

EXHIBIT A

**GE CAPITAL
MARKETS, INC.**
201 Merritt 7
Norwalk, CT 06856

**GENERAL ELECTRIC
CAPITAL CORPORATION**
201 Merritt 7
Norwalk, CT 06856

CONFIDENTIAL

May 12, 2009

Pliant Corporation
1475 Woodfield Road
Suite 700
Schaumburg, IL 60173

Attention: Harold C. Bevis, Chief Executive Officer
Thomas C. Spielberger, Chief Financial Officer

CC: Michael Stewart, Jefferies & Company Inc.

PLIANT CORPORATION
\$135 Million Revolving Credit Facility
Proposal to Provide and Syndicate the Revolving Credit Facility

Gentlemen:

You (the "**Company**") have advised GE Capital Markets, Inc. ("**GECM**") and General Electric Capital Corporation ("**GE Capital**", and together with GECM, "**GE**", "**we**" or "**us**") that the Company and certain of its direct and indirect domestic subsidiaries (the "**Debtors**") have commenced voluntary cases under Chapter 11 of Title 11 of the United States Bankruptcy Code (the "**Bankruptcy Code**") in the Bankruptcy Court for the District of Delaware (the "**US Bankruptcy Court**"; such cases, the "**Bankruptcy Cases**"), and that you expect the Debtors to be reorganized pursuant to a Chapter 11 plan of reorganization to be filed in the Bankruptcy Cases (the "**Plan of Reorganization**").

You have further advised us that you desire to establish up to \$250 million in senior secured credit facilities to be effective at or following the effective date of the Plan of Reorganization, which shall consist of any combination of (a) a term financing in an aggregate principal amount of up to \$100 million (the "**Term Facility**"), (b) foreign financing in an aggregate principal amount of up to \$15 million (the "**Foreign Facility**") and (c) a senior secured asset-based revolving credit facility in an aggregate principal amount of up to \$135 million (the "**Revolving Credit Facility**", and together with the Term Facility and Foreign

Facility, the "Exit Facilities"). You have further advised us that the proceeds of the Exit Facilities will be used to refinance the existing debtor-in-possession credit facility of the Company and certain of its subsidiaries (approximate balance at emergence of \$30 million, net of cash), the \$139 million pre-petition revolving credit facility, approximately \$6 million of letters of credit, for working capital and other general corporate purposes of the Company and certain of its subsidiaries and for the payment of fees and expenses incurred in connection with the Exit Facilities and the Plan of Reorganization.

GE Capital is pleased to express its interest in providing (on a fully committed basis), directly or through an affiliate, the Revolving Credit Facility, and, GECM is pleased to agree to act as the sole lead arranger and sole book-running manager for the Revolving Credit Facility, in each case upon and subject to the general terms and conditions set forth herein, in the Summary of Indicative Terms and Conditions for the Revolving Credit Facility attached hereto as Appendix I and incorporated herein by reference (as such terms and conditions may be modified as agreed by the parties, the "Term Sheet" and together with this letter, the "Engagement Letter"; capitalized terms used herein without definition have the meanings assigned to such terms in the Term Sheet). GE Capital is also pleased to agree to act as the sole administrative agent and the sole collateral agent for the Revolving Credit Facility.

1. Syndication.

Upon execution and delivery of this Engagement Letter and payment of the fees required under the Fee Letter (as defined below), GE Capital will commence performance of the services described herein with a view toward providing the Commitment Letter (as defined below) with respect to the Revolving Credit Facility. In addition, you hereby appoint GECM to act, and GECM hereby agrees to act, as sole book-running manager and sole lead arranger for the Revolving Credit Facility. At your request, GECM will attempt to arrange and syndicate the Revolving Credit Facility to one or more banks, financial institutions or other institutional lenders that may become parties to the definitive documentation for the Revolving Credit Facility pursuant to a syndication to be managed by GECM (the "Primary Syndication") (such banks, financial institutions and other institutions so becoming parties to the documentation for the Revolving Credit Facility being collectively referred to as the "Lenders").

You understand and acknowledge that none of GECM, GE Capital or any of their affiliates is agreeing or committing herein to provide the Revolving Credit Facility, the other Exit Facility or any portion thereof. Neither GECM nor any of its affiliates can provide any assurances that a syndicate of Lenders for the Revolving Credit Facility can be arranged on the terms and conditions set forth in this Engagement Letter or any other terms. You agree that neither GECM nor any of its affiliates shall have any liability to you or any other person or entity if (i) any modifications to any of the amount, terms, pricing, conditions or structure of the Revolving Credit Facility are required to effect a successful Primary Syndication or otherwise, (ii) a syndicate of Lenders does not materialize, or (iii) commitments for less than all of the Revolving Credit Facility are obtained or funded. GECM will commence the Primary Syndication promptly after your acceptance of this Engagement Letter. It is understood and agreed that GECM will, in consultation with you, manage and control all aspects of the Primary Syndication, including selection of prospective Lenders, determination of when GECM will approach prospective Lenders, the time of acceptance of Lenders' commitments, any naming

