

January 24, 2006

Dennis Highberger, Mayor
Mike Amyx, Vice-Mayor
Sue Hack, Commissioner
Mike Rundle, Commissioner
David Schauner, Commissioner

CITY OF LAWRENCE
1301 Vermont
Lawrence, Kansas 66044

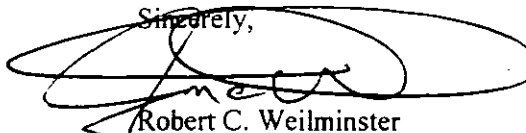
Dear City Commission,

On behalf of Packerware Corporation, a wholly owned subsidiary of Berry Plastics Corporation, we are requesting City Commission approval on the following pursuant to our City of Lawrence Application for Property Tax Abatement and/or Industrial Revenue Bonds filed on December 22, 2005:

1. City of Lawrence approved taxable IRB issuances for the phased acquisition of equipment. Pursuant to State law, the equipment acquired with IRB proceeds is 100% exempt from property taxes, thus a Payment In Lieu of Taxes (PILOT) agreement equal to 10% of the annual taxes due will be executed. The PILOT revenues will be received by the various taxing jurisdictions levying property taxes. The PILOT payments will reflect the status of machinery and equipment under State law; e.g. if State law is amended to remove property taxes on the acquired machinery and equipment, the property taxes will be completely removed and there will be no PILOT payments or revenues.
2. City of Lawrence approved abatement for 90% tax abatement of the annual taxes due under the provisions of the Constitution of the State of Kansas for property taxes on the real property improved as part of the phased project.
3. A cooperating agreement among the taxing jurisdictions and Berry Plastics with payments to be specifically directed to the Lawrence School District (USD 497) equal to \$120,000 in total, to be paid in equal annual installments of \$12,000 over 10 years. This second agreement is a specific requirement of the City's approval of the project and will be paid by Berry Plastics regardless of the property tax status of the machinery and equipment.

Thank you for your consideration of our request.

Sincerely,



Robert C. Weilminster
Vice President of Corporate Development

A SUBSIDIARY OF

BERRY
PLASTICS
CORPORATION