

GLATFELTER P H CO
Form 424B3
October 30, 2006

Table of Contents

Filed pursuant to Rule 424(b)(3)
Registration Number 333-135808

PROSPECTUS

**OFFER TO EXCHANGE
all outstanding unregistered 7¹/₈% notes due 2016
(\$200,000,000 aggregate principal amount)
for
7¹/₈% exchange notes due 2016
that have been registered under the Securities Act of 1933**

**Fully and unconditionally guaranteed
as to payment of principal and interest
by the Subsidiary Guarantors**

TERMS OF THE EXCHANGE OFFER

This prospectus and accompanying letter of transmittal relate to the proposed offer by P. H. Glatfelter Company to exchange up to \$200,000,000 aggregate principal amount of 7¹/₈% exchange notes due 2016, which are registered under the Securities Act of 1933, as amended, for any and all of its unregistered 7¹/₈% notes due 2016 that were issued on April 28, 2006. The exchange notes are guaranteed as to payment of principal and interest by certain of P. H. Glatfelter Company's domestic subsidiaries (the Subsidiary Guarantors). The unregistered notes have certain transfer restrictions. The exchange notes will be freely transferable.

THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON NOVEMBER 30, 2006, UNLESS WE EXTEND THE OFFER.

Tenders of outstanding unregistered notes may be withdrawn at any time before 5:00 p.m. on the date the exchange offer expires.

All outstanding unregistered notes that are validly tendered and not validly withdrawn will be exchanged.

The terms of the exchange notes to be issued are substantially similar to the unregistered notes, except they are registered under the Securities Act, do not have any transfer restrictions and do not have registration rights or rights to additional interest.

The exchange of unregistered notes for exchange notes will not be a taxable event for U.S. federal income tax purposes.

P. H. Glatfelter Company will not receive any proceeds from the exchange offer.

The exchange notes will not be listed on any exchange.

Please see Risk Factors beginning on page 13 for a discussion of certain factors you should consider in connection with the exchange offer.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is October 25, 2006.

Each holder of an unregistered note wishing to accept the exchange offer must deliver the unregistered note to be exchanged, together with the letter of transmittal that accompanies this prospectus and any other required documentation, to the exchange agent identified in this prospectus. Alternatively, you may effect a tender of unregistered notes by book-entry transfer into the exchange agent's account at The Depository Trust Company (DTC). All deliveries are at the risk of the holder. You can find detailed instructions concerning delivery in the section called The Exchange Offer in this prospectus and in the accompanying letter of transmittal.

If you are a broker-dealer that receives exchange notes for your own account, you must acknowledge that you will deliver a prospectus in connection with any resale of the exchange notes. The letter of transmittal accompanying this prospectus states that, by so acknowledging and by delivering a prospectus, you will not be deemed to admit that you are an underwriter within the meaning of the Securities Act. You may use this prospectus, as we may amend or supplement it in the future, for your resales of exchange notes. We will make this prospectus available to any broker-dealer for use in connection with any such resale for a period of 180 days after the date of consummation of this exchange offer.

TABLE OF CONTENTS

	Page
<u>Prospectus Summary</u>	1
<u>Risk Factors</u>	13
<u>Forward-Looking Statements</u>	23
<u>Ratio of Earnings to Fixed Charges</u>	24
<u>Use of Proceeds</u>	24
<u>Capitalization</u>	25
<u>Description of Other Indebtedness</u>	26
<u>Selected Consolidated Financial Data</u>	28
<u>The Exchange Offer</u>	30
<u>Description of the Exchange Notes</u>	40
<u>United States Federal Income Tax Considerations</u>	78
<u>Plan of Distribution</u>	82
<u>Legal Matters</u>	83
<u>Experts</u>	83
<u>Where You Can Find Additional Information</u>	83

This prospectus incorporates important business and financial information about us that is not included in or delivered with this prospectus. **Information incorporated by reference is available without charge to holders of our unregistered 7¹/₈% notes due 2016 upon written or oral request to us at P. H. Glatfelter Company, 96 South George Street, Suite 500, York, Pennsylvania 17401, Attention: Investor Relations, telephone number (717) 225-4711. To obtain timely delivery, security holders must request this information no later than five (5) business days before the date they must make their investment decision which would be November 30, 2006.**

You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus and the documents incorporated by reference are accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since these dates.