rights, titles or roles to be awarded to Lenders, and the final allocations of the commitments among Lenders. It is further understood and agreed that during the Primary Syndication (i) no additional agents, arrangers or book-running managers shall be appointed, or other titles, names or roles conferred to any Lender or any other person or entity, by you in respect of the Revolving Credit Facility, (ii) the amount and distribution of fees among the Lenders will be at GECM's discretion, and (iii) no Lender will be offered by, or receive from, you compensation of any kind for its participation in the Revolving Credit Facility, except as expressly provided for in this Engagement Letter or with the prior written consent of GECM.

You agree to actively assist and cooperate (and use your commercially reasonable efforts to cause your affiliates and all other necessary persons to assist and cooperate) with GECM in connection with the Primary Syndication. Such assistance shall include, without limitation (a) promptly preparing and providing to GECM all information with respect to the Company and its subsidiaries, the Revolving Credit Facility and the Transaction, including financial information and projections (the "**Projections**"), all drafts of the Plan of Reorganization and all documents and docket or court filings in connection therewith, in each case to the extent provided to the official unsecured creditors' committee acting in the Bankruptcy Cases (the "**Creditors' Committee**"), and such documents and filings, the "**Draft Plan Documents**"), and copies of due diligence, accounting or similar reports or memoranda prepared at your or your affiliates' direction by legal, accounting, tax, environmental or other advisors in connection with the Transaction (in each case subject to non-disclosure and reliance letters reasonably acceptable to GECM and the Company), as GECM may reasonably request in connection with the Primary Syndication, (b) participating in meetings with prospective Lenders and other relevant meetings (including meetings with rating agencies), (c) providing direct contact during the Primary Syndication between the Company's senior management, representatives and advisors, on the one hand, and prospective Lenders, on the other hand, (d) your providing a thirteen-week cash flow forecast, (e) providing or causing to be provided a detailed business plan or projections of the Company and its subsidiaries for each (i) fiscal month during the years 2009 and 2010 and (ii) fiscal quarter during the years 2011-2013, in each case in a form substantially similar to the financial forecasts previously provided to GE Capital, and (f) using your commercially reasonable efforts to ensure that GECM's syndication efforts benefit from the Company's existing financial and banking relationships.

At GECM's request, you agree to assist (and use your commercially reasonable efforts to cause your affiliates and other necessary persons to assist) in the preparation of confidential information memoranda, presentations and other Evaluation Material (as defined below) regarding the Company and its affiliates and the Revolving Credit Facility to be used in connection with the Primary Syndication and to confirm, prior to such materials being made available to prospective Lenders, the completeness and accuracy of such materials. If requested by GECM, the Evaluation Material shall include a version of the confidential information memorandum, presentation and other information materials consisting exclusively of information that is either publicly available with respect to the Company, its subsidiaries and parent company, or that is not material with respect to the Company or its respective securities for purposes of U.S. federal and state securities laws. You also hereby agree that you will (a) identify in writing and (b) clearly and conspicuously mark as "PUBLIC" such Evaluation Material that does not contain any material non-public information referred to in the prior sentence. You hereby agree that by identifying such Evaluation Material pursuant to clause (a)

of the preceding sentence and marking Evaluation Material as "PUBLIC" pursuant to clause (b) of the preceding sentence and/or publicly filing any Evaluation Material with the Securities and Exchange Commission or the Bankruptcy Court presiding over the Bankruptcy Cases, then we, the Lenders and prospective Lenders shall be entitled to treat such Evaluation Material as not containing any material non-public information with respect to the Company and its subsidiaries and parent company for purposes of U.S. federal and state securities laws. You further acknowledge and agree that the following documents and materials shall be deemed to be PUBLIC, whether or not so marked, and deemed to not contain any material non-public information: administrative materials of a customary nature prepared by us for prospective Lenders, such as a lender meeting invitation, bank allocation, if any, and funding and closing memorandum. Before distribution of any Evaluation Material, you agree to execute and deliver to us a letter in which you authorize distribution of the Evaluation Material to prospective Lenders and their employees willing to receive material non-public information, and a separate letter in which you authorize distribution of Evaluation Material that does not contain material non-public information and represent that no material non-public information is contained therein.

