

**Thomas A. Hassfurther**  
Executive Vice President



August 15, 2017

**Subject: Packaging Corporation of America's Remedies upon Customer Cancellation or Repudiation of Order for Corrugated Packaging Products, Corrugated Displays or Honeycomb Products**

Effective August 15, 2017, the following position statement applies to sales of corrugated packaging products, corrugated displays and honeycomb packaging (collectively, the "Products") by Packaging Corporation of America, and its wholly owned subsidiaries in existence as of the date first referenced above and those which may be created or acquired at any point in the future, including, but not limited to PCA Corrugated and Display, LLC, PCA Southern Indiana Corrugated, LLC, Hexacomb Corporation and Hexacomb Canada Corp. (collectively, "PCA"). Notwithstanding any contrary terms or conditions that may be found in any written agreements, terms of sale or other legally binding agreements between PCA and its customer(s) concerning the purchase and sale of the Products (a "Sales Contract"), in the event a PCA customer, without cause, cancels, terminates or otherwise repudiates (collectively, a "Cancellation") a Sales Contract prior to PCA's completion of the corrugated converting process (as defined below) in relation to the Products, PCA expressly waives, promises to release, and hereby releases any and all rights to recovery of any damages, costs or expenses, except for any reasonable incidental, out of pocket, expenses incurred by PCA, as a result of, and related to, such Cancellation (the "Waiver"). The Waiver shall not apply once PCA has completed the corrugated converting process in relation to any particular Products. This position statement, and the Waiver, shall not apply to, and shall have no effect on, any Sales Contracts which provide PCA with more restrictive remedies than the Waiver.

The Waiver shall remain in effect until such time as terminated by PCA's Chief Executive Officer or Executive Vice President – Corrugated Products. Such termination shall be posted on PCA's website and shall be effective 90 days following such posting. Any such termination shall have no effect on Cancellations which occur prior to the date of such termination.

Notwithstanding the "parol evidence" rule or any other similar legal concept, this position statement, the Waiver, and PCA's express promises detailed above, may be relied upon, and introduced into evidence, by any PCA customer, and shall be binding against PCA, in law or equity, in any dispute or legal action between PCA and such customer concerning a Cancellation.

Sincerely,

A handwritten signature in blue ink, appearing to read "T.A. Hassfurther". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Thomas A. Hassfurther

**For the purpose of this position statement, the term "corrugated converting process" shall be defined as (i) for corrugated products, the act of processing or modifying corrugated sheets into corrugated packaging products or displays and (ii) for products sold by Hexacomb Corporation and Hexacomb Canada Corp, the act of processing honeycomb sheets into a finished product.**