References to we, us, our, Glatfelter and the Company are to P. H. Glatfelter Company and its consolidated subsidiaries unless otherwise specified or the context otherwise requires.

Whenever we refer in this prospectus to the 7¹/₈% notes due 2016, we will refer to them as the unregistered notes. Whenever we refer in this prospectus to the registered 7¹/₈% notes due 2016, we will refer to them as the exchange notes. The unregistered notes and the exchange notes are collectively referred to as the notes.

Table of Contents

PROSPECTUS SUMMARY

This prospectus summary highlights selected information appearing elsewhere in this prospectus and may not contain all of the information that is important to you. You should carefully read this prospectus in its entirety including the documents incorporated by reference.

Our Company

Glatfelter began operations in 1864 and today we believe we are one of the world's leading manufacturers of specialty papers and engineered products. Headquartered in York, Pennsylvania, we own and operate paper mills located in Spring Grove, Pennsylvania, Gernsbach, Germany and Scaër, France, as well as an abaca pulp mill in the Philippines. In March 2006, we acquired a J R Crompton Ltd., or Crompton, mill located in Gloucestershire, United Kingdom, which we refer to as the Lydney mill. In April 2006, we acquired the carbonless business operations of New Page Corporation, which includes a paper making facility in Chillicothe, Ohio and coating operations in Fremont, Ohio, which we refer to collectively as Chillicothe. As part of our integration plan for Chillicothe, we transferred the production of products manufactured at our former Neenah facility to Chillicothe and permanently shut down our Neenah facility. For additional information, see **Recent Developments** below.

We serve customers in numerous markets, including book publishing, carbonless and forms, envelope and converting, food and beverage, pressure-sensitive, digital imaging, composite laminates and other highly technical niche markets. Many of the markets in which we operate are characterized by higher-value-added products and, in some cases, by higher growth prospects and lower cyclicity than commodity paper markets. Examples of some of our key product offerings include papers for:

tea bags and coffee filters;

trade book publishing;

specialized envelopes;

playing cards;

pressure-sensitive postage stamps;

metallized labels for beer bottles;

digital imaging applications; and

carbonless products.

We market our products worldwide both through wholesale paper merchants, brokers and agents and directly to our customers. In 2005, our revenue was \$589.2 million and through the first six months of 2006, our revenue was \$445.6 million.

Recent Developments

On April 3, 2006, we completed our acquisition of Chillicothe, the carbonless business operations of NewPage Corporation, for \$81.8 million in cash, subject to certain post-closing working capital adjustments. The Chillicothe assets consist of a 440,000 ton-per-year paper making facility in Chillicothe, Ohio and coating operations based in Fremont, Ohio. Chillicothe had revenue of \$441.5 million in 2005 and a total of approximately 1,700 employees as of June 30, 2006.

We executed the Chillicothe acquisition so that we could take advantage of Chillicothe's scale and efficient manufacturing environment. We transferred the production of products previously manufactured at our Neenah facility to Chillicothe, and we intend to significantly expand our higher-value-added Specialty Papers business unit, in each case leveraging Chillicothe's lower-cost production platform. We closed our Neenah facility effective June 30, 2006, to rationalize assets that were no longer competitive. In connection with the closure of the Neenah facility, we expect to record estimated total pre-tax charges of \$53 million to \$55 million, including \$21 million of estimated

pre-tax cash charges. The charges are primarily related to asset writedowns and accelerated depreciation, employee termination and related benefits and contract termination costs.

Table of Contents

On March 8, 2006, we entered into two separate agreements to acquire certain assets of Crompton, a global supplier of wet laid nonwoven products based in Manchester, United Kingdom. Since February 7, 2006, Crompton has been subject to insolvency proceedings before The High Court of Justice Chancery Division, Manchester District.