Until the earlier of (i) the completion of the Primary Syndication (as determined by GECM in its discretion) and (ii) the parties execution of the Commitment Letter (as defined below) so long as the Commitment Letter contains terms that supersede this paragraph, the Company shall not (and the Company shall cause the Company's affiliates not to), without the prior written consent of GECM, offer, issue, place, syndicate or arrange any new debt or preferred equity securities or debt facilities (including any renewals, restatements, restructuring or refinancings of any existing debt or preferred equity securities or debt facilities, except for revisions to your existing senior credit facility), attempt or agree to do any of the foregoing, announce or authorize the announcement of any of the foregoing, or engage in discussion with third parties concerning any of the foregoing, other than (a) the Term Facility, (b) the Foreign Facility and (c) in the case of the Company's German and Australian subsidiaries, other financing activities that do not interfere with the Primary Syndication.

2. Information.

You hereby represent and covenant (and it shall be a condition to GECM's agreements to perform the services described herein) that (a) all information, other than the Projections and the Draft Plan Documents (the "**Information**"), that has been or will be made available to GE Capital by or on behalf of you or any of your representatives is or will be, when furnished, complete and correct in all material respects and does not or will not, when furnished, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances under which such statements are made, and (b) the Projections that have been or will be made available to GE Capital by or on behalf of you or any of your representatives have been or will be prepared in good faith based upon accounting principles consistent with the historical audited financial statements of the Company and the Company unless otherwise noted in the Projections and upon assumptions that are reasonable at the time made and at the time the related Projections are made available to GE Capital. You agree that if at any time prior to the closing date of the Exit Facilities (the "**Closing Date**") any of the representations in the preceding sentence would be incorrect if the Information and Projections were being furnished, and such representations were

being made, at such time, then you will promptly supplement the Information and the Projections so that such representations will be correct under those circumstances. In arranging and syndicating the Revolving Credit Facility, we will be entitled to use and rely primarily on the Information and the Projections without responsibility for independent verification thereof.

You hereby agree, on behalf of yourself and your affiliates, that the Information, the Projections and all other information provided by or on behalf of you and your affiliates to us regarding Borrower and your affiliates, the Exit Facilities (collectively, "**Evaluation Material**") may be disseminated by or on behalf of GECM, and made available, to prospective Lenders and other persons, who have agreed to be bound by customary confidentiality undertakings (including, "click-through" agreements), all in accordance with GECM's standard loan syndication practices (whether transmitted electronically by means of a website, e-mail or otherwise, or made available orally or in writing, including at prospective Lender or other meetings). You hereby further authorize GECM to download copies of Borrower's logos from its website, post copies thereof on an Intralinks® or similar workspace managed or accessible by GECM, and use such logos on any confidential information memoranda, presentations and other marketing materials prepared in connection with the Primary Syndication.

3. Fees and Expenses.

As consideration for GECM's agreement to perform the services described herein, you agree to pay to GECM (or its designee) the following arrangement fee (the "**Arrangement Fee**"): an amount equal to [REDACTED] of the aggregate amount of the Revolving Credit Facility, [REDACTED] of which will be payable on the date of issuance of a commitment letter from GE Capital (on a fully committed basis) to the Company containing terms substantially similar to those set forth in the Term Sheet (in addition to any other terms and conditions standard to facilities of the type as the Revolving Credit Facility, subject to no material adverse change in or revision of the financial projections provided to GE Capital as of the date hereof) or such other terms that are mutually acceptable to GE Capital and the Company (the "**Commitment Letter**") with the remaining [REDACTED] due on the Closing Date. As consideration for GE Capital acting as sole administrative agent and sole collateral agent under the Revolving Credit Facility, you agree to pay or cause to be paid to GE Capital an agency fee in the amount of (i) [REDACTED] payable in full in cash on the Closing Date and (ii) [REDACTED] payable in full in cash on each anniversary of the Closing Date for so long as the Revolving Credit Facility is in place and GE Capital is the sole administrative agent thereof.

Any and all compensation of any kind (including underwriting, closing and upfront fees) payable to any Lender (including GE Capital, in its capacity as Lender, if applicable) in connection with the Revolving Credit Facility shall be as determined by GECM and shall be for the account of, and paid by, the Company.

You agree that, once paid, the fees or any part thereof payable hereunder will not be refundable under any circumstances. Except as provided herein, all fees payable hereunder will be paid in immediately available funds and shall not be subject to reduction by way of setoff or counterclaim. In connection with the Primary Syndication, GECM may, in its discretion, allocate to the Lenders portions of any fees payable to it in connection therewith. All fees received by GECM hereunder may be shared by GECM and among its affiliates as GECM may

determine in its sole discretion. The fees payable hereunder shall be in addition to the obligation of each of you to reimburse GECM's out-of-pocket expenses hereunder.

