arising from the Equipment or any part thereof; excluding, however, Federal, state or local taxes based on or measured by the net income of Sertant. Sertant is not responsible for contesting any valuation of, or tax imposed on, the Equipment (but may do so strictly as an accommodation to Lessee) and will not be liable or accountable to Lessee therefore. Lessee's obligations under this paragraph shall survive the expiration or earlier termination of this Lease. Sertant retains any and all federal and state tax credits or benefits relating to the Equipment. The parties hereto intend that the Lease be treated as a lease for Federal, state, local and foreign income tax purposes, and Sertant shall be entitled to such deductions, credits and other benefits (all of which shall herein be referred to as the "Tax Benefits") with respect to the Equipment as are provided to an owner of property by the Internal Revenue Code of 1986, as amended to the date hereof (the "Code") and by similar income tax laws of any state, local or foreign jurisdiction, including without limitation any accelerated cost recovery system deductions and investment tax credit with respect to the Equipment. In the event that any of the expected Tax Benefits under any Federal, State or local law shall be lost by, recaptured, not claimed, not available for claim or disallowed to Sertant for any reason including, but not limited to, (i) any act or failure to act of Lessee and/or any sublessee or assignee of Lessee, (ii) any change in the legal or tax status of Lessee and/or any sublessee or assignee of Lessee, (iii) breach by Lessee of any of its representations or warranties contained in the Lease, (iv) an Event of Loss, (v) an Event of Default, (vi) the Equipment fails to qualify for bonus depreciation, (vii) any change in or amendment to tax law, congressionally, judicially, or administratively promulgated, or (viii) an administrative or judicial determination that the Lease is not properly treated as a lease for income tax purposes or that the Lease or the Equipment fails to qualify for any investment tax credit claimed by Sertant, Lessee shall promptly pay to Sertant a revised Rent Payment or lump sum amount which, in the reasonable judgment of Sertant (and after deduction of all taxes to be paid by Sertant with respect to such payment), shall have the same net after tax rate of return on a discounted cash flow basis as would have been realized by Sertant were Sertant entitled and/or able to use the expected tax deductions, credits or other benefits based on the maximum Federal Income Tax Rate applicable to Sertant, in effect during the term of the Lease. The obligation to pay such sums to Sertant shall be in addition to all other obligations of Lessee under the Lease and shall continue in full force and effect notwithstanding the termination of the Lease whether by expiration of time, by operation of law or otherwise.

16. Default: Lessee shall promptly notify Sertant of the occurrence of any Event of Default. An Event of Default shall occur if: (a) Lessee fails to pay when due any installment of Rent or any other sum owed by Lessee under a Lease and such failure continues for a period of ten (10) days; (b) Lessee fails to perform or observe any covenant, condition or agreement to be performed or observed by it under a Lease and such failure continues uncured for ten (10) days after written notice thereof to Lessee by Sertant; (c) Lessee ceases doing business as a going concern, makes an assignment for the benefit of creditors, admits in writing its inability to pay its debts as they become due, files a voluntary petition in bankruptcy, files a petition seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar arrangement under any present or future statute, law or regulation or files an answer admitting the material allegations of a petition filed against it in any such proceeding, consents to or acquiesces in the appointment of a trustee, receiver or liquidator of it or of all or any substantial part of its assets or properties, or if it or its shareholders shall take any action looking to its dissolution or liquidation, or Sertant determines that an Adverse Change has occurred; (d) within sixty (60) days after the commencement of any proceedings against Lessee seeking reorganization, arrangement, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such proceedings shall not have been dismissed, or within sixty (60) days after the appointment without Lessee's consent or acquiescence of any trustee, receiver or liquidator of it or of all or any substantial part of its assets and properties, such appointment shall not be vacated; (e) Lessee removes, sells, transfers, encumbers, allows an encumbrance upon, misplaces, parts with possession or subleases the Equipment or any item thereof, or attempts to do any of the aforementioned (without Sertant's prior written consent); (f) Lessee defaults in payment or performance of any obligation or indebtedness of any kind or description, whether direct, indirect, absolute or contingent, due or to become due, now existing or hereafter arising; and (g) Lessee or any guarantor fails to complete on a timely basis when due the exercise of any option provided for in a Lease once elected; (h) any warranty, representation, covenant or statement made or furnished to Sertant by or on behalf of Lessee in or in connection with a Lease proves to have been false in any material respect when made or furnished; (i) any change by Lessee of

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its legal name, state of organization or organizational structure without the prior written consent of Sertant or (j) Lessee or any guarantor of Lessee obligations under a Lease, or any subsidiary or controlling entity of either, undergoes a sale, buyout, change in control, change in ownership of any type which as judged solely by Sertant, results in a material deterioration in Lessee's or the guarantor's credit worthiness, or if the guarantor is an individual the death of a guarantor.

17. Remedies: Upon the occurrence of an Event of Default, Sertant shall have all the rights and remedies provided by applicable law, in equity and by a Lease. In addition, Sertant, at its option, may: (a) by notice to Lessee cancel a Lease effective on the date designated by Sertant that such Event of Default first occurred; (b) proceed by appropriate court action or actions or other proceedings either at law or equity to enforce performance by Lessee of any and all covenants of a Lease and to recover damages for the breach thereof; (c) without notice or liability or legal process, enter into any premises of or under the control or jurisdiction of Lessee or any agent of Lessee where the Equipment may be or by Sertant is believed to be, and repossess all or any item thereof, disconnecting and separating all thereof from any other property and using all force necessary or permitted by applicable law so to do, Lessee hereby expressly waiving all further rights to possession of the Equipment and all claims for injuries suffered through or loss caused by such repossession or demand that Lessee deliver the Equipment forthwith to Sertant at Lessee's expense at such place as Sertant may designate; (d) in the event Sertant repossesses the Equipment, Sertant may in Sertant's sole discretion elect to sell, re-lease or otherwise dispose of all or part of the Equipment or to retain all or part thereof, in such manner and on such terms and conditions as Sertant may determine in its sole discretion, with or without notice to Lessee, which Lessee hereby waives to the extent permitted by applicable law; (e) declare immediately due and payable any unpaid Rent together with any and all other amounts due or to become due under the Lease, plus the Stipulated Value of the Equipment; (f) declare immediately due and payable any past unpaid Rent, late charges and any other amounts due hereunder that accrued on or before the occurrence of the Event of Default, plus as liquidated damages for loss of the bargain and not as a penalty, an amount equal to the Stipulated Value for the Equipment as of the Rent payment date immediately preceding the date Sertant declares the Lease in default. In addition, Sertant shall be entitled to recover all attorney and court costs incurred by Sertant as a result of an Event of Default or relating to the enforcement of its rights under a Lease. Sertant may in its sole and absolute discretion, re-lease or sell any Equipment at a public or private sale, whether the Equipment is present or not and in such manner and on such terms as Sertant shall deem reasonable, without any duty to account to Lessee and the proceeds of any such sale or lease shall be applied to reimburse Sertant for any amounts owed to Sertant. Lessee shall remain liable for any deficiency (for purposes of this Section, the proceeds of any lease of repossessed Equipment by Sertant shall be the amount reasonably assigned by Sertant as the cost of such Equipment in determining the Rent under such lease. It is agreed that Lessee's unauthorized use, disclosure, or transfer of Software will cause Sertant significant damages which, at the time the parties enter into the Lease, are impossible to quantify. Therefore, if Lessee is found to be using all or any portion of the Software after the termination of this Lease, or after an Event of Default under the Lease, or if Supplier terminates a license of Lessee's right to use the Software for an alleged breach of the use, disclosure, or transfer restrictions imposed on Lessee, the parties hereby agree that liquidated damages shall be payable immediately by Lessee to Sertant in an amount which is equal to two times the amount paid by Sertant for the Software. The proceeds of sale, lease or other disposition, if any, of the Equipment shall be applied (i) to all Sertant's costs, charges and expenses incurred in taking, removing, holding, repairing and selling, leasing or otherwise disposing of the Equipment or other damages incurred, including attorney fees; then (ii) to the extent not previously paid by Lessee, to pay Sertant the Stipulated Value and any accrued and unpaid Rent, late charges, indemnities and any other amounts then remaining unpaid under a Lease; then (iii) to reimburse to Lessee any such sums previously paid by Lessee as liquidated damages. Sertant shall retain any surplus. In no event shall Lessee upon demand by Sertant for payment hereunder or otherwise be obligated to pay any amount in excess of that permitted by law. The waiver by Sertant of any breach of any obligation of Lessee shall not be deemed a waiver of any future breach of the same or any other obligation. No remedy of Sertant hereunder shall be exclusive of any remedy herein or by law provided, but each shall be cumulative and in addition to every other remedy. Lessee shall remain liable for any deficiency remaining should Sertant sell or otherwise dispose of the Equipment. If any Lease is a loan or secured transaction, Lessee further agrees that Sertant shall have all the rights and remedies of a secured party under Article 9 of the UCC.