Under the terms of our first agreement with Crompton, on March 13, 2006, we acquired Crompton's Lydney mill, located in Gloucestershire, United Kingdom, for approximately \$65 million based on currency exchange rates on that date. The facility employs approximately 240 people and had 2005 revenues of approximately \$75 million. The Lydney mill, which is now included in our Composite Fibers, formerly Long Fiber & Overlay Papers, business unit, produces a broad portfolio of wet laid nonwoven products, including tea bags and coffee filter papers, clean room wipes, lens tissue and dye filter paper, double-sided adhesive tape substrates and battery grid pasting tissue. The acquisition of the Lydney mill further strengthened our leading position in tea bags and coffee filter papers and is part of our long-term strategy to drive growth in our Composite Fibers business unit. Our acquisition of the Lydney mill is currently being reviewed by the European Commission.

Under the terms of the second agreement with Crompton, we agreed to purchase Crompton's Simpson Clough mill, located in Lancashire, United Kingdom, and other related assets for \$21.7 million. The administrator in the insolvency proceedings terminated this agreement in accordance with contractual provisions due to additional time that may have been required should an in-depth regulatory review have been necessary.

On April 3, 2006, in connection with the consummation of the Chillicothe acquisition, we entered into our new credit facility, which provides for a \$200.0 million revolving credit facility and a \$100.0 million term loan facility. As of June 30, 2006, borrowings under our new credit facility consisted of \$52.9 million of indebtedness under the revolving credit facility and \$99.4 million of indebtedness under the term loan facility. Proceeds from our new credit facility were used to repay in full all amounts outstanding under our former revolving credit facility due June 2006, to finance the Chillicothe acquisition and for general corporate purposes. For more information, see Description of Other Indebtedness.

Our Business Units

We manage our business as two distinct units: the North America-based Specialty Papers business unit and the Europe-based Composite Fibers business unit.

Specialty Papers

Our North America-based Specialty Papers business unit focuses on papers for the production of high-quality hardbound books and other book publishing needs, the envelope and converting markets and highly technical customized products for the digital imaging, casting and release, pressure sensitive and several niche technical specialty markets.

We believe we are the leading supplier of book publishing papers in the United States. Specialty Papers also produces paper that is converted into specialized envelopes in a wide array of colors, finishes and capabilities. The book publishing and envelope and converting papers markets are generally more mature and, therefore, have modest growth characteristics.

Specialty Papers' highly technical engineered products include those designed for multiple end-uses, such as papers for pressure-sensitive postage stamps, greeting and playing cards, digital imaging applications and for release paper applications. These products comprise an array of distinct business niches that are in a continuous state of evolution. Many of these products are utilized in demanding, specialized customer and end-user applications and, therefore, command higher per ton values and generally exhibit greater pricing stability relative to commodity grade paper products. Some of our products are new and high-growth while others are more mature and further along on the development curve. Because many of these products are technically complex and involve substantial customer-supplier development collaboration, product pricing has remained relatively stable. Effective April 1, 2006, our Specialty Papers business unit also includes the

Table of Contents

Chillicothe carbonless business operations. Carbonless papers are designed for multiple end-uses, such as credit card receipts, forms and other applications.

Composite Fibers

Our Europe-based Composite Fibers business unit focuses on higher-value-added products, such as paper for tea bags and coffee pods/pads and filters, decorative laminates used for furniture and flooring and metallized products used in the labeling of beer bottles. Long fiber papers, which is the generic term we use to describe products made from abaca pulp (primarily tea bag and coffee filter papers), accounted for a majority of this business unit's net sales. Our focus on long fiber papers has made us one of the world's largest producers of tea bag papers. The balance of this unit's sales is comprised of overlay and technical specialty products, which include flooring and furniture overlay papers, metallized products and papers for adhesive tapes, vacuum bags, holographic labels and gift wrap. Many long fiber and overlay papers are technically sophisticated. We believe we are well positioned to produce these extremely lightweight papers because we understand their complexities, which require the use of highly specialized fiber and specifically designed papermaking equipment. As of March 13, 2006, our Composite Fibers business unit also includes the Lydney mill.

