

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
)	Case No. 08-12001 (CSS)
Portola Packaging, Inc., et al., ¹)	Jointly Administered
)	
Debtors.)	

**SUMMARY OF PLAN OF REORGANIZATION AND NOTICE OF COMBINED HEARING ON
(I) DISCLOSURE STATEMENT AND (II) CONFIRMATION OF PREPACKAGED PLAN OF
REORGANIZATION AND OTHER RELATED MATTERS**

NOTICE IS HEREBY GIVEN as follows:

1. On August 27, 2008 (the "Petition Date"), the above-captioned debtors (collectively, the "Debtors") filed with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") a proposed plan of reorganization (the "Prepackaged Plan") and a proposed disclosure statement (the "Disclosure Statement") pursuant to sections 1125 and 1126(b) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "Bankruptcy Code"). Copies of the Prepackaged Plan and the Disclosure Statement may be obtained upon request of the Debtors' counsel at the address specified below and are on file with the Clerk of the Bankruptcy Court, 844 King Street, Wilmington, Delaware 19801, where they are available for review between the hours of 9:00 a.m. — 4:30 p.m. (prevailing Eastern Time). The Prepackaged Plan and Disclosure Statement also are available for inspection on the Bankruptcy Court's internet site at www.deb.uscourts.gov or the Debtors' internet site at www.portpack.com.²
2. The Prepackaged Plan is a "prepackaged" plan of reorganization. The primary purpose of the Prepackaged Plan is to effectuate the restructuring of the Debtors' capital structure in order to bring them into alignment with the Debtors' present and future operating prospects and to provide the Debtors with greater liquidity. Presently, based on the current outlook, the funds expected to be generated by the Debtors' operation of their business and other sources will not be sufficient to meet the Debtors' debt service requirements and satisfy their debt obligations unless the restructuring is consummated.

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number, are: Portola Packaging, Inc. (2719); Great Lakes Sales Associates, LLC (5646); Northern Engineering and Plastics Corporation (Delaware) (2493); Northern Engineering and Plastics Corporation (Puerto Rico) (2493); Northern Plastics Corporation – Puerto Rico (Pennsylvania) (2883); Portola Allied Tool, Inc. (1811); and Portola Tech International, Inc. (1487). The location of the Debtors' corporate headquarters and the service address for all Debtors is: 951 Douglas Road, Batavia, IL 60510.

² The statements contained herein are summaries of the provisions contained in the Disclosure Statement and the Prepackaged Plan and do not purport to be precise or complete statements of all the terms and provisions of the Prepackaged Plan or documents referred therein. For a more detailed description of the Prepackaged Plan, please refer to the Disclosure Statement. Capitalized terms used and not otherwise defined in this section shall have the meanings ascribed to them in the Prepackaged Plan.

The Debtors believe that the restructuring will reduce uncertainty with respect to their future and better position them to develop and maintain new customers.

3. Below is a table highlighting the dates relevant to the Solicitation Procedures and setting forth the dates for the Confirmation Hearing and the Objection Deadline (as defined below):

Timetable	
Objection Deadline	September 29, 2008
Reply Date (if any)	October 3, 2008
Confirmation Hearing	October 6, 2008

Discharge, Injunctions, Exculpation and Releases

4. The Prepackaged Plan contains the following provisions:

a. Discharge.

Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Prepackaged Plan, the distributions, rights, and treatment that are provided in the Prepackaged Plan shall be in complete satisfaction, discharge, and release, effective as of the Effective Date, of Claims (including any Intercompany Claims resolved or compromised after the Effective Date by the Reorganized Debtors in accordance with Article III.B.5(b) of the Prepackaged Plan), Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Prepackaged Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by employees of the Debtors prior to the Effective Date and that arise from a termination of employment or a termination of any employee or retiree benefit program, regardless of whether such termination occurred prior to or after the Effective Date, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not: (1) a Proof of Claim or Interest based upon such debt, right, or Interest is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code; (2) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (3) the Holder of such a Claim or Interest has accepted the Prepackaged Plan. Any default by the Debtors or their Affiliates with respect to any Claim or Interest that existed immediately prior to or on account of the filing of the Chapter 11 Cases shall be deemed cured on the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Interests subject to the Effective Date occurring, except as otherwise expressly provided in the Prepackaged Plan. Nothing in this paragraph shall impair the police or regulatory powers of the United States of America or any Governmental Unit thereof. The actions of the Securities and Exchange Commission that (1) are non-pecuniary, (2) do not relate to collection of a Claim, or (3) do not pursue injunctions that could be reduced to a monetary Claim, are not discharged under Article VIII.A of the Prepackaged Plan.

b. Terms of Injunctions or Stays.

Except as otherwise expressly provided in the Prepackaged Plan or for obligations issued pursuant to the Prepackaged Plan, all Entities who have held, hold, or may hold Claims or Interests that have been released pursuant to Article VIII.D of the Prepackaged Plan or Article VIII.F of the Prepackaged Plan, discharged pursuant to Article VIII.A of the Prepackaged Plan, or are subject to exculpation pursuant to

Article VIII.E of the Prepackaged Plan are permanently enjoined, from and after the Effective Date, from taking any of the following actions against the Debtors or the Reorganized Debtors: (1) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims or Interests; (2) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree or order against such Entities on account of or in connection with or with respect to any such Claims or Interests; (3) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or estates of such Entities on account of or in connection with or with respect to any such Claims or Interests; (4) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property or Estates of such Entities on account of or in connection with or with respect to any such Claims or Interests unless such Holder has Filed a motion requesting the right to perform such setoff on or before the Confirmation Date, and notwithstanding an indication in a Proof of Claim or Interest or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to section 553 of the Bankruptcy Code or otherwise; and (5) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims or Interests released or settled pursuant to the Prepackaged Plan. Nothing in the Prepackaged Plan or Confirmation Order shall preclude any Entity from pursuing an action against one or more of the Debtors in a nominal capacity to recover insurance proceeds so long as the Debtors or Reorganized Debtors, as applicable, and any such Entity agree in writing that such Entity will: (1) waive all Claims against the Debtors or Reorganized Debtors, the Reorganized Debtors, and the Estates related to such action and (2) enforce any judgment on account of such Claim solely against applicable insurance proceeds, if any.

c. Exculpation.

To the extent permitted by applicable law and approved by the Bankruptcy Court, the Debtors and Reorganized Debtors, GECC (in its capacities as agent, lender and L/C Issuer (as defined in the First Lien Agreement) of Letters of Credit (as defined in the First Lien Agreement) under the First Lien Agreement and, if applicable, the GECC/Wayzata DIP Credit Facility), the Wayzata Entities, the members of the Informal Noteholders' Committee and their respective successors, predecessors, control persons, members, officers, directors, employees and agents solely in such capacities (including any attorneys, financial advisors, restructuring advisors, investment bankers, accountants, and other professionals retained by such persons), and the Exculpated Parties to the extent not already enumerated herein, shall have no liability to any holder of a Claim or Interest for any act or omission in connection with, or arising out of, the negotiation of the Restructuring Support Agreement (including the Restructuring Term Sheet), the negotiation and the pursuit of approval of the Disclosure Statement, the Prepackaged Plan or the solicitation of votes for, or confirmation of, the Prepackaged Plan, the funding of the Prepackaged Plan, the consummation of the Prepackaged Plan, or the administration of the Prepackaged Plan or the property to be distributed under the Prepackaged Plan, or conduct, acts, or omissions in connection with the Chapter 11 Cases, *provided, however*, that nothing herein shall be construed to exculpate any Person or Entity from fraud, willful misconduct, or criminal misconduct.

d. Releases by the Debtors.