18. GOVERNING LAW; JURISDICTION, JURY TRIAL WAIVER: Each Lease shall be governed by and construed in accordance with, the laws of the State of California, without giving effect to the principles of conflicts of laws. Each Lease is entered into and is to be performed in the County of Orange in the State of California. Lessee submits and consents to the exclusive jurisdiction of any claims or causes of action arising directly or indirectly from each Lease in any federal or state court located in the State of California. LESSEE AND SERTANT EACH HEREBY WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATING TO, A LEASE OR ANY OTHER PRESENT OR FUTURE INSTRUMENT OR AGREEMENT BETWEEN LESSEE AND SERTANT, WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE. Lessee and Sertant prefer that any dispute between or among them shall be resolved in litigation subject to the above jury trial waiver. If, and only if, a pre-dispute jury trial waiver of the type provided for herein is unenforceable in litigation to resolve any dispute, claim, cause of action or controversy under a Lease (each, a "Claim"), then, upon the written request of any party, such Claim, including any and all questions of law or fact relating thereto, shall be determined exclusively by a judicial reference proceeding in any federal or state court located in the State of California (the "Court"). Lessee and Sertant shall each select a single neutral referee, who shall be a retired state or federal judge. If the parties cannot agree upon a referee within 30 days, the Court shall appoint the referee. The referee shall report a statement of decision to the Court. Notwithstanding the foregoing, nothing in this paragraph shall limit any party's right at any time to exercise self-help remedies, foreclose against the Equipment or other collateral or obtain provisional remedies (including without limitation, requests for temporary restraining orders, preliminary injunctions, writs of possession, writs of attachment, appointment of a receiver, or any orders that a court may issue to preserve the status quo, to allow

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a party to enforce its liens and security interests). Unless the referee orders otherwise the party determined by the referee to be the prevailing party in any such proceeding shall be entitled to recover from the other party, as part of the statement of decision reported to the Court, all of the prevailing party's costs and expenses related to such proceedings including, without limitation, the prevailing party's attorneys' fees and expenses. The referee also shall determine all issues relating to the applicability, interpretation, and enforceability of this Section. Lessee and Sertant acknowledge that any Claim determined by reference pursuant to this Section shall not be adjudicated by a jury.

19. Indemnity: Lessee agrees that Sertant shall not be liable to Lessee for, and Lessee shall indemnify and save Sertant harmless from and against any and all liability, loss, damage, expense, causes of action, suits, claims or judgments arising from or caused directly or indirectly by any Lease or Equipment, including but not limited to (whether prior to or after acceptance of any item of Equipment): (a) Lessee's failure to promptly perform any of its obligations under the provisions of a Lease; (b) injury to persons or damage to property resulting from or based upon actual or alleged condition, use, operation, delivery or transportation of any or all of the Equipment or its location or condition; (c) breach of any environmental laws or regulations or claim involving or alleging environmental damage; (d) inadequacy of the Equipment, or any part thereof, for any purpose or any deficiency or defect therein or the use or maintenance thereof or any repairs, servicing or adjustments thereto or any delay in providing or failure to provide any part or service thereof or any interruption or loss of service or use thereof or any loss of business; (e) the manufacture, inspection, purchase, acceptance, rejection, lease, sublease, possession, registration, titling, sale, return, removal, repossession, storage or other disposition of the Equipment (f) any accident in connection with any item of Equipment, or (g) any claim involving or alleging environmental damage, product liability or strict or absolute liability in tort, latent and other defects (whether or not discoverable), and from any other risk or matter and Lessee shall, at its own cost and expense, defend any and all suits which may be brought against Sertant, either alone or in conjunction with others upon any such liability or claim(s) and shall satisfy, pay and discharge any and all judgments and fines that may be recovered against Sertant in any such action or actions, provided, however, that Sertant shall give Lessee written notice of any such claim or demand. Lessee agrees that its obligations under this Section shall survive the expiration or earlier termination of a Lease.

20. Assignment: Each Lease and all rights and obligations of Sertant thereunder shall be assignable by Sertant without Lessee's consent, but Lessee shall not be obligated to any assignee of Sertant except after written notice of such assignment from Sertant. Following such assignment (i) solely for the purpose of determining assignee's rights under a Lease, the term "Sertant" shall be deemed to include or refer to Sertant's assignee, (ii) such assignee shall have all the rights and benefits of Sertant under a Lease, but none of Sertant's obligations (except as expressly agreed in writing), (iii) Lessee shall make all payments as directed by such assignee, (iv) Lessee shall provide Sertant with a copy of any notices sent by Lessee to Assignee regarding a Lease; and (v) Lessee agrees that it will not assert against any assignee any claim, defense, counterclaim or offset that Lessee may have against Sertant. Without the prior written consent of Sertant, Lessee shall not assign, sell or transfer a Lease or its interests hereunder, in any manner including but not limited to, an assignment due to sale, merger, liquidation, sub-lease, change of ownership or change-in-control, with respect to the Equipment covered thereby.