4. Non-Binding Proposal.

As you know, this Letter is delivered to you at a time when GE Capital has not undertaken its full business, credit and legal due diligence and analysis nor obtained the approval of GE Capital's internal credit authorities and, accordingly, we must emphasize that this Letter is to be used as the basis for continued discussion with respect to GE Capital's interest in providing the Revolving Credit Facility, and does not constitute a commitment, a contract to provide any credit facility, nor an offer to enter into a contract to provide any credit facility, and should not be deemed to obligate GE Capital or its affiliates, in any manner whatsoever. Subject to the foregoing, we are prepared to continue discussions with you to work toward offering underwritten financing along the general terms and conditions outlined in the Term Sheet.

5. Alternative Financing.

If GE Capital provides the Commitment Letter, you agree that, if you or any of your respective subsidiaries determine to proceed during the period from the date hereof to the date that is one year following the End Date (as defined below), in lieu of the Revolving Credit Facility with GECM and GE Capital in the roles contemplated hereby, with any other bank or loan financing in connection with the Plan of Reorganization (any such financing being an "Alternate Financing"), you or such subsidiary will appoint GE Capital as sole administrative agent and sole collateral agent (on terms acceptable to GE Capital and reasonably acceptable to you) and appoint GECM as sole lead arranger and sole bookrunner, for such Alternate Financing unless we do not agree to take such Alternate Financing to market (on terms of such Alternate Financing or on other terms acceptable to GECM and reasonably acceptable to you). In addition, if GE Capital provides the Commitment Letter, and you do not accept such commitment for any reason, then, if any person other than GECM or GE Capital as applicable provides or arranges any Alternate Financing (notwithstanding a willingness on the part of GECM to take to market the Revolving Credit Facility or such Alternate Financing), you agree to pay to GECM or its designee an amount equal to [REDACTED] of the Revolving Credit Facility (which amount shall be based on an aggregate \$135,000,000 financing), due immediately upon the consummation of such Alternate Financing.

6. Fee Letter.

In addition to the fees and expenses payable to GECM and/or GE Capital hereunder, you agree to pay the fees payable to GECM and GE Capital in connection with their obligations hereunder as set forth in that certain fee letter agreement dated as of the date hereof, among the you, GE Capital and GECM (the "Fee Letter"). The obligations of GECM and GE Capital pursuant to this Engagement Letter are subject to the execution and delivery of the Fee Letter by you, which Fee Letter constitutes an integral part of this Engagement Letter.

7. Sharing Information; Absence of Fiduciary Relationship; Affiliate Activities.

You acknowledge that GE may be providing debt or arranging financing, equity capital or other services (including financial advisory services) to other companies in respect of which you may have conflicting interests regarding the transactions described herein or otherwise. We will not furnish confidential information obtained from you by virtue of the transactions contemplated by this Engagement Letter or our other relationships with you to other companies. You also acknowledge that we do not have any obligation to use in connection with the transactions contemplated by this Engagement Letter, or to furnish to you, confidential information obtained by us from other companies.

You further acknowledge and agree that (a) no fiduciary, advisory or agency relationship between you and GE is intended to be or has been created in respect of any of the transactions contemplated by this Engagement Letter, irrespective of whether GE has advised or is advising you on other matters, (b) GE, on the one hand, and you, on the other hand, have an arm's-length business relationship that does not directly or indirectly give rise to, nor do you rely on, any fiduciary duty on the part of GE (c) you are capable of evaluating and understanding, and you understand and accept, the terms, risks and conditions of the transactions contemplated by this Engagement Letter, (d) you have been advised that GE Capital is engaged in a broad range of transactions that may involve interests that differ from your interests and that GE has no obligation to disclose such interests and transactions to you by virtue of any fiduciary, advisory or agency relationship, and (e) you waive, to the fullest extent permitted by law, any claims you may have against GE for breach of fiduciary duty or alleged breach of fiduciary duty and agree that GE shall have no liability (whether direct or indirect) to you in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of you, including your stockholders, employees or creditors. Additionally, you acknowledge and agree that GE is not advising you as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. You shall consult with your own advisors concerning such matters and shall be responsible for making your own independent investigation and appraisal of the transactions contemplated hereby, and GE shall have no responsibility or liability to you with respect thereto. Any review by GE of the Company, the Exit Facilities, the other transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of GE and its respective affiliates and shall not be on behalf of you or any of your affiliates.

In the ordinary course of business, GE Capital may provide investment banking and other financial services to, and/or acquire, hold or sell, for its own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of the Company and other companies with which the Company may have commercial or other relationships. With respect to any securities and/or financial instruments so held by GE or any of its customers, all rights in respect of such securities and financial instruments, including any voting rights, will be exercised by the holder of the rights, in its sole discretion.