Pursuant to section 1123(b) of the Bankruptcy Code, and except as otherwise specifically provided in the Prepackaged Plan or the Plan Supplement, for good and valuable consideration, including the service of the parties released in this subparagraph, to facilitate the expeditious reorganization of the Debtors and the implementation of the restructuring contemplated by the Prepackaged Plan, upon the occurrence of the Effective Date, each of the Debtors and Reorganized Debtors shall release GECC (in its capacities as agent, lender and L/C Issuer (as defined in the First Lien Agreement) under the First Lien Agreement and, if applicable, the GECC/Wayzata DIP Credit Facility) and the Wayzata Entities (in all of their capacities under the Second Lien Agreement, Indenture and, if applicable, the GECC/Wayzata DIP Credit Facility), and their respective directors, officers, agents, professionals and financial and legal advisors, and employees from any and all claims, interests, obligations, rights, suits, damages, causes of action, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, that any of the Debtors, the Debtors' Estates or Reorganized Debtors would have been legally

entitled to assert (whether individually or collectively), relating to any act, omission, transaction, event or other occurrence taking place on or prior to the Effective Date.

e. Releases by Holders of Claims and Interests.

Except as otherwise specifically provided in the Prepackaged Plan or Plan Supplement, (i) upon the occurrence of the Effective Date, Wayzata, the members of the Informal Noteholders Committee, individually and collectively, shall release the existing directors, officers, agents, professionals and financial and legal advisors, and employees of the Debtors and Reorganized Debtors from any and all claims, interests, obligations, rights, suits, damages, causes of action, remedies, and liabilities whatsoever relating to the Debtors and Reorganized Debtors, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, that members of the Informal Noteholders Committee would have been legally entitled to assert (whether individually or collectively), relating to any act, omission, transaction, event or other occurrence taking place on or prior to the Effective Date solely in their capacity, as the case may be, as a director, officer, agent, professional or financial and legal advisor, or employee of the Debtors or Reorganized Debtors; *provided, however*, that nothing herein shall be construed to release any person or entity from fraud, willful misconduct, or criminal misconduct; and (ii) upon the occurrence of the Effective Date, if (a) all First Lien Obligations and, if applicable all DIP Facility Claims of GECC under any GECC/Wayzata DIP Credit Facility, have been indefeasibly paid in full in Cash, and (b) the Bankruptcy Court has finally Allowed all of GECC's Claims as a fully secured Claim, then GECC (in its capacities as agent, lender and L/C Issuer (as defined in the First Lien Agreement) of Letters of Credit (as defined in the First Lien Agreement) under the First Lien Agreement and, if applicable, the GECC/Wayzata DIP Credit Facility) shall release the existing directors, officers, agents, professionals and financial and legal advisors, and employees of the Debtors and Reorganized Debtors from any and all claims, interests, obligations, rights, suits, damages, causes of action, remedies, and liabilities whatsoever relating to the Debtors and Reorganized Debtors, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, that GECC (solely in its capacities under the First Lien Agreement and, if applicable, the GECC/Wayzata DIP Credit Facility) would have been legally entitled to assert (whether individually or collectively), relating to any act, omission, transaction, event or other occurrence taking place on or prior to the Effective Date solely in their capacity, as the case may be, as a director, officer, agent, professional or financial and legal advisor, or employee of the Debtors and Reorganized Debtors; *provided, however*, that nothing herein shall be construed to release any Person or entity from fraud, willful misconduct, or criminal misconduct.

