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OFFICE OF ARTHENT

JOB / HEY SERVICES

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WORKFORCE DEVELOPMENT

March 14, 2012

Kathy Maybriar
Office of Workplace Development
Ohio Department of Job and Family Services
4020 East Fifth Avenue
PO Box 1618
Columbus, OH 43216

Re: Plant Shutdown - Delta, OH plant

Dear Ms. Maybriar,

This letter is to inform you that Graham Packaging Company plans to cease operations and permanently close the manufacturing plant located at 265 Rogers Street, Delta, Ohio (the "Delta Plant"). The effective date of the plant closure will be during the 3<sup>rd</sup> Qtr 2012. The layoffs will occur between July 1, 2012 and September 30, 2012 (a few employees may remain employed after the shut down for the sole purpose of dismantling equipment, packaging, shipping and general cleanup).

The decision to close the Delta plant is not a reflection of the Delta workforce, but rather a result of an overall Company strategy of plant rationalization and optimization of its network. These issues have resulted in an overcapacity situation in our plant network. Therefore, we are forced into consolidating our plant operations.

Because this involves the termination of the operations of the entire Delta, OH plant, all 55 hourly employees and 10 salaried employees will be affected by the permanent layoff. The only exception to this will be for any employee who finds alternative employment opportunities within the Graham Packaging Company plant network.

Graham Packaging will post weekly notices of available positions throughout Graham Packaging. Anyone interested in an open position may submit their resume and letter of interest for consideration. To the extent an employee is qualified, he or she will receive consideration for employment at other facilities. If an employee is awarded a position, the employee will receive the benefits, pay, and other terms and conditions applicable to the position at the facility at which it exists.

For employees who are unable to secure another position within Graham Packaging, the Company will provide severance, less applicable taxes, provided that the employee remains employed until they are released by the Company. In addition, employees will receive pay for any accrued but unused 2012 vacation.

The severance amount provided to employees will be equivalent to one (1) week of pay for each year of service completed, plus one week.

All benefits, except health insurance, will end upon termination from active employment. For employees, Graham Packaging will pay the same portions of an employee's health insurance premiums as it did when he or she was still an employee, concurrent with COBRA coverage through the last day of the month in which an employee's last severance payment is made.

Employees will have the option to continue health insurance coverages under the provisions of COBRA for a period of 18 months from the date of termination, subject to COBRA's terms, conditions, limitations, and exclusions. If an employee was contributing to a health care flexible spending account, the employee will also have the option to continue participating in this program under provisions of COBRA after the termination of employment, subject to applicable terms, conditions, limitations, and exclusions. Information concerning these benefits and the monthly premium costs will be forwarded to employees by CobraServ, Graham Packaging's COBRA benefits administrator.

Employees will also have the option to convert their life insurance to an individual policy by contacting Lori Neiman, Group Benefits Administrator. Lori Neiman will also be in touch with employees regarding their pension plan benefits, if applicable.

Employees may contact Fidelity directly regarding the withdrawal of their monies from the Graham Packaging Group Retirement Savings Plan. Please note that 401(k) contributions and any loan repayments will not be deducted from severance.

Additionally, employees are entitled to receive from the Ohio Department of Job and Family Services, information, referral and counseling regarding, public programs and benefits to assist the employees; and the employees rights based on the law.

If you have any questions, please feel free to call me at the telephone number listed below.

Respectfully,

Marcus Franklin

Regional HR Team Leader Graham Packaging Company

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(419) 421-8028