

Letter of Intent for a Business Transaction

TO: Holcim Cement
FROM: Davao Unified Corporation AKA The Paper Tree
DATE: February 14, 2012
SUBJECT: Intent To Do Long-Term Business With Your Company

Dear Mr. Billy Nudas:

We are Davao Unified Corporation ("DUC"), also known as The Paper Tree. Our company is engaged in the importation, manufacturing, distribution and trade of various paper and office supplies as well as some selected grocery items.

Our company would like to offer this letter of intent ("Letter"), outlining the mutual intent of both parties to enter into the following business transaction between DUC and Holcim in regard to: supplying your company with its paper, office supplies, printing requirements and pantry goods.

This letter sets forth the terms and conditions that DUC seeks to use as material terms for the proposed agreement. This letter supersedes in its entirety any and all communications that previously occurred between the parties. This letter is non-binding and requires further consideration and a final contract or agreement as executed by the parties in order to be held legally enforceable.

The Terms and Conditions proposed are as follows:

1. Overall Structure:

DUC aims to satisfy Holcim's need for a reliable, fast, friendly and cost-effective vendor of paper, office supplies, printing and pantry goods. To do this, DUC will have to rely on close relationships and open communications with Holcim as well as implement best practices that it has learned through years of doing business and use the best possible processes and technologies to enable the best possible service and prices for Holcim.

In order to effectuate this transaction the parties agree to complete the respective tasks, obligations, or requirements:

DUC Agrees To:

- Abide by the policies of Holcim
- Extend price guarantees as agreed upon by both parties. Price guarantees are usually extended for non-volatile products, examples of which include non-paper