21. Miscellaneous: If any provision of a Lease is contrary to, prohibited by or deemed invalid under applicable laws or regulations of any jurisdiction, such provision shall be inapplicable and deemed omitted but shall not invalidate the remaining provisions of a Lease. In the event a Lease or any part thereof is deemed to be a lease creating a security interest, Lessee grants Sertant a first priority security interest in each item of Equipment as security for all of Lessee's indebtedness and obligations owing under a Lease, as well as all other present and future indebtedness and obligations of Lessee to Sertant of every kind and nature whatsoever. All notices to Lessee shall be in writing and shall be delivered by mail, facsimile, or electronic mail. All agreements, representations and warranties contained in a Lease, or in any document or certificate delivered pursuant to or in connection with a Lease, shall expressly survive the expiration or earlier termination of a Lease. Lessee authorizes and agrees that Sertant may supply missing information or correct obvious errors in a Lease. This Lease (and all documents executed in connection herewith) may be executed and delivered in counterparts all of which shall constitute one and the same agreement. The exchange of signed copies by facsimile or electronic transmission (including pdf files) shall constitute effective execution and delivery and may be used in lieu of manually signed documents. Signatures of the parties transmitted by facsimile or electronic transmission qualify as authentic original signatures for purposes of enforcement thereof, (including all matters of evidence and the "best evidence" rule). For purposes of perfection of a security interest in chattel paper under the UCC, only the counterpart of each Lease that bears Sertant's manually applied signature shall constitute the sole original counterpart of the original chattel paper for purposes of possession. No security interest in a Lease can be perfected by possession of any other counterpart, each of which shall be deemed a duplicate original or copy for such purposes. Following funding of any Lease, Sertant may publish or issue, or cause to be made or issued, any announcement, statement, or other form of advertising referring to the business purpose and activities related to a Lease for dissemination to the general public or any third party. Time is of the essence with regard to each provision of a Lease.

Each Schedule (along with this Agreement) shall constitute a separate Lease and the obligation of Lessee to pay Rent and any other sums due under each Schedule and the Agreement shall be absolute and unconditional. A Lease cannot be terminated or canceled for any reason except as expressly provided herein. To the extent permitted by applicable law, Lessee hereby waives the following rights and remedies conferred on Lessee by law: (1) right to unilaterally terminate or cancel the Lease; (2) right to reject the Equipment; (3) right to revoke acceptance of the Equipment; (4) right to recover any general, specific, incidental and consequential damages or recover damages from any Sertant breach of warranty; (5) right to specific performance, replevin, detinue, sequestration, claim and delivery of the like for the Equipment subject to the Lease. To the extent permitted by applicable law, Lessee also waives any rights which may require Sertant to sell, lease or otherwise use any Equipment

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in mitigation of Sertant's damages as set forth in Section 17 and to the extent permitted by applicable law, Lessee hereby waives any and all rights and remedies conferred upon Lessee by Article 2A-507 – 2A-522 of the UCC.

This Agreement and each Schedule executed from time to time in connection therewith contain the entire agreement between the parties with respect to the Equipment and may not be altered, modified, terminated or discharged except by a writing signed by the party against whom such alteration, modification, termination or discharge is sought. A Lease once accepted by Sertant shall be binding upon and inure to the benefit of Sertant, Lessee and their permitted successors and assigns. Lessee and Sertant agree that no oral or other written agreements or promises shall be relied upon or be binding on the parties unless made part of a Lease by written authorization provided by authorized signers of both Lessee and Sertant. Lessee shall provide Lease documentation original signatures for receipt by Sertant within three business days of Sertant's request.

A Lease is subject to acceptance by Sertant. By signing below, the signer certifies that signer has read this Agreement, has had an opportunity to discuss its terms with Sertant, and is authorized to sign on behalf of Lessee.

LESSEE

The Great Lakes Tissue Company
TAX I.D. #38-3108611

SERTANT CAPITAL, LLC

By: _____

Kip Boie

President & CEO

Date: _____

9/26/22

By: _____

Michael J. Przekop

President

Date: _____

10-13-2022

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SECRETARY'S CERTIFICATE

I, Jim Hoffman, do hereby certify that I am Secretary of The Great Lakes Tissue Company, a corporation duly organized and existing under the laws of the State of Michigan ("Corporation"); that I am the keeper of the seal of the Corporation and corporation records, including without limitation, the Charter, By-Laws and the minutes of the Board of Directors of the Corporation; that the following is an accurate and compared transcript of the resolutions contained in the minute book of the Corporation which resolutions were duly adopted and ratified at a meeting of the Board of Directors of the Corporation duly convened and held in accordance with the By-Laws and Charter of the Corporation, at which time a quorum was present and acted throughout; and that said resolutions have not in any way been modified, repealed or rescinded, but are in full force and effect:

"RESOLVED, that any officer of the Corporation be and is hereby authorized and empowered in the name and on behalf of this Corporation to enter into one or more lease agreements with Sertant Capital, LLC (hereinafter called "Lessor") concerning personal property leased to the Corporation; from time to time to modify, supplement or amend any such agreements, and to do and perform all other acts and things deemed by such officer to be necessary, convenient or proper to carry out any of the foregoing; and be it

FURTHER RESOLVED, that any of the aforesaid officers, or his or her duly elected or appointed successor in office, be and is hereby authorized and empowered to do any acts, including but not limited to the mortgage, pledge or hypothecation from time to time to Lessor of any or all assets of this Corporation to secure such leases, and to execute in the name and on behalf of this Corporation, any instruments or agreements deemed necessary or proper by Lessor in respect of the collateral securing any obligations of this Corporation, and to affix the seal of this Corporation to any mortgage, pledge or other such instrument if so required or requested by Lessor; and be it

FURTHER RESOLVED, that all that any officer shall have done or may do in connection with the matters outlined above is hereby ratified and approved; and be it

FURTHER RESOLVED, that the foregoing resolutions shall remain in full force and effect until written notice of their amendment or rescission shall have been received by Lessor and that receipt of such notice shall not affect any action taken or advances made by Lessor prior thereto and Lessor is authorized to rely upon said resolutions until receipt by it of written notice of any change; and be it

FURTHER RESOLVED, that the Secretary be and is hereby authorized and directed to certify to Lessor that the foregoing resolutions and the provisions thereof are in conformity with the Charter and By-Laws of this Corporation."

I do further certify that the lease agreement entered into by the Corporation and Lessor is an agreement referred to in said resolutions and was duly executed pursuant thereto and there are no restrictions imposed by the Charter or By-Laws of the Corporation restricting the power or authority of the Board of Directors of the Corporation to adopt the foregoing resolutions or upon the Corporation or its officers to act in accordance therewith.

I do further certify that the following are names and specimen signatures of officers of the Corporation empowered and authorized by the above resolutions, each of which has been duly elected to hold and currently holds the office of the Corporation set opposite his or her name:

Name	Office	Signature
<u>Kip Boie</u>	<u>President & CEO</u>	<u>[Signature]</u>
<u>Jim Hoffman</u>	<u>Board Member</u>	<u>[Signature]</u>

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Corporation on 9/27/22

CORPORATE SEAL

[Signature]
Secretary

GLTC0001539

SERTANT
CAPITAL

620 Newport Center Drive, Ste 1450, Newport Beach, CA 92660

Lessee: The Great Lakes Tissue Company
Street: 437 S. Main Street**LEASE SCHEDULE No. 1**

Voice (949) 336-3400 Facsimile (949) 336-1380

Master Lease Agreement No. SC-002157**Tel: 231-627-0200****City: Cheboygan State: MI County: Cheboygan Zip: 49721**

This Lease Schedule (the "Schedule") is issued with respect to the Master Lease Agreement No. SC-002157 Dated 9/26/22. All of the terms of the Agreement are incorporated into this Schedule as if fully reflected on the Schedule. The terms of this Schedule and the Agreement combine to form an individual Lease with an independent Initial Period. The following are defined terms in the Lease.

Initial Period (months): 48Equipment Cost: \$3,000,000.00Holdback Amount \$1,000,000.00Rent, \$68,082.30Deposit: \$68,082.30Rent Payment Frequency: MonthlyLease Rate Factor (LRF): .0226941Equipment Description: See attached Exhibit A.