Our Competitive Strengths

Since commencing operations over 140 years ago, we believe that Glatfelter has developed into one of the world's leading manufacturers of specialty papers and engineered products. We believe that the following competitive strengths have contributed to our success:

Leading positions in higher-value, niche segments. We have focused our resources to achieve leading positions in certain higher-value, niche segments. Our products include various highly specialized paper products designed for technically demanding end uses. Consequently, many of our products achieve premium pricing relative to commodity paper grades. In 2005, we derived approximately 75% of our total sales from these higher-value, niche products. The specialized nature of these products generally provides greater pricing stability relative to commodity paper products.

Customer-centric business focus. We offer a unique and diverse product line that can be customized to serve the individual needs of our customers. Our size allows us to develop close relationships with our key customers and to be adaptable in our product development, manufacturing, sales and marketing practices. We believe that this approach has led to the development of excellent customer relationships, defensible market positions and increased pricing stability relative to commodity paper producers. Additionally, our customer-centric focus has been a key driver of our success in new product development.

Significant investment in product development. In order to keep up with our customers' ever-changing needs, we continually enhance our product offerings through significant investment in product development. In each of the past three years, we invested approximately \$5 million in product development activities. We derive a significant portion of our revenue from products developed, enhanced or improved as a result of these activities. Revenue generated from products developed, enhanced or improved within the five previous years as a result of these activities represented approximately 47%, 60% and 52% of our net sales in 2003, 2004 and 2005, respectively.

Integrated production. As a partially integrated producer, we are able to mitigate changes in the costs of certain raw materials and energy. Our Spring Grove and Chillicothe facilities are vertically integrated operations producing in excess of 85% of the annual pulp required for their paper production. The principal raw material used to produce this pulp is pulpwood, consisting of both hardwoods and softwoods. We own approximately 81,000 acres of timberlands and, in 2005, obtained approximately 20% of our pulpwood requirements for our Spring Grove facility from Glatfelter-owned timberlands, which helps stabilize our fiber costs in a highly fragmented market. Our Spring Grove and Chillicothe facilities also generate 100% of the steam and substantially all of the electricity

Table of Contents

required for their operations. In addition, our Philippine mill processes abaca fiber to produce abaca pulp, which is a key raw material used by our Composite Fibers business unit.

Our Business Strategy

Our vision is to become the global supplier of choice in specialty papers and engineered products. We are continuously developing and refining strategies to strengthen our business and position it for the future. Execution of these strategies is intended to capitalize on our customer relationships, technology and people, as well as our leadership positions in certain product lines. In recent years, our industry has been challenged by a supply and demand imbalance, particularly for commodity-like products. To be successful in the current market environment, our strategy is focused on aggressively reducing costs and continually repositioning our product portfolio to increase our focus on higher-value, niche products and to better align our product offerings with our customers' ever-changing needs. Certain key elements of our business strategy are outlined below:

Reposition our product portfolio. By leveraging our leadership positions in several specialty niche segments, we plan to accelerate growth, improve margins and generate better financial returns through the optimization of our product portfolio. In 2005, approximately 75% of our total sales were derived from what we consider to be higher-value, niche products. Over time, we plan to increase our concentration on such products by driving growth in our sales of trade book papers, uncoated specialty products, long fiber and overlay products and other specialty products. The recently acquired Chillicothe assets provide a significant scalable production platform to support this strategy. We believe that this strategy will realign our business more closely with our customers' needs and further reduce our exposure to the higher level of cyclicity experienced in commodity paper grades.

Execute Composite Fibers' growth plan. A core component of our long-term strategy is to drive growth in our Composite Fibers business unit. Currently, we are one of the leading producers of tea bag and coffee pod/pad papers in the world, and we expect that the Lydney mill acquisition will further strengthen our competitive position. We believe that this segment has promising growth characteristics as certain geographies move toward the use of tea bags as opposed to loose tea leaves, and we believe that we are well positioned to capitalize on this growth by leveraging our strong customer relationships and leading position in this segment.

