

MEMORANDUM OF AGREEMENT

BETWEEN:

PROCTER & GAMBLE INC.

a corporation organized and existing under the laws of Canada and having its principal place of business of business at 4711 Yonge Street, Toronto, Ontario M2N 6K8 (hereinafter referred to as P & G)

- and -

CASCADES INC.

a corporation organized and existing under the laws of and having a principal place of business at 404 Marie Victoran, Kingsley Falls, Quebec JOA 1B0 (hereinafter referred to as CASCADES).

WHEREAS, P & G is the owner of the following trade mark registrations in Canada:

<u>Registration No.</u>	<u>Trade Mark</u>	<u>Wares</u>
UCA 018281	CASCADE	for soapless detergents ✓
166,182	CASCADE	automatic dishwashing detergent
168,038	CASCADE & Design	automatic dishwashing detergent

AND WHEREAS, CASCADES has filed an application under Serial No. 600,514 in association with the following wares and services namely tube paper, head paper, box paper, insulation for pipelines, commercial paper, insulating felt for automobiles, impregnated coverings, dry coverings, cardboard for folding boxes, white kraftboard, plastic ends for tubes, cases for wrapping coins, flush joints, cushioned envelopes, protective corners for wrappings, cardboard display stands, paper diapers, sanitary paper, toilet paper, asphalt coated felt, plastic foam containers, plastic, plastic foam molded paste; operation of a business specializing in

wastepaper recovery services, operation of a business specializing in ink removing services.

AND WHEREAS, P & G has obtained an extension of time to oppose that application.

AND WHEREAS, the parties are desirous of settling their differences.

NOW THEREFORE WITNESSETH, that in consideration of their mutual covenants P & G and CASCADES agree as follows:

1. CASCADES recognizes and acknowledges the validity of P & G's registered trade marks cited above and undertakes and agrees not to contest either directly or indirectly the validity of those trade marks;
2. CASCADES states that the nature of the impregnating substance used in impregnated coverings is not a detergent or cleansing substance. CASCADES further undertakes not to use a detergent or cleaning product as an impregnating substance on their paper products under the trade mark CASCADES;
3. CASCADES further undertakes and agrees not to use the trade mark CASCADES in association with detergents or any other cleaning product;
4. Contingent upon CASCADES fulfilling the undertakings contained in paragraphs 1 - 3 of the present Agreement P & G agrees not to commence an Opposition to application No. 600,514 to register the trade mark CASCADES and not to contest that registration in the future;

- 5. Each party agrees to bear its own legal expenses and costs in connection with this settlement;
- 6. Both parties agree to make any agreement between them binding on all directors, officers, employee, heirs, assigns and successors.

IN WITNESS WHEREOF, the said Procter & Gamble Inc. has hereunto affixed its corporate seal under the hand of its proper officer duly authorized in that behalf at the City of Toronto, in the Province of Ontario this 11th day of October, 1989.

PROCTER & GAMBLE INC.

By: [Signature] [Signature]
Title: Director Treasurer

IN WITNESS WHEREOF, the said Cascades Inc. has hereunto affixed its corporate seal under the hand of its proper officer duly authorized in that behalf at the City of KINGSEY FALLS in the Province of Quebec this 16th day of NOVEMBER, 1989.

CASCADES INC.

By: [Signature]
Title: FIRST EXECUTIVE
VICE PRESIDENT