Any Deposit under this Schedule shall be returned to Lessee (without interest thereon and less any transaction costs) if Sertant does not accept this Schedule in accordance with the Lease. The Rent will be determined by multiplying the LRF by the actual Equipment Cost. Sertant may at its sole discretion adjust the LRF in direct relation to any increase since the date of this Lease in the Index Rate over the base rate of 1.94% (the "Base Rate") and recalculating the Rent by multiplying the revised LRF by the Equipment Cost. Such adjustment shall occur as follows: (1) on the later of the Acceptance Date or the date Sertant has received all fully executed Lease documentation and has funded the Lease, and with such adjustment effective as of the Acceptance Date, and/or (2) at such time as Sertant first assigns this Lease and provides written notice of assignment to Lessee, with such adjustment effective as of the date of such notice. Upon funding, Lessee shall pay to Sertant an administration fee of fifteen hundred dollars in consideration for Sertant's administration of the Lease and a closing fee of two percent of the Equipment Cost minus the Holdback Amount shall also be paid to Sertant at Funding. Per Section 11 of the Agreement (Risk of Loss to the Equipment), the Stipulated Loss will start at 110% of the Equipment Cost and decline by 0.9375% per month during the Initial Period for each month that payment of Rent is received by Sertant and will not decline any further after the expiration of the Initial Period.

Schedule Options: At the expiration of the Initial Period or, if extended, at the expiration of the extension period, and in accordance with the terms and conditions of the Lease, Lessee shall have the option to:

Option (1) Extend the Schedule on the same terms and conditions of the Lease for a period of twelve additional months at the then current Rent on the last day of the Initial Period,

Option (2) Purchase all, but not less than all, of the Equipment immediately upon expiration of the applicable rental period for its then fair market value defined as the price that would be obtained in an arm's length, retail transaction between informed and willing parties, under no compulsion to buy or sell, including taxes, transportation, installation and any other cost for services required to render such Equipment fully acceptable for use by an end user (the "FMV") not less than 20% of the Equipment Cost, plus all applicable sales/use taxes thereon and all accrued but unpaid interest, taxes, penalties and other sums due under the Lease. In the event Lessee and Sertant cannot agree on the FMV amount, then the FMV shall be determined by the average of two appraisals but not less than the minimum amount specified herein. Lessee shall pay the cost of such appraisals. One appraiser will be chosen by Lessee and one appraiser will be chosen by Sertant, both of which shall be associated with a nationally recognized appraisal association, will be independent with respect to Lessee and Sertant and shall be instructed to determine FMV using the definition hereinabove. Upon receipt of the agreed upon amount, Sertant shall transfer to Lessee any and all right, title and interest in the subject Equipment, as is, where is, without any warranties express or implied. Lessee shall pay the cost of such appraisal. If Lessee has not elected any option available in the Lease by providing notice three months prior to the end of any extension period, then Option (1) shall prevail.

Sertant at its sole discretion, for some or all of the Equipment, may elect to document the transaction in one or more sub-schedules. Each such sub-schedule will document a portion of the total Equipment Cost and, along with the Agreement, will each constitute a complete and separate Lease, independent of all other sub-schedules. That portion of the Equipment which is not funded through a separate sub-schedule shall remain part of the Master Schedule unless and until superseded by one or more additional or sub-schedules, however, the amount of the Equipment Cost stated in the Master Schedule shall be reduced by the aggregate amount funded through all or sub-schedules. The execution of a sub-schedule shall not relieve or release Lessee from its remaining obligations under the Master Schedule, including, but not limited to, the obligation to lease personal property with the total combined Equipment Cost as stated on the Master Schedule. The terms "Lease Schedule" and "Schedule" as referred to and defined in the Lease Agreement shall be deemed to refer to the Master Schedule wherever such terms appear in the Agreement. In the event that one or more sub-schedules are executed with respect to all or a portion of the Equipment, then the terms "Lease Schedule" and "Schedule" as referred to and defined in the Lease Agreement shall be deemed to refer to each such sub-schedule, and not the Master Lease Schedule, but only with respect to and limited to each such separate and independent sub-schedule.

By signing below, the signer certifies that signer has read this Schedule and the Agreement, has had an opportunity to discuss its terms with Sertant, and is authorized to sign on behalf of Lessee.

The Great Lakes Tissue CompanySignature: [Signature]
Name: Kip Boie
Title: President & CEO
Date: 9/26/22**SERTANT CAPITAL, LLC**Signature: [Signature]
Name: Michael J. Przekop
Title: President
Date: 10-13-2022**GLTC0001540**

SERTANT CAPITAL

EXHIBIT 'A' EQUIPMENT DESCRIPTION

The following invoice(s) are referenced, and hereby incorporated, for the purpose of describing the equipment subject to lease agreement # SC-002157. By signing below, I, the lessee, acknowledge that I choose to lease the equipment listed on the invoice(s) per the payment schedule and the terms and conditions set out in lease agreement # SC-002157, which is the governing document to this lease regardless of the price and terms (if any) indicated on the invoice(s).

Equipment Description	S/N#	
1969 Bacock & Wilcox Gas Fired 60,000 BTU Boiler	M98133M	\$ 18,900.00
2013 Alfa Laval Heat Exchanger	30115-70081	\$ 2,625.00
2013 Alfa Laval CB400-86H Heat Exchanger	42787870	\$ 2,625.00
Appleton 60"x72" Core Cutter	n/a	\$ 1,125.00
Wulftec WLP-150 Automatic Stretch Wrap Machine	0700-6317	\$ 2,250.00
Orion SW44-12 Stretch Wrapper	7117540	\$ 2,250.00
Black Clawson Poly Re-Claim & Stock Prep System	95-H-P-3692	\$ 510,000.00
Beloit / Proctor & Gamble 128" Tissue Paper Machine and all accessories	n/a	\$ 761,600.00
Lot of Laboratory Equipment and all accessories		\$ 7,500.00
1985 Atlas Copco ZR-3 200 HP Packaged Rotary Screw Air Compressor	ARP-1200-8	\$ 2,250.00
1985 Atlas Copco ZR-3 200 HP Packaged Rotary Screw Air Compressor	ARP-490886	\$ 900.00
1978 Zurn R110A Refrigerated Air Dryer	R-9510	\$ 750.00
2014 Ingersoll Rand R110 Nirvana SVD 150Air Compressor	VN1505u13175	\$ 14,850.00
Knowlton Core Machine	n/a	\$ 10,125.00
1997 Perini 200G Core Machine and Back Stand	09056 ; 09057	\$ 13,500.00
1998 Perini 716B 106" Toilet Roll Rewinder	09719; 09718	\$ 150,000.00
2020 Baosuo YD-PL400C-2900 12" Bathroom Tissue Rewinder Line and all accessories	19S13005FS	\$ 817,000.00
1999 Perini 702G 106" JRT Rewinder and all accessories	40533	\$ 127,500.00
1997 Perini 702G 106" JRT Rewinder Line and all accessories	8897	\$ 150,000.00
Hobema 14-H 13" Napkin Folder	446	\$ 7,500.00
Lot of Press, Gears, Valves, Pumps, Motors, Etc. including all components and ancillary items	n/a	\$ 281,250.00