Employ a low-cost approach to specialty product manufacturing. While we are focused on higher-value, niche products, we seek to employ a commodity-like, low-cost approach to our manufacturing activities. In 2004, we initiated the North American Restructuring Program that improved operating results by, among other factors, improving workforce efficiencies and implementing improved supply chain management processes. In the fourth quarter of 2005, we began the implementation of the European Optimization and Restructuring Program, or the EURO Program, a comprehensive series of actions designed to improve the performance of the Composite Fibers business unit. The pre-tax financial benefits of the EURO Program are estimated to be \$7 million to \$9 million annually by 2008.

Maintain a strong balance sheet and preserve financial flexibility. We are focused on prudent financial management and the maintenance of a conservative capital structure. We are committed to maintaining a strong balance sheet and preserving our flexibility so that we may pursue strategic opportunities, including strategic acquisitions, that will benefit our company.

Timberland Strategy. We recently completed an extensive study to determine the optimal approach for managing our timberlands in a way that creates the greatest value for our company. The study considered many factors including, among others, land valuations, external and internal wood costs and future fiber requirements. We concluded that the most advantageous approach is to sell 40,000 acres of higher and better use, or HBU, properties in an orderly fashion. In some cases, low-cost, low-risk opportunities may exist to add value to some of these acres through entitlements. It is estimated that our pre-tax cost of fiber will increase by approximately \$2.3 million to \$4.6 million per

Table of Contents

year when all 40,000 HBU acres are sold, but we believe that the expected proceeds from these planned sales will outweigh this increased cost. Currently, we intend to retain the pure timberland properties to mitigate the cost of replacing internally generated wood with outside sources. Execution of our Timberland Strategy is expected to take approximately three to five years to complete and is estimated to provide pre-tax cash proceeds of approximately \$150 million to \$200 million, assuming, among other factors, acceptable market conditions and a carefully executed plan of disposition.

Company Information

We are incorporated under the laws of the Commonwealth of Pennsylvania. Our executive offices are located at 96 South George Street, Suite 500, York, Pennsylvania 17401. Our telephone number is (717) 225-4711. Our Web site address is www.glatfelter.com. **The information on our Web site is not part of this prospectus.**

Table of Contents

Summary of the Exchange Offer

On April 28, 2006, we issued \$200 million aggregate principal amount of unregistered 7¹/₈% notes due 2016. The unregistered notes are fully and unconditionally guaranteed as to payment of principal and interest by each of the subsidiary guarantors. On the same day, we and the initial purchasers of the unregistered notes entered into a registration rights agreement in which we agreed that you, as a holder of unregistered notes, would be entitled to exchange your unregistered notes for exchange notes registered under the Securities Act. This exchange offer is intended to satisfy these rights. After the exchange offer is completed, you will no longer be entitled to any registration rights with respect to the notes. The exchange notes will be our obligation and will be entitled to the benefits of the indenture relating to the notes. The exchange notes will also be fully and unconditionally guaranteed as to payment of principal and interest by each of the subsidiary guarantors. The form and terms of the exchange notes are identical in all material respects to the form and terms of the unregistered notes, except that:

the exchange notes have been registered under the Securities Act and, therefore, will contain no restrictive legends;

the exchange notes will not have registration rights; and

the exchange notes will not have rights to additional interest.

For additional information on the terms of this exchange offer, see The Exchange Offer.

The Exchange Offer

We are offering to exchange any and all of our 7¹/₈% exchange notes due 2016, which have been registered under the Securities Act, for any and all of our outstanding unregistered 7¹/₈% notes due 2016 that were issued on April 28, 2006. As of the date of this prospectus, \$200 million in aggregate principal amount of our 7¹/₈% unregistered notes due 2016 are outstanding.

