



February 13, 2009

OFFICE OF
WORKFORCE DEVELOPMENT

Patty Martin
Momentive Performance Materials
Human Resource Manager, Newark Quartz Plant
611 O'Neil Drive
Hebron, Ohio 43025

Rapid Response Program Administrator
Office of Workforce Development
Ohio Department of Job and Family Services
P.O. Box 1618, Columbus, Ohio 43216

This letter serves as notice pursuant to the Worker Adjustment and Retraining Notification Act (WARN), of a series of layoffs impacting employees of Momentive Performance Materials ("Momentive") at the Newark Quartz Plant located at 611 O'Neill Drive Hebron, Ohio 43025.

As a result of the ongoing economic crisis, Momentive has been forced to make a series of reductions in production operations at the Newark facility. On October 30, 2008, Momentive laid off six production workers. Then, on November 14, 2008, sixteen production workers were laid off. In addition, an additional sixteen production workers were placed on temporary layoff with a return date of February 2, 2009. On November 28, 2008, an additional thirty-seven employees were placed on layoff with an expected return date of January 12, 2009. WARN notices were not provided prior to these layoffs as (1) the number of individuals impacted did not meet the requirements of the Act and the temporary layoff was expected to last less than six months. At the time Momentive made these layoff decisions, the business examined its future orders. A careful review demonstrated that there were still sufficient orders on the books to provide work after the beginning of 2009 and management did not believe that additional layoffs would be necessary. Indeed, at the time the decision was made, the Newark facility had a book of orders sufficient to justify the return of employees after the beginning of 2009.

Unfortunately, the economy continued to decline and customers began reporting to the Company that they had lost their credit and, in turn, needed to cancel orders. With the start of the new fiscal year, the anticipated volume return did not occur. Employees who had return dates were notified either to return to work (based on seniority), the option to voluntarily retire (if over 60 years of age) or

have a change in work status to permanent lack of work affective January 9, 2009. An additional five employees were permanently laid off at that time.

In total, 74 employees have been permanently laid off beginning October 30 and ending January 10, 2009.

While the Company recognizes that Company could not provide such notice that far in advance due to unforeseeable business circumstances regarding the dramatic downturn in the national economy and the above described significant volume losses from our customer base. Given the economic climate, the Company was simply unable to forecast sixty days into the future. Management personnel of the Newark facility continuously communicated with its employees regarding the impact of the economy on the business and the decline in order rates. During weekly plant meetings, employees were counseled on the status of the business and the possibility of layoffs if the order rates continued to fall.

Should you require further information, please feel free to contact me at 740-929-8739.

Sincerely,

A handwritten signature in cursive script that reads "Patty Martin". The signature is written in black ink and is positioned above the printed name.

Patty Martin, Human Resource Manager

Momentive Performance Materials Newark Quartz Plant

	Job Title	Number of Employees
Non-Union	Finishing Technncian	25
	Production Technician	41
	Quality Technncian	4
	Maintenance Technician	3
	Retirements	
	Finishing Technician	1