Machine Shop Consisting of: \$40,500.00

Clausing Colchester 17" Horizontal lathe - S/N: 2312
 Bridgeport Series Vertical Drill - S/N: J202453
 Hendey Horizontal Lathe 14 x 42 - S/N: 121
 Cincinnati Milling Machine - S/N: E506J
 Cincinnati Bickford Drill - S/N: 122
 Boyd & Emmes Radial Engine Horizontal Lathe - S/N: N/A
 Enerpac Hydraulic Press
 Grob NS24 Band Saw - S/N: 3508
 Clausing Vertical Drill Press - S/N: 104435
 Bradford Grinder - S/N: 86
 Clausing Vertical Drill Press - S/N: 511076
 Abrasive Machine Tool Sander - S/N: N/A
 Miller Bobcat 225 NT Welding Set
 Miller Trailblazer 30 Z Welding Set
 Hobart Mega Arc 300 Welding Set
 Misc. Hand Tools & Cabinets
 Ridgid 802 Pipe Threader
 Wells Metal Band Saw - S/N: 14980
 Miller XMT 350 CC/CV Welding Set
 Modern C6251x1500 Horizontal Lathe - Age: 2003
 Lincoln Wirematic 255 Welding Set
 All components and ancillary items.

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Lift Trucks and Rolling Stock

\$75,000.00

Caterpillar 99F - S/N: AT81C-00357 - 3,500lbs. Cap.
 Caterpillar 99H - S/N: AT81C-00944 - 3,500lbs. Cap.
 Caterpillar V-80 - S/N: 932200-14A
 Caterpillar #11 Roll Grab - S/N: AT8701785 - 7,000 lbs. Cap.
 Caterpillar #12 Roll Grab - S/N: AT8701784 - 7,000 lbs. Cap.
 Genie #1 Scissor lift - S/N: 76192
 Genie #2 Scissor lift - S/N: 65851
 Genie #3 Articulating boom - S/N: Z34N-3953
 Genie AWP - S/N: 3892-1317 - 300 lbs. Cap.
 Hella #11 - S/N: 1449K - 4,400 lbs. Cap.
 Hyster S-150 - S/N: A24D1857P - 16,000lbs. Cap.
 Hyster 50 - S/N: F187V13647F - 4,800 lbs. Cap.
 JCB 506C - S/N: 585635 - 6,000 lbs. Cap.
 JCB 506C - S/N: JCB5CAJLC61184611 - 6,000 lbs. Cap.
 Kabota SSV65 - S/N: 13738
 Linde #5 Roll Grab - S/N: A11313G00184 - 3,700 lbs. Cap.
 Linde #3 Roll Grab - S/N: A11313G00185 - 3,700 lbs. Cap.
 Linde #24 - S/N: A11319J00224 - 4,500 lbs. Cap.
 Linde #68 - S/N: A11319J00168 - 4,500 lbs. Cap.
 Nissan #8 - S/N: 23108 - 3,500 lbs. Cap.
 Skid Steer L230 - S/N: wbm432589
 Terex All terrain lift - S/N: TH0608B-6256 - 6,000 lbs.
 Toyota #4 Roll Grab - S/N: 84988 - 4,400 lbs. Cap.
 Toyota #1 - S/N: 77656 - 7,700 lbs. Cap.
 Toyota #30 - S/N: 63678 - 7,250 lbs. Cap.

Total Equipment Amount \$3,000,000.00

Lease #SC-002157

Lessee: The Great Lakes Tissue Company

By: 

Kip Boie

President & CEO

Date: 9/26/22**GLTC0001542**

Addendum "A"
To
Master Lease Agreement No. SC-002157
and Lease Schedule No. 1

This Addendum hereby supplements and is made a part of Master Lease Agreement No. SC-002157 dated 9/26/22 (the "Agreement"), by and between The Great Lakes Tissue Company, as Lessee, and Sertant Capital, LLC ("Sertant"), Lease Schedule No. 1 (the "Schedule") and all related supplementary documents under the Agreement and Schedule (collectively the "Lease").

Capitalized terms used in this Addendum without definition shall have the meanings set forth in the Lease, unless expressly provided otherwise herein.

Lessee and Sertant agree and acknowledge that the Schedule is hereby amended as follows:

Early Purchase Option

Provided that the Lessee is not in default under the Lease or any other agreement between Sertant and Lessee, Lessee may, upon at least one hundred fifty (150) days prior to the due date of the forty-second (42nd) Initial Period Rent payment, but no more than two-hundred seventy (270) days prior to the due date of the forty-second (42nd) Initial Period Rent payment, provide prior written notice to Sertant of Lessee's irrevocable election to exercise this early purchase option, for which Lessee may purchase all (but not less than all) of the Equipment listed and described on the Lease Schedule after the date the forty-second (42nd) Initial Period Rent payment is due and paid by Lessee and prior to the date the forty-third (43rd) Initial Period Rent payment is due (the "Exercise Period") for a price equal to 32.62% of the Equipment Cost (the "Early Purchase Option Price"), plus all applicable sales taxes on an AS-IS BASIS. The purchase option granted herein shall be referred to as the "Early Purchase Option".

If Lessee exercises this Early Purchase Option, then during the Exercise Period, Lessee shall pay to Sertant in cash (i) any Rent and other sums due and unpaid as of that time, and (ii) the Early Purchase Option Price, plus all applicable sales taxes.

All other terms and conditions of the Lease, as previously written and agreed upon, shall remain in full force and effect. The Lease, as amended herein, sets forth the entire and final understanding between the parties with respect hereto. The terms and conditions of this Addendum have been negotiated and jointly drafted by Sertant and Lessee and, therefore, the language of the Addendum shall not be construed in favor of or against either party.

IN WITNESS WHEREOF, this Addendum has been signed as of the date set forth below the respective signatures.

Signature: Kip Boie

Kip Boie
President & CEO

Date: 9/26/22

Signature: Michael J. Przekop

Michael J. Przekop
President

Date: 10-13-2022

GLTC0001543

Addendum "B"
To
Master Lease Agreement No. SC-002157
and Lease Schedule No. 1

This Addendum hereby supplements and is made a part of Master Lease Agreement No. SC-002157 dated 9/26/22 (the "Agreement"), by and between The Great Lakes Tissue Company, as Lessee, and Sertant Capital, LLC ("Sertant"), Lease Schedule No. 1 (the "Schedule") and all related supplementary documents under the Agreement and Schedule (collectively the "Lease").

Capitalized terms used in this Addendum without definition shall have the meanings set forth in the Lease, unless expressly provided otherwise herein.

Lessee and Sertant agree and acknowledge that the Schedule is hereby amended as follows:

A Holdback Amount of \$1,000,000.00 will be held back by Sertant and retained by Sertant until all payments and monies due under the Lease have been satisfied. Once all payments and monies due under the Lease have been paid, Sertant shall return the Holdback Amount to Lessee.

Provided Lessee is current and has no outstanding monies due Sertant and Lessee has provided updated financial statements to Sertant, annually during the term of the Lease and beginning with month twelve Sertant shall review the provided financial statements and will determine in its sole discretion whether to release up to a maximum of \$250,000.00 each year of the initial Holdback Amount of \$1,000,000.00.