Expiration of the Exchange Offer

The exchange offer will expire at 5:00 p.m., New York City time, on November 30, 2006, unless we decide to extend the exchange offer.

Conditions of the Exchange Offer

We will not be required to accept for exchange any unregistered notes, and may amend or terminate the exchange offer if any of the following conditions or events occurs:

the exchange offer or the making of any exchange by a holder of unregistered notes violates applicable law or any applicable interpretation of the staff of the Securities and Exchange Commission, or the SEC);

any action or proceeding shall have been instituted with respect to the exchange offer which, in our reasonable judgment, would impair our ability to proceed with the exchange offer; and

any laws, rules or regulations or applicable interpretations of the staff of the SEC are issued or promulgated which, in our good faith determination, do not permit us to effect the exchange offer.

We will give oral or written notice of any non-acceptance of the unregistered notes or of any amendment to or termination of the exchange offer to the registered holders of the unregistered notes promptly. We reserve the right to waive any conditions of the exchange offer.

Table of Contents

Resales of the Exchange Notes	<p>Based on interpretative letters of the SEC staff to third parties unrelated to us, we believe that you can resell and transfer the exchange notes you receive pursuant to this exchange offer without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that:</p> <p>any exchange notes to be received by you will be acquired in the ordinary course of your business;</p> <p>you are not engaged in, do not intend to engage in and have no arrangements or understandings with any person to participate in, the distribution of the unregistered notes or exchange notes;</p> <p>you are not an affiliate (as defined in Rule 405 under the Securities Act) of ours, or, if you are such an affiliate, you will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable;</p> <p>if you are a broker-dealer, you have not entered into any arrangement or understanding with us or any of our affiliates to distribute the exchange notes; and</p> <p>you are not acting on behalf of any person or entity that could not truthfully make these representations.</p> <p>If you wish to participate in the exchange offer, you must represent to us in writing that these conditions have been met.</p> <p>If you are a broker-dealer and you will receive exchange notes for your own account in exchange for unregistered notes that were acquired as a result of market-making activities or other trading activities, you will be required to acknowledge that you will deliver a prospectus in connection with any resale of the exchange notes. See Plan of Distribution for a description of the prospectus delivery obligations of broker-dealers.</p>
Accrued Interest on the Exchange Notes and Unregistered Notes	<p>The exchange notes will accrue interest from and including April 28, 2006. We will pay interest on the exchange notes semiannually in arrears on May 1 and November 1 of each year, commencing November 1, 2006.</p> <p>Holder of unregistered notes that are accepted for exchange will be deemed to have waived the right to receive any payment in respect of interest accrued from the date of the last interest payment date that was made in respect of the unregistered notes until the date of the issuance of the exchange notes. Consequently, holders of exchange notes will receive the same interest payments that they would have received had they not accepted the exchange offer.</p>
Procedures for Tendering Unregistered notes	<p>If you wish to participate in the exchange offer:</p> <p>You must transmit a properly completed and signed letter of transmittal, and all other documents required by the letter of transmittal, to the exchange agent at the address set forth in the letter of transmittal. These materials must be received by the</p>

Table of Contents

exchange agent before 5:00 p.m., New York City time, on November 30, 2006, the expiration date of the exchange offer. You must also provide physical delivery of your unregistered notes to the exchange agent's address as set forth in the letter of transmittal. The letter of transmittal must also contain the representations you must make to us as described under "The Exchange Offer Procedures for Tendering"; or

You may effect a tender of unregistered notes electronically by book-entry transfer into the exchange agent's account at DTC. By tendering the unregistered notes by book-entry transfer, you must agree to be bound by the terms of the letter of transmittal.

Special Procedures for Beneficial Owners

If you are a beneficial owner of unregistered notes that are held through a broker, dealer, commercial bank, trust company or other nominee and you wish to tender such unregistered notes, you should contact the registered holder promptly and instruct them to tender your unregistered notes on your behalf.