Hearing on Confirmation of the Prepackaged Plan and the Adequacy of the Disclosure Statement

5. The hearing to consider compliance with the disclosure requirements, any objections to the Disclosure Statement, confirmation of the Prepackaged Plan, any objections thereto and any other matter that may properly come before the Court shall be held before the Honorable Christopher S. Sontchi, United States Bankruptcy Judge, in Room 6 of the United States Bankruptcy Court, 544 King Street, Wilmington, Delaware, 19801, on October 6, 2008 at 10:00 a.m. (prevailing Eastern Time) (the "Confirmation Hearing"). The Confirmation Hearing may be adjourned from time to time without further notice other than an announcement of the adjourned date or dates in open court or at the Confirmation Hearing and will be available on the electronic case filing docket.
6. Any objections to the Prepackaged Plan must be in writing; conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware; state the name and address of the objecting party and the amount and nature of the Claim or Interest of such Entity; state with particularity the basis and nature of any objection to the Prepackaged Plan and, if practicable, a proposed modification to the Prepackaged Plan that would

resolve such objection; and be filed, together with proof of service, with the Bankruptcy Court and served so that they are **ACTUALLY RECEIVED** no later than **September 29, 2008**, by (a) counsel to the Debtors, **Kirkland & Ellis LLP, 200 East Randolph Street, Chicago, Illinois 60601, Attn: David A. Agay and Jeffrey W. Gettleman and Young Conaway Stargatt & Taylor, LLP, 1000 West Street, 17th Floor, PO Box 391, Wilmington, Delaware 19801, Attn: Edmon L. Morton and Sean T. Greecher**; (b) the Office of the United States Trustee for the District of Delaware, **844 King Street, Suite 2207, Wilmington, DE 19801 (Attn.: David L. Buchbinder, Esq.)**; (c) counsel to General Electric Capital Corporation, **Latham & Watkins LLP, Sears Tower, Suite 5800, 233 South Wacker Drive, Chicago, IL 60606 (Attn.: Peter P. Knight, Esq. and Caroline A. Reckler, Esq.)**; (d) counsel to Wayzata Investment Partners LLC, **Akin Gump Strauss Hauer & Feld LLP, 590 Madison Avenue, New York, NY 10022-2524 (Attn.: Ira S. Dizengoff, Esq.)**; and (e) counsel for the Informal Noteholders Committee, **Akin Gump Strauss Hauer & Feld LLP, 1333 New Hampshire Avenue, N.W., Washington, DC 20036-1564 (Attn.: Scott L. Alberino, Esq.)**. **UNLESS AN OBJECTION IS TIMELY SERVED AND FILED IN ACCORDANCE WITH THIS NOTICE, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT.**

You are advised to carefully review and consider the Prepackaged Plan, including the discharge, injunction, indemnification obligations and release provisions, as your rights might be affected.

The following chart summarizes the treatment provided by the Prepackaged Plan to each class of Claims and Interests and indicates the acceptance or rejections of the Prepackaged Plan by each class entitled to vote.

Class	Claims and Interests	Status	Accept/Reject	Treatment of Allowed Claims	Approximate Recovery
1	Senior Secured Debt Claims	Unimpaired	Deemed to Accept	To the extent not rolled up or refinanced from a GECC/Wayzata DIP Credit Facility on or prior to the Effective Date or repaid from the proceeds of a Third-Party DIP Credit Facility on or prior to the Effective Date, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Senior Secured Debt Claim that remains outstanding as of the Effective Date, if any, each Holder of a Senior Secured Debt Claim shall be indefeasibly paid in full in Cash from the proceeds of the Exit Facility upon the closing thereof on the Effective Date.	100%