All other terms and conditions of the Lease, as previously written and agreed upon, shall remain in full force and effect. The Lease, as amended herein, sets forth the entire and final understanding between the parties with respect hereto. The terms and conditions of this Addendum have been negotiated and jointly drafted by Sertant and Lessee and, therefore, the language of the Addendum shall not be construed in favor of or against either party.

IN WITNESS WHEREOF, this Addendum has been signed as of the date set forth below the respective signatures.

Signature: _____

Kip Boie
President & CEO

Date: _____

Signature: _____

Michael J. Przekop
President

Date: _____

GLTC0001544

SERTANT**DELIVERY,
ACCEPTANCE
AND PAYMENT
AUTHORIZATION
CERTIFICATE**620 Newport Center Drive, Suite 1450, Newport Beach, CA 92660
Tel: 949-336-3400Lessee
The Great Lakes Tissue CompanyStreet
437 S. Main StreetCity State County Zip
Cheboygan MI 49721

Lessee hereby certifies that the Equipment described in Lease Schedule No. 1 dated 9/26/22 to Master Lease Agreement No. SC-002157 between Sertant Capital, LLC ("Sertant") and the undersigned Lessee dated 9/26/22 (collectively forming the "Lease"), has been furnished to the Lessee at the location designated in the Lease, that all of the Equipment has been completely received, installed, tested, and accepted as satisfactory by Lessee on the date of funding (the "Acceptance Date"). Sertant is irrevocably authorized to pay the supplier(s) or Lessee by wire transfer to the account(s) indicated below for the full amount of the Equipment Cost stated in the Lease and billing pursuant to the Lease is appropriate.

ACCEPTED BY:**The Great Lakes Tissue Company**BY: Kip Boie
Kip Boie
President & CEODATE: 9/27/22**Payee Information:**Payee: Great Lakes Tissue CoBank Name: 1st Community BankBank ABA Number: 072406771Account Number: 31049143Account Name: Great Lakes Tissue CoAmount: \$1,910,417.70Reference: The Great Lakes Tissue Company- Lease Schedule 1**GLTC0001545**

Payee Information:

Bank Name: Banc of California NA

Bank ABA Number: 1222-4377-4

Account Number: 4043154

Account Name: Sertant Capital, LLC

Amount: \$89,582.30

Reference: The Great Lakes Tissue Company- Lease Schedule 1

Payee Information: "Holdback"

Payee: Great Lakes Tissue Co

Bank Name: 1st Community Bank

Bank ABA Number: 072406771

Account Number: 31049143

Account Name: Great Lakes Tissue Co

Amount: \$1,000,000.00 (Holdback)

Reference: The Great Lakes Tissue Company- Lease Schedule 1

GLTC0001546

PAY PROCEEDS DIRECTION

TO: Sertant Capital, LLC
620 Newport Center Drive, Suite 1450
Newport Beach, CA 92660

RE: Lease Agreement No.: SC-002157 Dated 9/27/22, between the undersigned and Sertant Capital, LLC

You are hereby irrevocably instructed to disburse from the proceeds of the Lease Agreement evidenced by the above-referenced instruments the respective amounts to the respective payees designated below:

<u>Amount</u>	<u>Payee Name and Address</u>
\$1,910,417.70 (\$3,000,000.00-\$1,000,000.00 Holdback- \$89,582.30 Deposit, Closing/Admin Fee)	The Great Lakes Tissue Company 437 S. Main Street, Cheboygan, MI 49721
\$89,582.30 (Deposit, Closing and Admin Fee)	Sertant Capital, LLC 620 Newport Center Dr, Ste 1450 Newport Beach, CA 92660
Total Amount \$3,000,000.00	

Disbursement by you in accordance with the foregoing instructions shall be and constitute payment and delivery to and receipt by us of any and all of such proceeds.

Debtor: The Great Lakes Tissue Company

By: Kip Boie
Kip Boie
President & CEO

Date: 9/27/22

GLTC0001547

AGREEMENT WITH RESPECT TO THE SALE/LEASEBACK OF EQUIPMENT**ADDENDUM TO****LEASE SCHEDULE NO. 1 ("SCHEDULE") DATED 9/26, 2022.****TO MASTER LEASE AGREEMENT NO. SC-002157 ("AGREEMENT") DATED AS OF 9/26, 2022.****Mailing Address:**

Sertant Capital, LLC
 620 Newport Center Dr., Ste 1450
 Newport Beach, CA 92660

Co-Lessees & Mailing Address:

The Great Lakes Tissue Company (Lessee)
 437 South Main Street,
 Cheboygan, MI 49721

Lessee desires to sell and lease back those specific items of Equipment designated on Exhibit "A" attached hereto which is all of the Equipment on the Schedule to the Agreement (the "Equipment") pursuant to the terms of the Lease. Lessee represents and warrants that it acquired its right, title and interest in all of the Equipment by providing reasonably equivalent value or other adequate consideration.

Sertant Capital, LLC ("Sertant") desires to purchase the Equipment and to lease it back to Lessee pursuant to the terms of the Agreement and Schedule.

Capitalized terms not defined herein shall have the meanings assigned to them in the Agreement or Schedule identified above. The Schedule, including this document, and the Agreement as it applies to this Schedule are collectively referred to from time to time hereinafter as the "Lease".

NOW THEREFORE, in consideration of these promises and of other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Pursuant to the Bill of Sale executed concurrently herewith, Lessee agrees to and does hereby transfer all of its right, title and interest in and to the Equipment identified in the Bill of Sale to Sertant, free and clear of all liens, claims and encumbrances whatsoever. In connection with Lessee's transfer of the Equipment to Sertant, Lessee assigns to Sertant any remaining rights of Lessee under each purchase, supply, and other contract relating to the purchase by Lessee of the Equipment, including all of its remaining rights under any and all manufacturer warranties (express or implied) and indemnities with respect to the Equipment. Lessee, however, shall be entitled to the benefit of such warranties to the extent provided for in Section 3 (No Warranties/Manufacturer's Warranties) of the Agreement.
2. (a) As conditions precedent to Sertant's obligations under the Lease to purchase and lease the Equipment, Lessee shall deliver to Sertant (i) a properly executed Schedule for such Equipment (ii) a Bill of Sale, in the form of Annex A hereto, transferring title to the Equipment to Sertant (such Bill of Sale shall, if applicable, provide that Sertant shall be authorized to pay the respective suppliers designated by Lessee the amounts so designated which amounts shall be consistent with the invoices of such respective suppliers delivered by Lessee to Sertant as of the date hereof), and (iii) a certificate of insurance which complies with the requirements of Section 10 of the Agreement, (iv) a properly executed Delivery, Acceptance and Payment Authorization Certificate (the "Acceptance Certificate"), covering the Equipment described in the Bill of Sale and (v) such other documents as Sertant may reasonably request.

AGREEMENT WITH RESPECT TO THE SALE/LEASEBACK OF EQUIPMENT (Page two)

(b) Execution of the Acceptance Certificate as to such Equipment by the Lessee shall constitute irrevocable acceptance for lease hereunder by the Lessee of all items of Equipment set forth in the Bill of Sale for lease by Sertant pursuant to the Lease.

(c) The parties acknowledge that this is a sale/leaseback transaction with respect to the Equipment identified in the Bill of Sale and that this Equipment is in Lessee's possession as of the date of the execution of the Acceptance Certificate.

3. This Addendum applies to all Equipment described and all terms and conditions of the Lease shall remain in full force and effect. All references to Sertant herein shall be deemed to include the successors and assigns of Sertant.