Guaranteed Delivery Procedures for Unregistered notes

If you cannot meet the expiration deadline, or you cannot deliver on time your unregistered notes, the letter of transmittal or any other required documentation, or comply on time with DTC's standard operating procedures for electronic tenders, you may tender your unregistered notes according to the guaranteed delivery procedures set forth under "The Exchange Offer Guaranteed Delivery Procedures."

Withdrawal Rights

You may withdraw the tender of your unregistered notes at any time prior to 5:00 p.m., New York City time, on November 30, the expiration date.

Consequences of Failure to Exchange

If you are eligible to participate in this exchange offer and you do not tender your unregistered notes as described in this prospectus, your unregistered notes will continue to be subject to transfer restrictions. As a result of the transfer restrictions and the availability of exchange notes, the market for the unregistered notes is likely to be much less liquid than before this exchange offer. The unregistered notes will, after this exchange offer, bear interest at the same rate as the exchange notes.

Certain U.S. Federal Income Tax Consequences

The exchange of the unregistered notes for exchange notes pursuant to the exchange offer will not be a taxable event for U.S. federal income tax purposes. See "United States Federal Income Tax Considerations"

Use of Proceeds

We will not receive any proceeds from the issuance of exchange notes pursuant to the exchange offer.

Exchange Agent for Unregistered Notes

U.S. Bank National Association

Table of Contents

Summary Description of the Exchange Notes

The following is a brief summary of some of the terms of the exchange notes. For a more complete description of the terms of the exchange notes, see "Description of Notes" in this prospectus.

Issuer	P. H. Glatfelter Company
Exchange Notes	\$200,000,000 aggregate principal amount of 7 ¹ / ₈ % exchange notes due 2016.
Maturity Date	May 1, 2016.
Interest	7 ¹ / ₈ % per annum, payable semi-annually in arrears on May 1 and November 1, beginning November 1, 2006.
Guarantees	The notes will be guaranteed fully and unconditionally, jointly and severally, by certain of our current and future domestic subsidiaries.
Ranking	<p>The notes will be:</p> <ul style="list-style-type: none"> senior unsecured obligations of the Company; equal in ranking (<i>pari passu</i>) with all our existing and future senior indebtedness; and senior in right of payment to our subordinated indebtedness. <p>Secured debt that we may incur in the future and all our other secured obligations in effect from time to time will be effectively senior to the notes to the extent of the value of the assets securing such debt or other obligations. For a more detailed description, see "Description of Notes" Optional Redemption.</p>
Optional redemption	<p>Prior to May 1, 2011, we may redeem all, but not less than all, of the notes at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest plus a "make-whole" premium set forth under "Description of the Notes" Optional Redemption. We may redeem some or all of the notes at any time and from time to time on or after May 1, 2011, at the redemption prices set forth under "Description of the Notes" Optional Redemption, plus accrued and unpaid interest to the date of redemption. In addition, at any time prior to May 1, 2009, we may redeem up to 35% of the notes with the proceeds of certain equity offerings.</p>
Certain Covenants	<p>The indenture governing the notes contains covenants that, among other things, limit our ability and the ability of our subsidiary guarantors to:</p> <ul style="list-style-type: none"> incur or guarantee additional indebtedness or issue certain preferred stock; pay dividends on our capital stock or redeem, repurchase or retire our capital stock or subordinated indebtedness; transfer or sell assets; make investments;

incur liens and enter into sale/leaseback transactions;

Table of Contents

enter into transactions with our affiliates; and

merge or consolidate with other companies or transfer all or substantially all of the assets.

These covenants are subject to important limitations and exceptions, which are described in this prospectus. For a more detailed description, see [Description of Notes](#) [Certain Covenants](#).

Trustee

U.S. Bank National Association (as successor to SunTrust Bank)

Listing

The exchange notes will not be listed on an exchange.

Use of proceeds

We will not receive any proceeds from the issuance of exchange notes pursuant to the exchange offer.

Risk factors

See [Risk Factors](#) and the other information in this prospectus for a discussion of risk factors related to our business.

