

## Glatfelter Sales Acknowledgement Terms and Conditions

The Terms and Conditions set forth herein are incorporated by reference in all sales acknowledgements issued by P. H. Glatfelter Company and its subsidiaries (collectively, "Glatfelter"), as if they were set forth therein. Acceptance of these Terms and Conditions is a condition precedent to a formation of an agreement between Glatfelter and the seller of goods ("Seller").

1. The sales acknowledgement underlying the transaction (the "Acknowledgement") constitutes an offer by Glatfelter to sell the goods specified therein (the "Goods") to the purchasing party (the "Buyer") and is not an acceptance of any offer by the Buyer to purchase the Goods from Glatfelter. The agreement between Glatfelter and the Buyer regarding the sale of goods consists of the Acknowledgement and the Terms and Conditions set forth herein, which are expressly accepted by and binding upon the Buyer. If an existing contract regarding the goods at issue has been duly executed and signed by Glatfelter and the Buyer, the terms and conditions set forth in such contract shall govern the sale. Glatfelter's acceptance is expressly made conditional on Buyer's assent to all terms and conditions set forth herein, which shall constitute the entire contract of sale between the parties, notwithstanding any different or additional provisions on Buyer's purchase order. Buyer's assent to these Terms and Conditions will be conclusively evidenced by its failure to notify Glatfelter in writing of any objections hereto within 15 calendar days after receipt of the Acknowledgment. Any terms printed on Buyer's purchase order that are inconsistent herewith shall be deemed to be objected to by Glatfelter under Section 2-207 of the Uniform Commercial Code, and Glatfelter's failure to specifically object thereto shall not be construed as a waiver by Glatfelter of the terms of the Acknowledgment.

2. **PRICE.** The prices and terms set forth on Glatfelter's established price list for the sale of the Goods to customers of Buyer's classification in effect on the date of shipment from Glatfelter's plant shall apply to the sale of the Goods. The price, if any, set forth on the Acknowledgement is the price in effect as of the date of the Acknowledgement and is included thereon for information only. Unless otherwise specified, Glatfelter's prices do not include sales, use, excise or similar taxes, and the amount of any such taxes applicable to the production; sale or use thereof shall be for the Buyer's account.

3. **INSTALLMENTS.** Glatfelter reserves the right to make deliveries of the Goods in installments. Each shipment made by Glatfelter to Buyer shall be considered a separate and independent transaction, and the price for each shipment shall be determined and payment therefor shall be made accordingly. Buyer may not refuse to accept any lot or shipment of any Goods on the ground that there has been a failure to deliver any other lot or that material in any other lot was nonconforming.

4. **DELAYS.** Any time for shipment or delivery specified on the Acknowledgment (or valid modification thereto) constitutes only an estimate of the approximate time therefor, and delivery shall be timely if made within 30 days after any shipping date so specified or within one

month following any specified month, as the case may be. If any failure to deliver extends beyond such period of time and is a result of labor disputes or trouble of any kind, inadequate labor supply, accidents to or breakdown of machinery or equipment, failure of usual sources of supply material, government controls or restrictions of any kind, delay or failure of transportation, war, armed conflict, invasion, insurrection, embargo, blockade, fire, force majeure, acts of God, or any other contingencies beyond Glatfelter's control, whether related or unrelated or similar or dissimilar; Glatfelter shall have no liability whatsoever. In any such event, however, either party shall have the option, by giving written notice to the other, to cancel from the provisions hereof the quantity Glatfelter fails to timely deliver as a result of any of the aforementioned contingencies, but the provisions hereof shall otherwise remain unaffected. Should shortages occur in Glatfelter's supply of the material by reason of any of the aforesaid contingencies, this agreement shall not require allocation pursuant to Section 2-615 (b) of the Uniform Commercial Code.

5. **DELIVERY.** Unless specially designated otherwise on the front of this acknowledgment, delivery and transfer to title to Buyer will take place, F.O.B., at Glatfelter's plant of manufacture, and, except as expressly provided herein, Glatfelter's liability shall cease upon such delivery. Thereafter, all risk of loss and damage shall fall upon the Buyer. The provisions of Section 2-510 of the Uniform Commercial Code are not applicable hereto.

6. **PAYMENT.** Terms of payment are from date of invoice, not date of shipment or delivery to Buyer. Interest at the rate of 12% per annum will be charged on all bills not paid when due. Buyer will not be entitled to any cash discount on the payment of any invoice when Buyer is indebted to Glatfelter for any overdue amount. Any cash discount, if earned, is allowed on the balance of the invoice, after all freight charges and commissions have been deducted. If Buyer is in default in payment of any shipment, or if Glatfelter shall have any reasonable grounds to doubt at any time Buyer's financial responsibility, Glatfelter shall have the right, in addition to any other rights it may have, to stoppage in transit and/or to decline to make further shipments or deliveries except upon full payment therefor in advance. Buyer shall make no deductions (including those for alleged damages) from any payment due hereunder, unless specifically authorized by Glatfelter. In the event that Buyer defaults on its payment obligations hereunder, the Buyer shall be liable to Glatfelter for Glatfelter's costs of collection, including attorneys' fees and litigation expenses, in addition to the interest noted above.