IN WITNESS WHEREOF, the parties hereto have executed this agreement with respect to the Sale/Leaseback of Equipment on the date stated below.

Lessee : The Great Lakes Tissue Company

By:

Kip Boie

Name: Kip Boie

Title: President & CEO

Date:

9/20/22

Sertant Capital, LLC

By:

Michael J Przekop

Name: Michael J Przekop

Title: President

Date:

10-13-2022

EXHIBIT 'A'
EQUIPMENT DESCRIPTION

The following invoice(s) are referenced, and hereby incorporated, for the purpose of describing the equipment subject to lease agreement # SC-002157. By signing below, I, the lessee, acknowledge that I choose to lease the equipment listed on the invoice(s) per the payment schedule and the terms and conditions set out in lease agreement # SC-002157, which is the governing document to this lease regardless of the price and terms (if any) indicated on the invoice(s).

Equipment Description	S/N#	
1969 Bacock & Wilcox Gas Fired 60,000 BTU Boiler	M98133M	\$ 18,900.00
2013 Alfa Laval Heat Exchanger	30115-70081	\$ 2,625.00
2013 Alfa Laval CB400-86H Heat Exchanger	42787870	\$ 2,625.00
Appleton 60"x72" Core Cutter	n/a	\$ 1,125.00
Wulftec WLP-150 Automatic Stretch Wrap Machine	0700-6317	\$ 2,250.00
Orion SW44-12 Stretch Wrapper	7117540	\$ 2,250.00
Black Clawson Poly Re-Claim & Stock Prep System	95-H-P-3692	\$ 510,000.00
Beloit / Proctor & Gamble 128" Tissue Paper Machine and all accessories	n/a	\$ 761,600.00
Lot of Laboratory Equipment and all accessories		\$ 7,500.00
1985 Atlas Copco ZR-3 200 HP Packaged Rotary Screw Air Compressor	ARP-1200-8	\$ 2,250.00
1985 Atlas Copco ZR-3 200 HP Packaged Rotary Screw Air Compressor	ARP-490886	\$ 900.00
1978 Zurn R110A Refrigerated Air Dryer	R-9510	\$ 750.00
2014 Ingersoll Rand R110 Nirvana SVD 150Air Compressor	VN1505u13175	\$ 14,850.00
Knowlton Core Machine	n/a	\$ 10,125.00
1997 Perini 200G Core Machine and Back Stand	09056 ; 09057	\$ 13,500.00
1998 Perini 716B 106" Toilet Roll Rewinder	09719; 09718	\$ 150,000.00
2020 Baosub YD-PL400C-2900 12" Bathroom Tissue Rewinder Line and all accessories	19S13005FS	\$ 817,000.00
1999 Perini 702G 106" JRT Rewinder and all accessories	40533	\$ 127,500.00
1997 Perini 702G 106" JRT Rewinder Line and all accessories	8897	\$ 150,000.00
Hobema 14-H 13" Napkin Folder	446	\$ 7,500.00
Lot of Press, Gears, Valves, Pumps, Motors, Etc. Including all components and ancillary items	n/a	\$ 281,250.00

Machine Shop Consisting of: \$40,500.00

Clausing Colchester 17" Horizontal Lathe - S/N: 2312
 Bridgeport Series Vertical Drill - S/N: J202453
 Henday Horizontal Lathe 14 x 42 - S/N: 121
 Cincinnati Milling Machine - S/N: E506J
 Cincinnati Bickford Drill - S/N: 122
 Boyd & Emmes Radial Engine Horizontal Lathe - S/N: N/A
 Enerpac Hydraulic Press
 Grob NS24 Band Saw - S/N: 3508
 Clausing Vertical Drill Press - S/N: 104435
 Bradford Grinder - S/N: 86
 Clausing Vertical Drill Press - S/N: 511876
 Abrasive Machine Tool Sander - S/N: N/A
 Miller Bobcat 225 NT Welding Set
 Miller Trailblazer 30 Z Welding Set
 Hobart Mega Arc 300 Welding Set
 Misc. Hand Tools & Cabinets
 Ridgid 802 Pipe Threader
 Wells Metal Band Saw - S/N: 14980
 Miller XMT 350 CC/CV Welding Set
 Modern C6251x1500 Horizontal Lathe - Age: 2003
 Lincoln Wirematic 255 Welding Set
 All components and ancillary items.

GLTC0001550

Lift Trucks and Rolling Stock\$75,000.00

Caterpillar 99F - S/N: AT81C-00357 - 3,500lbs. Cap.
 Caterpillar 99H - S/N: AT81C-00944 - 3,500lbs. Cap.
 Caterpillar V-80 - S/N: 932200-14A
 Caterpillar #11 Roll Grab - S/N: AT8701785 - 7,000 lbs. Cap.
 Caterpillar #12 Roll Grab - S/N: AT8701784 - 7,000 lbs. Cap.
 Genie #1 Scissor lift - S/N: 76192
 Genie #2 Scissor lift - S/N: 65851
 Genie #3 Articulating boom - S/N: Z34N-3953
 Genie AWP - S/N: 3892-1317 - 300 lbs. Cap.
 Hella #11 - S/N: 1449K - 4,400 lbs. Cap.
 Hyster S-150 - S/N: A24D1857P - 16,000lbs. Cap.
 Hyster 50 - S/N: F167V13647F - 4,800 lbs. Cap.
 JCB 506C - S/N: 585635 - 6,000 lbs. Cap.
 JCB 506C - S/N: JCB5CAJLC61184611 - 6,000 lbs. Cap.
 Kabota SSV65 - S/N: 13738
 Linde #5 Roll Grab - S/N: A11313G00184 - 3,700 lbs. Cap.
 Linde #3 Roll Grab - S/N: A11313G00185 - 3,700 lbs. Cap.
 Linde #24 - S/N: A11319J00224 - 4,500 lbs. Cap.
 Linde #88 - S/N: A11319J00168 - 4,500 lbs. Cap.
 Nissan #8 - S/N: 23108 - 3,500 lbs. Cap.
 Skid Steer L230 - S/N: wbm432689
 Terex All terrain lift - S/N: TH0606B-6256 - 6,000 lbs.
 Toyota #4 Roll Grab - S/N: 84988 - 4,400 lbs. Cap.
 Toyota #1 - S/N: 77656 - 7,700 lbs. Cap.
 Toyota #30 - S/N: 63678 - 7,250 lbs. Cap.

Total Equipment Amount \$3,000,000.00

GLTC0001551

ANNEX "A"

Master Lease Agreement SC-002157
Lease Schedule No. 1

BILL OF SALE

For valuable consideration, receipt of which is hereby acknowledged, The Great Lakes Tissue Company, located at 437 South Main Street, Cheboygan, MI 49721 (hereinafter referred to as "Seller") hereby sells, transfers, grants, bargains, sets over, assigns, delivers and conveys its right, title and interest in and to the Equipment (hereinafter "Equipment") described in Exhibit "A" to Sertant Capital, LLC, located at 620 Newport Center Dr., Suite 1450, Newport Beach, CA 92660 (hereinafter referred to as "Buyer").