Table of Contents**Summary Consolidated Financial Information**

You should read the following summary consolidated financial information in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the year ended December 31, 2005 and our Quarterly Report on Form 10-Q/A for the quarterly period ended June 30, 2006, each of which is incorporated by reference herein, and with Selected Consolidated Financial and Other Data and our audited consolidated financial statements and related notes included elsewhere in this prospectus. The summary consolidated financial information as of December 31, 2004 and 2005 and for each of the three years ended December 31, 2005 is derived from our audited consolidated financial statements included elsewhere in this prospectus. The summary consolidated financial information as of December 31, 2002 and 2003 and for each of the two years ended December 31, 2002 is derived from our audited consolidated financial statements not included in this prospectus. The summary consolidated financial information as of December 31, 2001 is derived from our audited consolidated financial statements not included in this prospectus and is adjusted to reflect the impact of the sale in July 2003 of our Wisches, France subsidiary and the resulting treatment of this subsidiary as a discontinued operation. The summary unaudited consolidated financial information for the six months ended, and as of, June 30, 2005 and 2006 is derived from our unaudited condensed consolidated financial statements included elsewhere in this prospectus. The historical results are not necessarily indicative of our future results of operations or financial performance.

	Year Ended December 31					Six Months Ended June 30	
	2001	2002	2003	2004	2005	2005	2006
In thousands							
Income Statement Data:							
Net sales	\$ 632,602	\$ 540,347	\$ 533,193	\$ 543,524	\$ 579,121	\$ 289,179	\$ 440,326
Energy sales net	9,661	9,814	10,040	9,953	10,078	5,259	5,304
Total revenues	642,263	550,161	543,233	553,477	589,199	294,438	445,630
Cost of products sold	501,142	423,880	463,687	461,063	492,023	246,011	419,632
Gross profit	141,121	126,281	79,546	92,414	97,176	48,427	25,998
Selling, general and administrative expenses	60,225	53,699	59,146	59,939	67,633	34,364	41,737
Shut down and restructuring charges		4,249	6,983	20,375	1,564		25,955
Unusual items	60,908	(2,008)	11,501				
Gains on disposition of plant, equipment and timberlands, net	(2,015)	(1,304)	(32,334)	(58,509)	(22,053)	(81)	(1,085)
Insurance recoveries				(32,785)	(20,151)	(2,200)	(205)
Operating income (loss)	22,003	71,645	34,250	103,394	70,183	16,344	(40,404)
Other nonoperating income (expense)							
Interest expense	(15,628)	(15,103)	(14,269)	(13,385)	(13,083)	(6,550)	(10,563)
Interest income	3,589	1,571	1,820	2,012	2,012	1,057	1,792
Other net	1,558	1,016	(1,385)	(1,258)	1,028	236	(1,546)

Total other nonoperating expenses	(10,481)	(12,516)	(13,834)	(12,631)	(10,043)	(5,257)	(10,317)
Income (loss) from continuing operations before income taxes	11,522	59,129	20,416	90,763	60,140	11,087	(50,721)
Income tax provision (benefit)	4,693	21,492	7,430	34,661	21,531	3,088	(18,134)
Income (loss) from continuing operations	6,829	37,637	12,986	56,102	38,609	7,999	(32,587)
Discontinued operations							
Income (loss) from discontinued operations	198	(64)	(513)				
Income tax provision (benefit)	69	(22)	(188)				
Income (loss) from discontinued operations	129	(42)	(325)				
Net income (loss)	\$ 6,958	\$ 37,595	\$ 12,661	\$ 56,102	\$ 38,609	\$ 7,999	\$ (32,587)

Table of Contents

	Year Ended December 31					Six Months Ended June 30	
	2001	2002	2003	2004	2005	2005	2006
In thousands							
Cash Flow Data:							
Cash provided (used) by continuing operations:							
Operating activities	\$ 64,437	\$ 77,706	\$ 46,996	\$ 39,584	\$ 42,868	\$ 4,911	\$ (31,534)
Investing activities	(30,536)	(49,610)	(62,367)	42,109	(8,029)	(13,875)	(175,763)