8. Assignments; Amendments; Governing Law; Etc.

This Engagement Letter shall not be assignable by you or us without the prior written consent of the others (and any attempted assignment without such consent shall be null and

void), is intended to be solely for the benefit of the parties hereto (and Indemnified Persons) and is not intended to confer any benefits upon, or create any rights in favor of, any person other than the parties hereto (and Indemnified Persons). Any and all services to be provided by GECM hereunder may be performed and any and all rights of GECM hereunder may be exercised by or through any of their respective affiliates or branches. This Engagement Letter may not be amended or any provision hereof waived or modified except by an instrument in writing signed each party hereto. This Engagement Letter may be executed in any number of counterparts, each of which shall be an original and all of which, when taken together, shall constitute one agreement. Delivery of an executed counterpart of a signature page of this Engagement Letter by facsimile transmission shall be effective as delivery of a manually executed counterpart hereof. Section headings used herein are for convenience of reference only, are not part of this Engagement Letter and are not to affect the construction of, or to be taken into consideration in interpreting, this Engagement Letter. You acknowledge that information and documents relating to the Exit Facilities may be transmitted through SyndTrak, Intralinks, the internet, e-mail, or similar electronic transmission systems, and that GECM shall not be liable for any damages arising from the unauthorized use by others of information or documents transmitted in such manner. GECM may place advertisements in financial and other newspapers and periodicals or on a home page or similar place for dissemination of information on the internet or worldwide web as it may choose, and circulate similar promotional materials, after the Closing Date in the form of a "tombstone" or otherwise describing the names of the Company and its affiliates (or any of them), and the amount, type and the Closing Date, all at GECM's expense. This Engagement Letter supersedes all prior understandings, whether written or oral, between us with respect to the Exit Facilities. Your obligations hereunder shall be joint and several. **THIS ENGAGEMENT LETTER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

9. Jurisdiction.

Each of the parties hereto hereby irrevocably and unconditionally (a) submits, for itself and its property, to the exclusive jurisdiction of any New York State court or Federal court of the United States of America sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Engagement Letter or the transactions contemplated hereby or for the recognition or enforcement of any judgment, and agrees that all claims in respect of any such action or proceeding may be heard and determined only in such New York State court or, to the extent permitted by law, in such Federal court, provided that, prior to the effective date of the Plan of Reorganization, the parties hereto agree that the US Bankruptcy Court presiding over the Bankruptcy Cases shall have exclusive jurisdiction or, if that court does not have subject matter jurisdiction, then the U.S. District Court for the Southern District of New York or, if that court does not have subject matter jurisdiction, then any state court located in New York City, (b) waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Engagement Letter or the transactions contemplated hereby in any New York State court or in any such Federal court, (c) waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court and (d) agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. The Company hereby irrevocably designates

and appoints the Company (the "Process Agent") as its authorized agent upon which process may be served in any action, suit or proceeding arising out of or relating to this Engagement Letter that may be instituted by GECM or any other Indemnified Person in any Federal or state court in the State of New York. The Company hereby agrees that service of any process, summons, notice or document by U.S. registered mail addressed to the Process Agent, with written notice of said service to you at the address above, shall be effective service of process for any action, suit or proceeding brought in any such court. The Company further agrees to take any and all action, including execution and filing of any and all such documents and instruments, as may be necessary to continue the designation and appointment of the Process Agent for a period of six years from the date of this Engagement Letter.

10. Waiver of Jury Trial.

EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM BROUGHT BY OR ON BEHALF OF ANY PARTY RELATED TO OR ARISING OUT OF THIS ENGAGEMENT LETTER OR THE PERFORMANCE OF SERVICES HEREUNDER.

11. Confidentiality.

This Engagement Letter is delivered to you on the understanding that neither this Engagement Letter nor its terms or substance, nor the activities of GE pursuant hereto, shall be disclosed, directly or indirectly, to any other person except (a) to your officers, directors, employees, attorneys, accountants and advisors on a confidential and need-to-know basis, (b) subject to the terms and conditions contained herein, as required by applicable law, including the Bankruptcy Code or compulsory legal process (in which case you agree to inform us promptly thereof), (c) as provided below, or (d) as otherwise agreed by the parties hereto.

The Company may file this Engagement Letter (except for the provisions herein pertaining to pricing and fees (collectively, the "Excluded Information") unless redacted in a manner reasonably satisfactory to you and us) with the US Bankruptcy Court as an exhibit to the Company's plan of reorganization or disclosure statement and pursuant to a motion seeking authority for it to enter into this Engagement Letter and to pay the fees and other expenses contemplated hereby, and, in connection therewith, may provide copies as filed to the Office of the US Trustee, the Ad Hoc Committee of Noteholders, the Creditors' Committee, and the Prepetition Bank Syndicate, provided that the Excluded Information may be disclosed to the extent required by applicable law. Further and without limiting the operation of the preceding sentence, you agree to use your best efforts to prevent the Excluded Information from becoming publicly available, including, without limitation, pursuant to Sections 105(a) and 107(b) of the Bankruptcy Code and Bankruptcy Rule 9018, as applicable, in each case seeking an order of the US Bankruptcy Court authorizing the Company to provide the Excluded Information under seal.