SELLER HEREBY REPRESENTS AND WARRANTS to Buyer, its successors and assigns that Seller is the absolute owner of said Equipment free and clear of all adverse claims, liens, security interests, charges and encumbrances, and that Seller, its successors and assigns, warrant, covenant, and agree to and with Buyer, its successors and assigns, that Seller, by the execution hereof, has transferred and conveys to Buyer good and merchantable title to each of the items of Equipment listed in the aforesaid Exhibit "A", and that Seller has the corporate and all necessary authority to transfer and convey each of the aforesaid items of Equipment to Buyer; and that Seller covenants and agrees to warrant and defend to same against any and all lawful claims and demands whatsoever. It is understood that the transfer of title to this Equipment shall have been conclusively determined to have occurred in the State of California.

IN WITNESS WHEREOF, Seller has caused this Bill of Sale to be executed on the 26 day of September, 2022.

SELLER: Great Lakes Tissue
BY: Kip Boie
NAME: Kip Boie
TITLE: President / CEO

ATTESTED TO BY:

(Assistant) Secretary

(CORPORATE SEAL)

MASTER LEASE AGREEMENT SC-002157

LEASE SCHEDULE NO. 1

EXHIBIT A

Equipment Description	S/N#
1969 Bacock & Wilcox Gas Fired 60,000 BTU Boiler	M98133M
2013 Alfa Laval Heat Exchanger	30115-70081
2013 Alfa Laval CB400-86H Heat Exchanger	42787870
Appleton 60"x72" Core Cutter	n/a
Wulftec WLP-150 Automatic Stretch Wrap Machine	0700-6317
Orion SW44-12 Stretch Wrapper	7117540
Black Clawson Poly Re-Claim & Stock Prep System	95-H-P-3692
Beloit / Proctor & Gamble 128" Tissue Paper Machine and all accessories	n/a
Lot of Laboratory Equipment and all accessories	
1985 Atlas Copco ZR-3 200 HP Packaged Rotary Screw Air Compressor	ARP-1200-8
1985 Atlas Copco ZR-3 200 HP Packaged Rotary Screw Air Compressor	ARP-490886
1978 Zurn R110A Refrigerated Air Dryer	R-9510
2014 Ingersoll Rand R110 Nirvana SVD 150Air Compressor	VN1505u13175
Knowlton Core Machine	n/a
1997 Perini 200G Core Machine and Back Stand	09056 ; 09057
1998 Perini 716B 106" Toilet Roll Rewinder	09719; 09718
2020 Baosuo YD-PL400C-2900 12" Bathroom Tissue Rewinder Line and all accessories	19S13005FS
1999 Perini 702G 106" JRT Rewinder and all accessories	40533
1997 Perini 702G 106" JRT Rewinder Line and all accessories	8897
Hobema 14-H 13" Napkin Folder	446
Lot of Press, Gears, Valves, Pumps, Motors, Etc. including all components and ancillary items	n/a
Machine Shop Consisting of:	
Lift Truck and Rolling Stock	

Machine Shop Consisting of:

Clausing Colchester 17" Horizontal lathe - S/N: 2312
 Bridgeport Series Vertical Drill - S/N: J202453
 Hendey Horizontal Lathe 14 x 42 - S/N: 121
 Cincinnati Milling Machine - S/N: E506J
 Cincinnati Bickford Drill - S/N: 122
 Boyd & Emmes Radial Engine Horizontal Lathe - S/N: N/A
 Enerpac Hydraulic Press
 Grob NS24 Band Saw - S/N: 3508
 Clausing Vertical Drill Press - S/N: 104435
 Bradford Grinder - S/N: 86
 Clausing Vertical Drill Press - S/N: 511876
 Abrasive Machine Tool Sander - S/N: N/A
 Miller Bobcat 225 NT Welding Set
 Miller Trailblazer 30 Z Welding Set
 Hobart Mega Arc 300 Welding Set
 Misc. Hand Tools & Cabinets
 Ridgid 802 Pipe Threader
 Wells Metal Band Saw - S/N: 14980
 Miller XMT 350 CC/CV Welding Set
 Modern C6251x1500 Horizontal Lathe - Age: 2003
 Lincoln Wirematic 255 Welding Set
 All components and ancillary items.

GLTC0001553

MASTER LEASE AGREEMENT SC-002157

LEASE SCHEDULE NO. 1

EXHIBIT A

Lift Trucks and Rollin Stock

Caterpillar 99F - S/N: AT81C-00357 - 3,500lbs. Cap.
Caterpillar 99H - S/N: AT81C-00944 - 3,500lbs. Cap.
Caterpillar V-80 - S/N: 932200-14A
Caterpillar #11 Roll Grab - S/N: AT8701785 - 7,000 lbs. Cap.
Caterpillar #12 Roll Grab - S/N: AT8701784 - 7,000 lbs. Cap.
Genie #1 Scissor lift - S/N: 76192
Genie #2 Scissor lift - S/N: 65851
Genie #3 Articulating boom - S/N: Z34N-3953
Genie AWP - S/N: 3892-1317 - 300 lbs. Cap.
Halla #11 - S/N: 1449K - 4,400 lbs. Cap.
Hyster S-150 - S/N: A24D1857P - 16,000lbs. Cap.
Hyster 50 - S/N: F187V13647F - 4,800 lbs. Cap.
JCB 506C - S/N: 585635 - 6,000 lbs. Cap.
JCB 506C - S/N: JCB5CAJLC61184611 - 6,000 lbs. Cap.
Kabota SSV65 - S/N: 13738
Linde #5 Roll Grab - S/N: A11313G00184 - 3,700 lbs. Cap.
Linde #3 Roll Grab - S/N: A11313G00185 - 3,700 lbs. Cap.
Linde #24 - S/N: A11319J00224 - 4,500 lbs. Cap.
Linde #68 - S/N: A11319J00168 - 4,500 lbs. Cap.
Nissan #8 - S/N: 23108 - 3,500 lbs. Cap.
Skid Steer L230 - S/N: wbm432589
Terex All terrain lift - S/N: TH0606B-6256 - 6,000 lbs.
Toyota #4 Roll Grab - S/N: 84988 - 4,400 lbs. Cap.
Toyota #1 - S/N: 77656 - 7,700 lbs. Cap.
Toyota #30 - S/N: 63678 - 7,250 lbs. Cap.

GLTC0001554



620 Newport Center Drive, Suite 1450
Newport Beach, CA 92660
949.336.3400
www.sertantcapital.com

September 21, 2022

Re: Lease Agreement No.SC-002157

LESSEE ESTOPPEL CERTIFICATE

Lessee hereby affirms and acknowledges that Lessee:

1. has read and understood the meaning of each of the provisions in Lease Agreement No. SC-002157, and any other documents expressly made a part of the Lease by written reference therein (which collectively constitute the "Lease") as well as all other documents submitted by Sertant to Lessee in connection therewith.
2. has either reviewed the Lease with its counsel or having had the opportunity to do so, has elected not to review the Lease with counsel of its own choosing.
3. understands that Sertant has relied on the written provisions of the Lease in deciding to enter the Lease and that the written provisions of the Lease were a material inducement for Sertant's acceptance of the Lease.
4. represents and recognizes that no oral statements have been made or relied upon that conflict with or otherwise contradict the provisions of the Lease.

IN WITNESS WHEREOF, this Certificate has been signed as of the date set forth below.

Lease #SC-002157

Lessee: The Great Lakes Tissue Company

By: _____

Kip Boie
President & CEO

Date: _____

9/26/22

GLTC0001555