2	Second Lien Debt Claims	Impaired		In full and final satisfaction, settlement, release, and discharge of and in exchange for each Second Lien Debt Claim, each Holder of such Second Lien Debt Claim shall receive the following treatment: on or as soon as practicable after the Effective Date, such Holders, at the election of Wayzata, shall (i) be indefeasibly paid in full in Cash from the proceeds of the Exit Facility, to the extent such proceeds are available, upon the closing thereof on the Effective Date, or (ii) receive their Pro Rata share of New Second Lien Term Loans, or (iii) be afforded such other treatment as acceptable to the Wayzata Entities (<i>provided, however,</i> that any such other treatment will render Second Lien Debt Claims Impaired; and <i>further provided,</i> that the outstanding First Lien Obligations and, if applicable, any outstanding amounts owed to GECC under a GECC/Wayzata DIP Credit Facility must be indefeasibly repaid in full in Cash prior to the repayment of any outstanding Second Lien Obligations, and, if applicable, amounts owed to the Wayzata Entities under a GECC/Wayzata DIP Credit Facility).	100% ³
3	Senior Note Claims ⁴	Impaired		In full and final satisfaction, settlement, release, and discharge of and in exchange for each Senior Note Claim, each Holder of such Senior Note Claim shall receive the following treatment: on or as soon as reasonably practicable after the Effective Date, in exchange for their Allowed Senior Note Claims against the Debtors and Non-Debtor Subsidiaries (inclusive of principal and interest accrued through the Petition Date), each Holder of Senior Notes shall receive, on a Pro Rata basis, 100% of the New Common Stock, subject to dilution on account of the Management Incentive Program and New Warrants.	56%

³ The Second Lien Debt Claims' additional interest permitted under section 1.2(c) of the Second Lien Credit Agreement shall be reduced from two (2) to one (1) percent.

⁴ Wayzata Investment Partners LLC and certain funds it manages and advises (the "Wayzata Entities") are the majority holders of Senior Note Claims against the Debtors, as well as the holders of the Second Lien Debt Claims. In addition, the Wayzata Entities are one of the Debtors' post-petition DIP Lenders.

4	Other Unsecured Claims	Unimpaired	Deemed to Accept	Except to the extent that a Holder of an Other Unsecured Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Other Unsecured Claim, each Holder of such Other Unsecured Claim shall be paid in full in Cash, or otherwise receive such treatment as to render such Holder Unimpaired. An Other Unsecured Claim that is not due and payable on or before the Effective Date shall be paid thereafter (i) in the ordinary course of business in accordance with applicable law or the terms of any agreement that governs such Other Unsecured Claim or (ii) in accordance with the course of practice between the Debtors and such Holder with respect to such Other Unsecured Claim.	100%
5	Intercompany Claims	Unimpaired	Deemed to Accept	In full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Intercompany Claim, each Allowed Intercompany Claim shall be Reinstated on the Effective Date except as otherwise agreed to by the Debtors with the consent of Wayzata, which consent shall not be unreasonably withheld. After the Effective Date, the Reorganized Debtors, in their sole discretion, shall have the right to resolve or compromise Allowed Intercompany Claims without approval of the Bankruptcy Court.	100%
6	Equity Interests	Impaired		On the Effective Date, all Equity Interests shall be deemed canceled and extinguished, and shall be of no further force and effect. On or as soon as reasonably practicable after the Effective Date (subject to Article III.E. of the Prepackaged Plan), in full and final settlement of all disputes or controversies in connection with the Chapter 11 Cases, the Restructuring Support Agreement, and the Restructuring Term Sheet, Holders of Equity Interests shall receive New Warrants, which New Warrants shall be distributed to Holders of Equity Interests Pro Rata.	.9 million to 1.5 million ⁵

⁵ This range is the Company's best estimate of the recovery for Class 6 Equity Interests. The Company determined the range using the Black-Scholes model without taking into account Pro Rata distributions to Class 6 Equity Interests and is based on information known to date and reflected in the Disclosure Statement.

7	Section 510(b) Claims	Impaired	Deemed to Reject	On the Effective Date, all Section 510(b) Claims shall be deemed canceled and extinguished, and shall be of no further force and effect.	0.00%
8	Intercompany Interests	Unimpaired	Deemed to Accept	In full and final satisfaction, settlement, release, and discharge of and in exchange for each Intercompany Interest, Intercompany Interests shall be Reinstated for the benefit of the Holders thereof.	100%

Dated: Wilmington, Delaware
September 3, 2008

BY ORDER OF THE COURT

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