We will treat as confidential all confidential information provided to us by or on behalf of you hereunder; provided that nothing herein shall prevent us from disclosing any such information (a) pursuant to the order of any court or administrative agency or in any pending legal or administrative proceeding, or otherwise as required by applicable law or compulsory

legal process, (b) upon the request or demand of any regulatory authority having jurisdiction over us, (c) to the extent that such information becomes publicly available other than by reason of disclosure by us in violation of this paragraph, (d) to our respective affiliates and to our and their respective employees, legal counsel, independent auditors and other experts or agents who are informed of the confidential nature of such information, (e) to other (or potential other) co-bookrunners and joint lead arrangers (if any), or Lenders (or potential lenders) who agree to be bound by the terms of this paragraph or substantially similar confidentiality provisions, (f) to the extent otherwise permitted by this Section 11, or (g) for purposes of establishing a "due diligence" defense.

Notwithstanding anything herein to the contrary, any party to this Engagement Letter (and any employee, representative or other agent of such party) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions contemplated by this Engagement Letter and all materials of any kind (including opinions or other tax analyses) that are provided to it relating to such tax treatment and tax structure, except that (a) tax treatment and tax structure shall not include the identity of any existing or future party (or any affiliate of such party) to this Engagement Letter, and (b) no party shall disclose any information relating to such tax treatment and tax structure to the extent nondisclosure is reasonably necessary in order to comply with applicable securities laws. For this purpose, the tax treatment of the transactions contemplated by this Engagement Letter is the purported or claimed U.S. Federal income tax treatment of such transactions and the tax structure of such transactions is any fact that may be relevant to understanding the purported or claimed U.S. Federal income tax treatment of such transactions.

12. Surviving Provisions.

The compensation (including, without limitation, as to Alternate Financing), expense reimbursement, indemnification, confidentiality, syndication, jurisdiction, governing law and waiver of jury trial provisions contained herein shall remain in full force and effect regardless of whether definitive financing documentation shall be executed and delivered and notwithstanding the termination of this Engagement Letter or GECM's agreements hereunder. This Letter supersedes all prior discussions, writings, indications of interest and proposals previously delivered to you, with respect to the financing proposed herein.

13. PATRIOT Act Notification: AML Legislation.

GE Capital hereby notifies you that pursuant to the requirements of the USA PATRIOT Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the "PATRIOT Act"), each GE Capital and each Lender is required to obtain, verify and record information that identifies each borrower under the Revolving Credit Facility, which information includes the name, address, tax identification number and other information regarding each borrower that will allow GE Capital such Lender to identify each such borrower in accordance with the PATRIOT Act. This notice is given in accordance with the requirements of the PATRIOT Act and is effective as to GE Capital and each Lender. You hereby acknowledge and agree that GECM shall be permitted to share any or all such information with the Lenders.

You further acknowledge that, pursuant to the Proceeds of Crime (Money Laundering) and other applicable anti-money laundering, anti-terrorist financing, government sanction and "know your client" laws (collectively, including any guidelines or orders thereunder, the "AML Legislation"), GE Capital and each Lender may be required to obtain, verify and record information regarding each borrower, its directors, authorized signing officers, direct or indirect shareholders or other persons in control of each borrower. You hereby agree to promptly provide all such information, including supporting documentation and other evidence, as may be reasonably requested by GE Capital or any Lender, in order to comply with any applicable AML Legislation, whether now or hereafter in existence.