7. **WARRANTIES.** There is NO WARRANTY, representation or condition of ANY KIND, express or implied (including NO WARRANTY OF MERCHANTABILITY, NO WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, and NO WARRANTY AGAINST INFRINGEMENT OF THIRD PARTY RIGHTS) except that the Goods shall be of Glatfelter's standard quality for the particular type and grade of material described on the Acknowledgement. It is expressly

understood that any technical advice given by Glatfelter's representatives or salesmen concerning the use or characteristics of the material sold hereunder shall be construed to be mere statements of opinion not binding on nor enforceable against Glatfelter, all such advice being given and accepted at Buyer's risk.

8. **GLATFELTER'S LIABILITY.** Glatfelter shall have no obligation or liability for any special, indirect or consequential damages (including loss of prospective profits, downtime, labor, damage to machinery, equipment and supplies) on account of breach of warranty or breach of any other condition or term hereof. Glatfelter disclaims and will not assume responsibility for product failures in an end use other than that for which it was designed. Because Glatfelter's papers are made to its specifications and not to those of the buyer, Glatfelter is not liable for any claims arising out of compliance to specifications furnished by the Buyer, unless agreed to in a writing executed and signed by Glatfelter. No claim of any kind, whether as to material delivered or for non-delivery of material or otherwise, shall be greater in amount than the purchase price of the material in respect of which damages are claimed. Glatfelter's sole obligation as to any material that fails to conform to Glatfelter's standard quality shall be limited replacement thereof, or, at Glatfelter's option, to refunding the purchase price thereof (plus any delivery costs borne by Buyer). Unless Buyer shall give written notice of claim to Glatfelter within 90 days from date of invoice of the Goods, Buyer shall be deemed to have waived all claims with respect thereto. Buyer assumes all risk and liability with respect to the use of the Goods, whether used alone or in combination with other products, and Buyer shall have the sole responsibility for determination of the suitability of the Goods for the use contemplated by Buyer. Any action for breach of any term hereof must be commenced within one year after the cause of action has accrued.

9. **INDEMNIFICATION.** Buyer shall indemnify and hold Glatfelter and its affiliates, officers, directors, employees, agents, licensees, sub-licensees and all their successors and assigns (collectively, the "Indemnitees") harmless from and against any and all losses, claims, demands, suits, damages, liabilities and related costs and expenses (including reasonable attorneys' fees and

litigation expenses) incurred by or asserted against any Indemnitee arising out of or in any way connected with: (a) the performance of this Agreement; (b) breach of any provisions or warranties of this Agreement; (c) accidents, occurrences, injuries or losses to or of any person or property that are in any way related to or result from, in whole or in part, the use and/or modification of the Goods by Buyer or Buyer's agents or employees, regardless of whether caused in part by an Indemnitee; and/or (d) any and all claims for infringement of any patent, copyright, trademark or trade secret by reason of manufacture, use or sale of Goods. Seller's indemnification obligation hereunder shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by the Seller or any subcontractor or supplier under worker or workmen's compensations acts, disability benefits acts, or other employee benefit acts.

10. **FREIGHT.** If Glatfelter is to pay or to allow any freight, Glatfelter shall have the right to designate the means of transportation and routing, and if Buyer requires a more expensive means of routing, Buyer shall pay any extra cost involved.

11. **MISCELLANEOUS.** (a) Buyer's rights, interests, or obligations hereunder may not be transferred, delegated, assumed or assigned, in whole or in part, without the prior written consent of Glatfelter. (b) The failure of either party to enforce or to insist on performance of any of the provisions of these conditions, at any time, shall not be construed as a waiver of any such provision, and shall not affect or limit in any way such party's right thereafter to enforce and compel compliance with every term and condition hereof. (c) This acknowledgment may be modified or rescinded only by a writing duly executed and signed by both parties or their duly authorized representatives. (d) This writing is intended by the parties hereto as the final expression of their agreement and is the complete and exclusive statement of the terms hereof. (e) The Buyer represents that he is not insolvent as that term is defined in Section 1-201 (23) of the Uniform Commercial Code, and agrees to notify Glatfelter promptly if Buyer becomes insolvent before delivery of the Goods. (f) The construction, performance and completion of the terms hereof shall be governed by the law (Uniform Commercial Code) of the Commonwealth of Pennsylvania.