14. Acceptance and Termination.

Our agreements hereunder shall expire automatically and without further action or notice at (a) 5:00 p.m. New York City time on May 12, 2009, unless prior to such time you shall have delivered to GECM and its counsel a counterpart of this Engagement Letter and the Fee Letter executed by you or (b) 5:00 p.m. New York City time on May 14, 2009, unless prior to such time you shall have delivered to GECM and its counsel a copy of a motion filed in the Debtors' Cases with the US Bankruptcy Court (the "Approval Motion"), in form and substance reasonably satisfactory to GE and its counsel, seeking authority for the Company and its applicable subsidiaries to pay to GE the fees and expenses set forth in this Engagement Letter and otherwise seeking authority for the Company and its applicable subsidiaries to enter into, accept, incur and perform their respective obligations under or contemplated by this Engagement Letter and the Fee Letter, in each case whether or not the Revolving Credit Facility is consummated. You hereby agree that any copy of this Engagement Letter filed with the US Bankruptcy Court in connection with the Approval Motion or otherwise shall be filed under seal to the maximum extent permitted by the Bankruptcy Court; provided, however, if such filing under seal is not permitted by the Bankruptcy Court, any such filing will be done in compliance with the confidentiality provisions contained in Section 11 above. GECM shall have the right to terminate its agreements hereunder in the event that the terms or substance of this Engagement Letter are disclosed other than as expressly permitted in Section 11 above. In the event of any termination pursuant to this paragraph, this Engagement Letter and GE's agreements hereunder, and agreements to perform the services described herein, shall automatically terminate without further action or notice and without further obligation to you unless GE shall, in its sole discretion, agree to an extension. If an order approving the Approval Motion shall not be entered in the Debtors' Cases by the US Bankruptcy Court on or before 5:00 P.M. New York City time on May 29, 2009 or any such motion shall at any time cease to be in full force and effect or shall be reversed or stayed, or modified in a manner that is material and adverse to GE (in the sole discretion of GE), GE may, in its sole discretion, terminate its agreements to perform the services described herein without further obligation hereunder. This Engagement Letter shall automatically terminate in the event that definitive financing documentation in respect of the Revolving Credit Facility has not been executed and delivered by all parties thereto on or prior to August 1, 2009 (the "End Date").

Notwithstanding anything herein to the contrary, the parties hereto agree and acknowledge that the obligations of the Company hereunder are subject to the approval of the Bankruptcy Court presiding over the Bankruptcy Cases.

[signatures on following page]

GECM and GE Capital are pleased to have the opportunity to assist you in connection with the financing contemplated hereby.

Very truly yours,

GE CAPITAL MARKETS, INC.

By 

Glenn Autorino
Managing Director

**GENERAL ELECTRIC CAPITAL
CORPORATION**

By _____

Wafa Shalabi
Duly Authorized Signatory

GECM and GE Capital are pleased to have the opportunity to assist you in connection with the financing contemplated hereby.

Very truly yours,

GE CAPITAL MARKETS, INC.

By _____
Glenn Autorino
Managing Director

**GENERAL ELECTRIC CAPITAL
CORPORATION**

By Wafa Shalabi
Wafa Shalabi
Duly Authorized Signatory

Accepted and agreed to as of
the date first above written:

PLIANT CORPORATION

By _____
Name:
Title:

SUMMARY OF INDICATIVE TERMS AND CONDITIONS

PLIANT CORPORATION

\$135,000,000 SENIOR SECURED REVOLVING CREDIT FACILITY

This is the Term Sheet referenced as Appendix I in that certain Engagement Letter dated May 12, 2009, of which this Appendix I is a part.

THE COMPANY(IES):	Pliant Corporation and certain other subsidiaries to be determined (the "Company").
GUARANTORS:	Senior Credit Facility (defined below) shall be guaranteed by Pliant Corporation and all existing and future domestic and Canadian direct and indirect subsidiaries of the Company (the "Guarantors").
SOLE ADMINISTRATIVE AGENT:	General Electric Capital Corporation ("GE Capital").
SOLE LEAD ARRANGER & BOOK MANAGER:	GE Capital Markets, Inc. ("GECM")
LENDERS:	A syndicate of banks, financial institutions and/or institutional lenders (including GE Capital), to be arranged by GECM (collectively, the "Lenders").
SENIOR CREDIT FACILITY:	\$135 million senior secured revolving credit facility (the "Revolving Credit Facility").
CLOSING FEE:	██████ on the Revolver Commitment, subject to Flex Adjustment.
INTEREST RATES:	LIBOR + ██████ with a LIBOR floor of ██████, subject to price Flex Adjustment and grid based on EBITDA which shall provide for adjustments up or down by ██████.

FLEX ADJUSTMENT [REDACTED] to be used as either an increase to the interest rate or as an upfront fee equivalent based on a 2-year average life.

PRE-PAYMENT FEE: [REDACTED]

UNUSED LINE FEE: Either [REDACTED] or Grid Based ranging from [REDACTED] basis points.

MATURITY: Earlier of a) 36 months from the Closing Date, or b) 60 days prior to maturity of Term Facility.

BORROWING BASE: Revolving Credit Facility shall be subject to a borrowing base (the "**Borrowing Base**") calculated as the sum of the following (a) up to 85% of eligible accounts receivable, and (b) the lesser of (x) 85% of the net orderly liquidation value ("**NOLV**") of eligible inventory or (y) up to 65% of the book value of eligible inventory, in all cases less reserves.

AVAILABILITY RESERVE: Advances under the Revolving Credit Facility will be subject to an availability reserve to be determined based on due diligence. Availability reserve to be between [REDACTED] and [REDACTED].

SECURITY: 1st Lien on All North American Current Assets & Satisfactory Use Agreement on I.P. 2nd Lien on all non-current North American Assets, including but not limited to, 65% of the stock of Foreign Subsidiaries (if applicable), real estate, fixed assets & intellectual property.

CONDITIONS PRECEDENT TO CLOSING: Usual and customary for transactions of this type and for a borrower of the Company's size and credit quality including, but not limited to an acceptable capital structure. Additionally, no less than a \$90 million term loan facility will be raised under terms and conditions acceptable to GE Capital in its reasonable discretion ("**Term Loan Facility**"). All documentation relating to the Revolving Loan Facility shall be in form and substance satisfactory to GE Capital and the other Lenders and their counsel, including, without limitation, the agent for the lenders under the Term Loan Facility and GE Capital shall have entered into an intercreditor agreement, in form and substance satisfactory to the Lenders in their sole discretion (the "**Intercreditor Agreement**").

COVENANTS:

Such representations and warranties, affirmative and negative covenants and events of default that are usual and customary, including but, not limited to, total leverage, fixed charge coverage, and maximum CAPEX, for transactions of this type and for a borrower of the Company's size and credit quality, including a sufficient amount of opening liquidity.

May 21, 2009

Pliant Corporation
1475 Woodfield Road, Suite 700
Schaumburg, Illinois 60173

Re: First Amendment to Engagement Letter

Ladies and Gentlemen:

Reference is hereby made to that certain engagement letter, dated May 12, 2009 (as amended, restated, supplemented or otherwise modified from time to time, the "Engagement Letter"), by and among GE Capital Markets, Inc., General Electric Capital Corporation and Pliant Corporation.

Section 5 of the Engagement Letter, "Alternative Financing", is hereby amended and modified by deleting such section in its entirety and inserting the following in lieu thereof:

"5. Alternative Financing.

If GE Capital provides the Commitment Letter, you agree that, if you or any of your respective subsidiaries determine to proceed during the period from the date hereof to the date that is one year following the End Date (as defined below), in lieu of the Revolving Credit Facility with GECM and GE Capital in the roles contemplated hereby, with any other bank or loan financing in connection with the Plan of Reorganization (provided such Plan of Reorganization is proposed, sponsored, co-sponsored or otherwise supported by the Debtors) (any such financing being an "**Alternate Financing**"), you or such subsidiary will appoint GE Capital as sole administrative agent and sole collateral agent (on terms acceptable to GE Capital and reasonably acceptable to you) and appoint GECM as sole lead arranger and sole bookrunner, for such Alternate Financing unless we do not agree to take such Alternate Financing to market (on terms of such Alternate Financing or on other terms acceptable to GECM and reasonably acceptable to you). In addition, if GE Capital provides the Commitment Letter, and you do not accept such commitment for any reason, then, if any person other than GECM or GE Capital as applicable provides or arranges any Alternate Financing (notwithstanding a willingness on the part of GECM to take to market the Revolving Credit Facility or such Alternate Financing), you agree to pay to GECM or its designee an amount equal to [REDACTED] of the Revolving Credit Facility (which amount shall be based on an aggregate \$135,000,000 financing), due immediately upon the consummation of such Alternate Financing."

Section 14 of the Engagement Letter, "Acceptance and Termination", is hereby amended and modified by (a) deleting the reference to "May 14, 2009" in such section and replacing such date with "May 22, 2009" and (b) deleting the reference to "May 29, 2009" in such section and replacing such date with "June 11, 2009".

This letter agreement shall be effective as of the date set forth above only upon the execution and delivery hereof by the parties hereto. Except as otherwise expressed herein, the terms and conditions of the Engagement Letter shall remain in full force and effect, and each of the parties thereto hereby reserve the right to require strict compliance in the future with all terms and conditions of the Engagement Letter.

This letter agreement reflects the entire understanding of the parties with respect to the matters contemplated hereby and shall not be contradicted or qualified by any other agreement, oral or written, before the date hereof.

This letter agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall be deemed to constitute but one and the same agreement. Delivery of an executed counterpart of this letter agreement by facsimile or other electronic transmission shall be equally as effective as delivery of an original executed counterpart of this letter agreement. Any party delivering an executed counterpart of this letter agreement by facsimile or other electronic transmission also shall deliver an original executed counterpart of this letter agreement, but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this letter agreement.

This letter agreement shall be determined under, governed by and construed in accordance with the laws of the State of New York.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties have entered into this letter agreement of the date first above written.

GE CAPITAL MARKETS, INC.

By: _____
Name:
Title:

GENERAL ELECTRIC CAPITAL CORPORATION

By: _____
Name:
Title:

PLIANT CORPORATION

By: _____
Name:
Title: