

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

---

**FORM 8-K**

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported)

March 29, 2012 (March 23, 2012)

---

**Tredegar Corporation**

(Exact name of Registrant as specified in charter)

Virginia

(State or other jurisdiction of incorporation)

1-10258

(Commission file number)

54-1497771

(IRS employer identification no.)

1100 Boulders Parkway, Richmond, Virginia  
(Address of principal executive offices)

23225  
(Zip code)

Registrant's telephone number, including area code

(804) 330-1000

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
- 
-

**Item 5.02      Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

*Consulting Agreement*

On March 28, 2012, Tredegar Corporation (the “Company”) entered into a consulting agreement with MOMO Partners LLC, a Virginia limited liability company, a company owned by Monica Moretti (the “Consulting Agreement”). Under the terms of the Consulting Agreement, Ms. Moretti will perform consulting services for the Company and Tredegar Film Products Corporation and its subsidiaries that are mutually agreed to by the parties commencing on May 1, 2012 and continuing until April 30, 2013. The Consulting Agreement will automatically renew for additional 12-month terms unless either party gives notice of termination to the other prior to the anniversary of the Consulting Agreement. The Company or Ms. Moretti may terminate the Consulting Agreement upon 60 days’ notice to the other party. The Company will pay Ms. Moretti an hourly fee of \$300 for each hour in which she performs the consulting services required under the Consulting Agreement. It is expected that the total annual fee to be paid by the Company to Ms. Moretti under the Consulting Agreement will be approximately \$144,000.

The Company also extended the period during which Ms. Moretti may exercise any options to purchase shares of the Company’s common stock that have vested but remain unexercised on the effective date of her resignation of her employment, which will be April 30, 2012, from three months following the effective date of her resignation to November 30, 2012. The expiration date of the affected options was not modified; all affected options will continue to expire according to their original terms and all options, to the extent not vested on the effective date of her resignation, will be forfeited.

The foregoing description of the Consulting Agreement does not purport to be complete and is qualified in its entirety by reference to the Consulting Agreement, a copy of which is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

*Change in Control Agreements*

On March 23, 2012, the Company entered into change in control severance agreements (the “Change in Control Agreements”) with each of Kevin A. O’Leary, the Company’s Vice President, Chief Financial Officer and Treasurer, and A. Brent King, the Company’s Vice President, General Counsel and Secretary, each effective March 23, 2012.

If during the term of the Change in Control Agreements Mr. O’Leary or Mr. King, as applicable, is terminated without cause (as defined in the Change in Control Agreements) or resigns with good reason (as defined in the Change in Control Agreements), during the 90-day period before a change in control (as defined in the Change in Control Agreements), or before the second anniversary of a change in control (a “Covered Termination”), he will be entitled to a payment equal to two times his base salary plus two times his target bonus (as defined in the Change in Control Agreements).

The Change in Control Agreements include provisions regarding outstanding equity or equity-based awards in the event of a Covered Termination. Specifically, unvested option awards that would vest solely on account of continued employment will be vested and will remain exercisable until the expiration date of the option, and unvested restricted stock awards and stock unit awards that would vest solely on account of continued employment will be vested. However, outstanding options, restricted stock and stock units that would vest based on the attainment of performance objectives will remain outstanding and will vest or become exercisable only to the extent that the performance objectives are achieved.

In the event of a Covered Termination, Mr. O'Leary or Mr. King, as applicable, also will be entitled to reimbursement of premiums paid for continued health plan coverage under COBRA for up to 18 months of coverage.

In addition, under the terms of the Change in Control Agreements and in consideration of the Company's promise to pay benefits in accordance with the terms of the Change in Control Agreements, Messrs. O'Leary and King covenant, for a two-year period, not solicit or attempt to solicit, directly or indirectly, the Company's or an affiliate's customers and not to render any services for a competitor that are substantially similar to those Mr. O'Leary or Mr. King, as applicable, provided to the Company or an affiliate. Messrs. O'Leary and King also covenant, for a one-year period, not to offer employment to, hire, solicit, or cause to be solicited or recruited, directly or indirectly, any employee of the Company or any affiliate for the purpose of having such employee terminate his or her employment with the Company or any affiliate.

The Change in Control Agreements have an initial term that ends on January 30, 2015. However, if a change in control occurs on or before January 30, 2015, the term of the Change in Control Agreements will end on the later of January 30, 2015 or the day before the second anniversary of the change in control.

The foregoing description of the Change in Control Agreements does not purport to be complete and is qualified in its entirety by reference to the Change in Control Agreements, copies of which are attached hereto as Exhibits 10.2 and 10.3 and are incorporated herein by reference.

**Item 9.01. Financial Statement and Exhibits.**

(d) *Exhibits.*

10.1 Consulting Agreement, dated March 28, 2012, between the Company and MOMO Partners LLC and Monica Moretti

10.2 Change in Control Severance Agreement, effective March 23, 2012, between the Company and Kevin A. O'Leary

10.3 Change in Control Severance Agreement, effective March 23, 2012, between the Company and A. Brent King

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: March 29, 2012

**TREDEGAR CORPORATION**

By: /s/ A. Brent King

A. Brent King

Vice President, General Counsel and Secretary

**EXHIBIT INDEX**

<b>Exhibit No.</b>	<b>Description</b>
<a href="#"><u>10.1</u></a>	Consulting Agreement, dated March 28, 2012, between the Company and MOMO Partners LLC and Monica Moretti
<a href="#"><u>10.2</u></a>	Change in Control Severance Agreement, effective March 23, 2012, between the Company and Kevin A. O'Leary
<a href="#"><u>10.3</u></a>	Change in Control Severance Agreement, effective March 23, 2012, between the Company and A. Brent King

CONSULTING AGREEMENT

**THIS CONSULTING AGREEMENT** (“Agreement”) shall be effective as May 1, 2012 (the “Effective Date”), by and between **Tredegear Corporation**, a Virginia corporation, acting on its own behalf and on behalf of its applicable subsidiaries and affiliates (“Company”), and MOMO Partners LLC, a Virginia limited liability company (“Consultant”).

In consideration of the premises and mutual covenants contained herein and intending to be legally bound hereby, the parties hereto agree as follows:

1. Retention as Consultant. Company hereby retains Consultant to render certain consulting and advisory services to Company and Consultant hereby agrees to perform such services on the terms and conditions set forth herein. The Company shall have no obligation to work with, or pay for the Services (as hereinafter defined) of any employee of Consultant other than Monica Moretti.

2. Duties of Consultant. Consultant hereby agrees to perform the services set forth in Exhibit A attached hereto made a part hereof, as may be amended from time to time, and such other services as are mutually agreed to in writing between the parties (collectively, the “Services”). To the extent that Consultant desires to perform its Services at the offices of the Company, Company shall make such office space available to the Consultant, and for the purposes of scheduling Company understands that Consultant generally expects to be at the Company’s offices from 8:30 a.m. to 2:30 p.m. on Wednesday and Thursday of each week during the term of this Agreement (“Regular Office Hours”), provided, however that such Regular Office Hours may vary in order to accommodate scheduling and other conflicts that may arise from time to time. In addition, Consultant shall not have any obligation to perform any Services hereunder and/or to make Ms. Moretti available to the Company hereunder during any days of (a) the months of July and August, (b) the last two weeks of December, or (c) the first week of January, except as Consultant may elect in its sole discretion.

Consultant represents and warrants that the Services will reflect the level of skill, knowledge and judgment reasonably expected or required of consultants performing comparable services, and that the Services will be performed strictly in accordance with the terms of this Agreement.

3. Compensation. In return for the Services to be provided hereunder, Consultant will be paid a monthly fee of \$12,000 (the “Consulting Fee”). The amount of this Consulting Fee is based on an hourly fee of \$300 per hour (the “Hourly Fee”), and the parties’ expectation that in performing the Services hereunder Consultant’s aggregate monthly hours averaged over the term of this Agreement will approximate 48 hours per month for an annual aggregate of 480 hours. If in any Initial Term (as such capitalized term is hereinafter defined) or any Renewal Term (as such capitalized term is hereinafter defined), the Consultant’s actual annual hours worked fall below or above 480 hours, the parties hereby agree to resolve the discrepancy in a fair and equitable manner based on the amount that would have been invoiced had the Consultant’s time been billed based on an Hourly Fee rather than the Consulting Fee. Any such credit or payment as the parties shall agree to shall be resolved within thirty (30) days after the end of the applicable Initial Term or Renewal Term.

---

The Consulting Fee shall be Consultant's sole compensation for the Services, and Consultant shall bear its own out-of-pocket costs and expenses (including travel, overhead and office expenses) incurred in connection with the Services, unless Company specifically agrees in advance to pay such expenses. In the event Company agrees to compensate Consultant for any costs or expenses, Company shall reimburse Consultant for its actual and reasonable costs and expenses; provided that Consultant obtain Company's prior written approval to incur such costs and expenses and provided that Consultant forwards documents evidencing such costs or expenses to Company with the invoice covering such costs or expenses. Consultant shall submit invoices to Company on a monthly basis giving a full breakdown of all time spent and all materials used. Company shall pay each invoice within thirty (30) days of the date of receipt thereof; however, if Company objects to all or any portion of any invoice, Company shall notify Consultant of the same, give reasons for the objection and pay only that portion of the invoice not in dispute. Consultant and Company's representative shall confer to resolve any disputed invoices.

4. Scope of Services. Nothing in this Agreement shall be interpreted or construed to obligate Company to retain Consultant exclusively, for the performance of any specific amount of services, or to any time frame for requiring such services. Company shall be free to utilize the services of other consultants.

5. Place Where Services Will Be Rendered. Consultant will perform the Services under this Agreement at its offices, at the Company's offices in Richmond, VA and such other locations as mutually agreed.

6. Reporting. Consultant will provide, upon Company's request, oral and/or written reports to Company's Chief Executive Officer, or such other person as the Chief Executive Officer may designate from time to time. Such reports shall include, but not be limited to, updates on the specific Services.

7. Independent Contractor. Consultant agrees, and Ms. Moretti agrees, that it and she are independent contractors. Nothing in this Agreement or to be done pursuant to its terms and conditions is intended to, nor shall it, create a partnership, joint venture, principal-agent or employer-employee relationship between Company and Consultant or the Company and Ms. Moretti. Consultant shall be responsible for all taxes and recordkeeping in connection with amounts paid to it hereunder and neither Consultant nor Ms. Moretti shall have any right to participate in any of Company's employee benefit or welfare plans (other than any rights which have previously vested by virtue of Ms. Moretti's former employment with the Company).

8. Term. The term of this Agreement will commence as of the Effective Date and shall continue for one year thereafter (the "Initial Term"). After the Initial Term, this Agreement will automatically renew for subsequent one year term(s) (each a "Renewal Term") unless earlier terminated as provided herein.

9. Termination. Notwithstanding Section 8 hereof, this Agreement may be terminated at any time during the Initial Term or any Renewal Term hereof by either the Company or the Consultant with at least sixty (60) days prior written notice to the other party and specifying the early termination date (the "Early Termination Date"). Termination of this Agreement shall not affect Consultant's right to receive any accrued but unpaid portions of the Consulting Fee, but any such payment shall be based on the Hourly Fee and the time actually worked from the beginning of the applicable Initial Term or Renewal Term until the Early Expiration Date. As a result, the Consultant hereby acknowledges and agrees that it may be required to refund to the Company a portion of the aggregate amount of the Consulting Fee previously paid by the Company if the hours actually worked are less than the amount paid based on the Hourly Fee amount, and such payment shall be made within thirty (30) days of the Early Termination Date. Notwithstanding this Section 9, the Company shall have no obligation to make any payment of the accrued but unpaid portions of the Consulting Fee if such termination is a result of a material breach by Consultant of the terms of this Agreement or Consultant's willful misconduct or negligence in the performance of the Services.

10. Confidential Information. Consultant acknowledges that in her performance of the Services, Consultant will acquire information and materials from Company that are and shall be considered confidential and proprietary. For purposes of this Agreement, "Confidential Information" shall mean written, graphic, oral, or computerized information and/or data relating to operations, sales, pricing, marketing, engineering, legal, technical, systems or financial aspects of Company and/or the Services. Consultant agrees to hold the Confidential Information in strict confidence, not to disclose it to others or to use it in any way, except as is necessary in the performance of the Services, and not to allow any unauthorized person access thereto, either before or after expiration or termination of this Agreement, without the prior written consent of Company in each instance. Confidential Information may include, without limitation, records, procedures, contracts, reports, charts, schedules, plans, analyses, programs, surveys, statistical information, maps and engineering documents, and any information related thereto. Confidential Information shall also include, without limitation, all memoranda, notes, reports, and documents relating to any Confidential Information, and all copies and extracts and all computer-generated studies and data developed relating to any Confidential Information. Confidential Information shall not include any information which (a) is or becomes available to the public other than through breach of a duty of confidentiality, (b) was properly in the possession of Consultant prior to obtaining it from Company, free from any duty of confidentiality or (c) otherwise lawfully becomes available to Consultant free from any duty of confidentiality. Information which would otherwise be deemed confidential hereunder but which has been given to Consultant by Company prior to the formal execution of this Agreement, or was known by Ms. Moretti in connection with her previous employment with the Company, shall be deemed to be covered and subject to the terms of this Agreement.

Consultant agrees to hold the Confidential Information in strict confidence and take all actions reasonably necessary and satisfactory to Company to protect the confidentiality of the Confidential Information. At the request of Company, or in any event upon termination of this Agreement or the Services, Consultant will return to Company any written or other materials Consultant has received from Company in connection with the performance of this Agreement. It is expressly agreed and acknowledged that disclosure of any of the Confidential Information may irreparably harm Company and that money damages for such breach will not be adequate or measurable. Therefore, it is agreed that Company may, in addition to money damages, seek such equitable remedies as it may deem appropriate to minimize its damages, including, but not limited to, seeking a temporary restraining order, temporary injunction or permanent injunction. Should Consultant have actual knowledge of a breach, it agrees to cooperate with Company in seeking and obtaining such court orders as Company reasonably deems appropriate. The duties set forth in this Section 10 shall survive the termination or expiration of this Agreement.



11. Proprietary Information. Consultant agrees that all work product of Consultant developed in connection with this Agreement (the “Company’s Property”), including without limitation any memoranda, reports, notes, documents, software (including source code), processes, analyses, programs, operations, products, specifications, improvements or other property, shall be deemed to be a work made for hire, belonging exclusively to Company, with Company having the right to obtain and to hold in its own name copyrights, registrations, or such other protections as may be appropriate to the subject matter, and any extension or renewals thereof. Consultant agrees that it shall, at Company’s request, do whatever is necessary to secure Company’s rights to the Company’s Property by assignment, copyright, patent or otherwise, provided that Consultant shall be entitled to reimbursement of its reasonable out-of-pocket costs in connection with complying with such request by Company.

In performing the services hereunder, Consultant agrees that it shall not use any material or product, including without limitation any software, processes, operations, reports, or documents, the use of which by it or Company could constitute or result in an infringement or other violation of any copyright, trade secret, trademark, patent, or other proprietary right of any third party.

12. Non-Competition, Non-Solicitation, Non-Interference, Exclusivity.

(a) Consultant acknowledges that in the course of providing the Services pursuant to this Agreement it will become familiar with Company’s employees, customers, suppliers and trade secrets and with other Confidential Information. Therefore, Consultant agrees that, during the term of this Agreement and for two years following termination or expiration of this Agreement, as applicable (the “Non-Interference Period”), it will not directly or indirectly through another person (i) induce or attempt to induce any employee of Company to leave the employ of Company, or in any way interfere with the relationship between Company and any employee thereof, (ii) hire any person who was an employee of Company at any time during the term of this Agreement, or (iii) induce or attempt to induce any customer, supplier, licensee or other business relation of Company to cease doing business with the Company, or in any way interfere with the relationship between any such customer, supplier, licensee or business relation and Company.

(b) During the Non-Interference Period, Consultant agrees that it will not directly or indirectly through another person take any action that might interfere with or disrupt Company’s business or its relationships with its customers, suppliers or employees.

(c) Consultant agrees that during the term of this Agreement and for two years following termination or expiration of this Agreement, as applicable, it will not directly or indirectly, either for itself or any other person, own, manage, control, participate in, consult with, render services to or for or in any manner engage in any business competing with the businesses of Company or its subsidiaries for which Consultant performed Services as such businesses exist or are in process on the date of the termination or expiration of this Agreement, as applicable, within any geographical area in which Company or its subsidiaries engage in such businesses or to Consultant's knowledge, plan to engage in such businesses (the "Competing Business"), provided that such services to the Competing Business encompass services that are the same or substantially similar to the Services provided hereunder.

(d) Consultant agrees that it will not directly or indirectly share any Confidential Information learned during the course of this Agreement, whether directly or indirectly learned from the Company or in the course of performing its Services hereunder, with any Competing Business of Company, except for disclosures that may be expressly authorized in Section 10 of this Agreement.

(e) Consultant agrees that the acknowledgements and agreements made in subsections (a), (b), (c) and (d) of this Section 12 are independent and severable.

13. Compliance with Laws and Company Rules. Consultant shall comply with all applicable laws, rules, and regulations applicable to performance of the Services. Consultant shall not make any representations or warranties for or on behalf of Company to any person or entity.

Consultant also certifies that Company has provided Consultant a copy of, and that Consultant has read, understands and agrees to abide by the provisions of, the Tredegar Corporation Code of Conduct. In the event Consultant enters onto any premises owned or controlled by Company, such employee shall comply with all rules, policies and procedures of Company, including without limitation those relating to health, safety and security. Consultant further agrees to take such further and other measures as may be prudent to avoid accidents and the creation of hazardous situations in the performance of its work hereunder or while Consultant employees are on premises owned or controlled by Company.

14. Insurance. Consultant shall procure and maintain in effect appropriate insurance coverage as the Company and Consultant shall mutually agree is necessary to appropriately reflect the nature of Consultant's business and the Services to be provided hereunder.

15. Indemnity. Consultant assumes full responsibility for its safety while carrying out the Services under this Agreement and shall indemnify and hold harmless Company, its affiliates and their officers, employees, directors and agents (the "Indemnitees") from all claims, liabilities, costs and expenses (including reasonable attorneys' fees), that arise out of or result from Consultant's performance of the Services; provided, however, that nothing herein shall require Consultant to indemnify, hold harmless or defend an Indemnitee from claims arising solely from such Indemnitee's negligence or willful misconduct. The obligations to indemnify hereunder shall survive the expiration or termination of this Agreement.

16. Intellectual Property/Proprietary Information. Consultant shall respect all trademark, copyright and patent rights of Company (which include, but are not limited to, Company's brand names, designs, emblems, slogans and insignia) and shall not make, use or sell material reflecting such rights for any purpose without the express permission of Company. Consultant shall not sell or distribute or cause to be sold or distributed to anyone other than Company, either directly or indirectly, any goods or materials which display or incorporate any of Company's trademarks, copyrighted material or patents. Consultant shall not use Company's name in connection with promotions, advertisement, or for any other purpose without advance express written permission by an authorized representative of Company. All written work product produced by Consultant under this Agreement shall be deemed work for hire and shall belong to Company.

17. Subcontracting/Assignment. Consultant shall have no right, without the prior written approval of Company, to subcontract to any third party any or all of the performance of the Services or to assign all or any part of this Agreement, and any attempt to subcontract or assign all or any part of this Agreement in violation of this provision shall be void and without effect. In the event Company approves any such subcontracting or assignment, Consultant shall ensure that any such subcontractor or assignee shall agree in writing to abide by the confidentiality provisions of Section 10 above.

18. Remedies. Consultant acknowledges that its failure to comply with any of the provisions of this Agreement will irreparably harm the business of Company, and that Company will not have an adequate remedy at law in the event of such non-compliance. Therefore, Consultant acknowledges that Company shall be entitled to injunctive relief and/or specific performance in addition to whatever other remedies it may have, at law or in equity, in any court of competent jurisdiction against any acts of non-compliance by Consultant under this Agreement.

19. Notices. Any notice provided for in this Agreement will be in writing and will be either personally delivered, sent by reliable overnight courier, telecopied (if applicable) or mailed by first class mail, return receipt requested, to the recipient at the address below indicated:

Notices to Consultant:

MOMO Partners LLC  
8520 Hampton Crossing Court  
Chesterfield, Virginia 23832  
Attention: Monica Moretti  
Telephone Number: (804) 519-3006

Notices to Company:

Tredegar Corporation  
1100 Boulders Parkway  
Richmond, Virginia 23225  
Attention: General Counsel  
Telephone Number: (804) 330-1174  
Facsimile Number: (804) 330-1010

or such other address or to the attention of such other person as the recipient party will have specified by prior written notice to the sending party. Any notice under this Agreement will be deemed to have been given when so delivered, sent, telecopied or mailed.

20. Severability. Whenever possible, each provision of this Agreement will be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

21. Complete Agreement. This Agreement, together with the documents incorporated herein and attached hereto, embodies the complete agreement and understanding among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way. For illustrative purposes only, the Employee Non-Compete Agreement Ms. Moretti signed with Tredegar Film Products Corporation, Bright View Technologies Corporation, Terphane, Incorporated and Terphane Limitada dated January 5, 2012 survives the execution of this Agreement.

22. Counterparts. This Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

23. Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Consultant, Company and their respective heirs, successors and assigns, except that Consultant may not assign its rights or delegate its obligations hereunder without the prior written consent of Company.

24. Governing Law. All questions concerning the construction, validity and interpretation of this Agreement will be governed by and construed in accordance with the domestic laws of the Commonwealth of Virginia, without giving effect to any choice of law provision or rule (whether of Commonwealth of Virginia or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the Commonwealth of Virginia.

25. Amendment and Waiver. The provisions of this Agreement may be amended or waived only with the prior written consent of Company and Consultant, and no course of conduct or failure or delay in enforcing the provisions of this Agreement will affect the validity, binding effect or enforceability of this Agreement.

IN WITNESS WHEREOF, THE PARTIES HAVE CAUSED THIS AGREEMENT TO BE EXECUTED BY THEIR DULY AUTHORIZED OFFICERS AS OF THE DAY AND YEAR FIRST WRITTEN ABOVE.

**TREDEGAR CORPORATION**

By:     /s/ Nancy M. Taylor    

Name:     Nancy M. Taylor      
      (print)

Title:     President and CEO    

Date:     March 28, 2012    

**MOMO PARTNERS LLC**

By:     /s/ Monica Moretti    

Name:     Monica Moretti      
      (print)

Title:     Owner    

Date:     March 28, 2012    

The undersigned, Monica Moretti, in her individual capacity, hereby agrees to comply with and be bound by the provisions contained in Section 10 and Section 12 hereof.

    /s/ Monica Moretti    

Name:     Monica Moretti    

Date:     March 28, 2012

**SERVICES**

Consultant desires to work with the Company on various strategic and marketing projects to be identified by the Chief Executive Officer or such other person as the Chief Executive Officer shall designate in writing (the "Designee"). For each project, a detailed project plan, including scope of work, milestones and/or deliverables will be developed. Once such projects are developed and agreed to in writing by Consultant and the Chief Executive Officer or the Designee, such written agreement shall automatically supplement and amend this Exhibit A.

**CHANGE IN CONTROL SEVERANCE AGREEMENT**

THIS CHANGE IN CONTROL SEVERANCE AGREEMENT (the "Agreement") is made and entered into effective as of the 23<sup>rd</sup> day of March, 2012, between TREDEGAR CORPORATION, a Virginia corporation (the "Company") and KEVIN A. O'LEARY (the "Executive"). Certain capitalized terms used in this Agreement are defined in Section 4.

WHEREAS, the Company acknowledges that the Executive has made, and is expected to make, significant contributions to the growth and success of the Company and its Affiliates; and

WHEREAS, the Company recognizes that the possibility of a Change in Control may contribute to uncertainty on the part of the Executive with respect to the Executive's continued employment and may result in the distraction of the Executive from the Executive's operating responsibilities to the Company and its Affiliates; and

WHEREAS, the Company wishes to provide the Executive assurances regarding the benefits that will be payable to the Executive in the event the Executive's employment with the Company and its Affiliates is terminated without Cause or on account of the Executive's resignation with Good Reason within a specified period before or after a Change in Control, subject to the terms and conditions set forth in this Agreement; and

WHEREAS, the Company is willing to provide such assurances only in accordance with the terms and conditions of this Agreement and most especially in exchange for the Executive's covenants and promises set forth in Section 3 of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and obligations set forth in this Agreement and the compensation and benefits the Company agrees herein to pay the Executive and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Executive agree as follows:

1. **Term of Agreement.** The Effective Date of this Agreement is March 23, 2012. The Term of this Agreement begins on the Effective Date and ends on January 30, 2015. Notwithstanding the preceding sentence, if a Control Change Date occurs on or before January 30, 2015, the Term of this Agreement shall end on the later of (i) January 30, 2015 and (ii) the day before the second anniversary of the Control Change Date.

2. **Severance Benefits.**

2.01. **Eligibility for Benefits.** The Executive shall be entitled to receive the benefits described in this Section 2 (the "Severance Benefits") if a Control Change Date occurs before January 30, 2015 and, during the period beginning 90 days before the Control Change Date and ending on the second anniversary of the Control Change Date (i) the Company terminates the Executive's employment with the Company and its Affiliates without Cause or (ii) the Executive resigns from the employment of the Company and its Affiliates and the Executive has Good Reason to resign.

---

2.02. Severance Pay. If the requirements of Section 2.01 are satisfied, the Company shall pay the Executive the amount equal to two times the sum of (i) the Executive's Base Salary plus (ii) the Executive's Target Bonus (the "Severance Pay"). The Severance Pay shall be paid in a single cash payment, less deductions for applicable income and employment taxes. Subject to Section 6, the Severance Pay shall be paid within five business days after the later of (i) the date the Executive's employment with the Company and its Affiliates terminates and (ii) the date that the release required under Section 2.06 becomes effective.

2.03. Long-Term Incentives. If the requirements of Section 2.01 are satisfied, outstanding equity or equity-based awards granted to the Executive under the Company's 2004 Equity Incentive Plan (or a successor plan) (the "Equity Plan") that are not earned, vested or exercisable on or before the termination of the Executive's employment or on account of the Change in Control shall be earned, become vested or become exercisable as described in the following paragraphs (a) and (b), as applicable.

(a) In the case of awards that are earned, become vested or become exercisable solely on account of the Executive's continued employment with the Company and its Affiliates (i) outstanding options to purchase Company stock granted to the Executive under the Equity Plan shall become exercisable, in whole or in part, for the shares that remain subject to the option, as of the date the Executive's employment terminates and shall remain exercisable until the expiration date of the option (as if the Executive's employment did not terminate), (ii) outstanding stock awards, *i.e.*, shares of restricted stock granted to the Executive under the Equity Plan, shall become vested and transferable as of the date the Executive's employment terminates and (iii) outstanding stock unit awards granted to the Executive under the Equity Plan shall be earned (for the maximum number of units that may be earned under the award) and settled in cash, Company stock or a combination thereof in accordance with their terms as of the date the Executive's employment terminates or the date determined under Section 6.

(b) In the case of awards that are earned, become vested or become exercisable upon the achievement of performance goals, objectives or measures (i) outstanding options to purchase Company stock granted to the Executive under the Equity Plan shall remain outstanding until the end of the performance measurement period or periods and shall become exercisable thereafter, in whole or in part, to the extent that the performance goals, objectives or measures are achieved and shall remain exercisable until the expiration date of the option (as if the Executive's employment did not terminate), (ii) outstanding stock awards, *i.e.*, shares of restricted stock granted to the Executive under the Equity Plan, shall remain outstanding until the end of the performance measurement period or periods and shall become vested and transferable to the extent that the performance goals, objectives or measures are achieved, (iii) dividends payable on stock awards described in the preceding clause (ii) after the date the Executive's employment terminates shall be retained by the Company and paid to the Executive to the extent that the underlying stock award becomes vested and transferable and (iv) outstanding stock unit awards granted to the Executive under the Equity Plan shall remain outstanding until the end of the performance measurement period or periods and shall be earned to the extent that the performance goals, objectives or measures are achieved.



2.04. **Health Benefits.** If the requirements of Section 2.01 are satisfied, the Company shall reimburse the Executive the amount that the Executive pays for continued medical, dental and vision coverage under the health plan of the Company or an Affiliate pursuant to Code section 4980B for the Executive and the Executive's "qualified beneficiaries" (as defined in Code section 4980B). The Company shall reimburse the Executive for the cost of such coverage until the earlier of (i) the date that the Executive or qualified beneficiary is no longer entitled to continued coverage under Code section 4980B or (ii) the end of the eighteenth month of such coverage. The first reimbursement payment shall be made on the date that is six months after the date the Executive's employment terminates (and shall include reimbursement for amounts paid by the Executive for such coverage after the Executive's termination). Thereafter, the Company's reimbursement payments shall be paid to the Executive on the fifteenth day of the calendar month following the month in which the Executive paid the cost of such coverage.

2.05. **Other Benefits.** Except as specifically provided in this Section 2, the Executive's right to receive benefits under other plans, programs and arrangements maintained by the Company or an Affiliate shall be governed by the terms of such other plans, programs and arrangements that are applicable to terminated participants.

2.06. **Release.** Notwithstanding any other provision of this Section 2, no Severance Benefits will be paid or provided to, or on behalf of, the Executive under Section 2.02, 2.03 or 2.04 unless and until the Executive has signed a release and waiver of claims acceptable to the Company in substantially the same form as set forth in Exhibit I and such release and waiver of claims has become binding and irrevocable.

2.07. **Forfeiture of Severance Benefits.** The Executive shall forfeit the right to receive the Severance Benefits (other than the benefits described in Section 2.05) if the Executive breaches any of the covenants set forth in Section 3. If the Executive breaches any of the covenants set forth in Section 3, the Executive shall be liable to the Company for the repayment of any Severance Benefits (other than the benefits described in Section 2.05) previously paid to the Executive.

3. **Executive's Covenants.** In consideration of the Company's agreement to pay the benefits in accordance with Section 2 and in recognition of the services that the Executive provides to the Company and its Affiliates that are conducting, or intend to conduct, business in worldwide markets, the Executive agrees to the covenants set forth in this Section 3.

3.01. **Non-Competition Covenant.** During the Executive's employment with the Company or an Affiliate and for a period of two (2) years following the date of the Executive's Separation from Service (the "Restriction Period"), the Executive will not, either as a principal, agent, employee, employer, consultant, co-partner or otherwise, or in any other individual or representative capacity, directly or indirectly, render any services for a Competitor that are substantially similar to those the Executive rendered for the Company or an Affiliate.

3.02. **Non-Solicitation of Customers.** During the Restriction Period, the Executive will not, either as a principal, agent, employee, employer, consultant, co-partner or otherwise, or in any other individual or representative capacity, directly or indirectly, divert or solicit or attempt to divert or solicit, in whole or in part, any Customer with whom the Executive had Material Contact, or do business with any Customer with whom the Executive had Material Contact, for the purpose of providing products that are the same or substantially the same as, or in competition with, products provided by the Company or any Affiliate at the time of Executive's Separation from Service.

3.03. Non-Recruitment Covenant. During the Executive's employment with the Company or an Affiliate and for a period of one (1) year following the date of the Executive's Separation from Service, the Executive will not, either as a principal, agent, employee, employer, consultant, co-partner or otherwise, or in any other individual or representative capacity, directly or indirectly offer employment to or hire any employee of the Company or any Affiliate who was employed by the Company or any Affiliate at the time of Executive's Separation from Service or within six (6) months prior to such Separation from Service, or solicit, or cause to be solicited or recruited, any such employee of the Company or any Affiliate for the purpose of having such employee terminate his or her employment with the Company or any Affiliate.

3.04. Executive's Acknowledgements. The Company conducts and intends to continue to conduct its business and the business of its Affiliates in worldwide markets, including but not limited to: the United States, Canada, Brazil, Europe, China, and other foreign countries, regions, and territories. The Executive acknowledges that such global markets are highly competitive and that there are limited numbers of customers for the products of the Company and its Affiliates with whom developing relationships is difficult. The Executive agrees that the employment restrictions set forth herein are fair and reasonable in time, function, customer base and geography and are no greater than necessary to protect the legitimate business interests of the Company and its Affiliates.

3.05. Secrecy Agreement. The Executive has entered into, or no later than March 31, 2012, will enter into, the Employee Secrecy Agreement Relating to Inventions, Know How, Patents and Trade Secrets Information with the Company (the "Secrecy Agreement"). The Executive reaffirms the Executive's obligations under the Secrecy Agreement and agrees to comply with the Secrecy Agreement (and any successor written agreement relating to such matters that the Executive may execute in the future).

3.06. Reporting Obligation. The Executive agrees that during the Restriction Period the Executive will disclose to the Company any employment obtained by the Executive. Such disclosure shall be made within two weeks of the Executive obtaining such employment. The Company shall maintain the confidentiality of such disclosure until the date that the Executive's new employment is in the public domain; provided, however, that the Executive expressly consents to and authorizes the Company to disclose to any of the Executive's subsequent employers and prospective employers both the existence and terms of this Agreement, to take any steps the Company deems necessary to enforce this Agreement and to make such disclosures, if any, that are required by law.

3.07. Company Remedies. In the event that the Executive fails to abide by the employment and other restrictions herein, the Company shall have the right to:

(a) forego payment to the Executive of any unpaid and unearned discretionary compensation and revoke any form of compensation that has not been definitively granted or earned;

(b) seek legal remedies including, but not limited to, recovery from the Executive of damages, lost profits, amounts previously paid under Sections 2.02, 2.03 and 2.04 and reasonable attorneys' fees incurred in the enforcement of the Executive's promises herein; and/or

(c) obtain a temporary restraining order without further notice to the Executive and/or a preliminary injunction or other equitable relief to prevent such breach or threatened breach.

3.08. No Waiver, etc. The Company's remedies for breach of this Agreement shall be cumulative, and the pursuit of one remedy shall not be deemed to exclude other remedies. No delay or omission by the Company or the Executive in exercising any right, remedy or power hereunder existing in law or equity shall be construed as a waiver thereof, and any such right, remedy or power may be exercised by either of the parties from time to time and as often as may be deemed expedient or necessary by each party in that party's sole discretion. The Executive further agrees that no breach of this Agreement or any other agreement by the Company, shall constitute a defense to the Company's enforcement of Sections 3.01, 3.02 and 3.03 of this Agreement in accordance with the terms set forth therein.

3.09. Interpretation of Covenants. It is the desire and intent of the parties hereto that the provisions of this Agreement shall be enforced to the fullest extent legally permissible. Accordingly, if any particular provision of this Agreement shall be adjudicated to be invalid or unenforceable, the court may modify or sever such provision and such modification or deletion shall apply only with respect to the operation of such provision in the particular jurisdiction in which such adjudication is made. In addition, if any one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to duration, geographical scope, activity or subject, it shall be constructed by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable law as it shall then appear. The remaining provisions of this Agreement shall remain in full force and effect.

4. **Definitions.** As used in this Agreement, certain terms have the definitions set forth below.

4.01. Affiliate. "Affiliate" means any trade or business, whether or not incorporated, which together with the Company is treated as a single employer under Code section 414(b) or is deemed to be under common control under Code section 414(c).

4.02. Base Salary. "Base Salary" means the Executive's annual rate of base salary as in effect on the date that the Executive's employment with the Company and its Affiliates terminates; provided, however, that if the Executive resigns from the employment of the Company and its Affiliates for Good Reason and the basis for the resignation is, or includes, a material reduction in the Executive's annual rate of base salary, then "Base Salary" means the Executive's annual rate of base salary as in effect prior to such reduction.

4.03. Board. "Board" means the Board of Directors of the Company.

4.04. Cause. "Cause" means (i) the Executive's willful conduct that is demonstrably and materially injurious to the Company or an Affiliate, monetarily or otherwise; (ii) the Executive's breach of a covenant set forth in Section 3; (iii) the Executive's breach of the Executive's fiduciary duties to the Company or an Affiliate; (iv) the Executive's conviction of any crime (or entering a plea of guilty or *nolo contendere* to any crime) constituting a felony; or (v) the Executive's entering into an agreement or consent decree or being the subject of any regulatory order that in any of such cases prohibits the Executive from serving as an officer or director of a company that has publicly traded securities. A termination of the Executive shall not be for "Cause" unless the decision to terminate the Executive is set forth in a resolution of the Board to that effect and which specifies the particulars thereof and that is approved by a majority of the members of the Board (exclusive of the Executive if the Executive is a member of the Board) adopted at a meeting called and held for such purpose (after reasonable notice to the Executive and an opportunity for the Executive to be heard before the Board). No act or failure to act by the Executive will be deemed "willful" if it was done or omitted to be done by the Executive in good faith or with a reasonable belief on the part of the Executive that the action or omission was in the best interest of the Company or an Affiliate. Any act or failure to act by the Executive based upon authority given pursuant to a resolution duly adopted by the Board or based on the advice of counsel to the Company shall be conclusively presumed to be done or omitted to be done by the Executive in good faith and in the best interest of the Company and its Affiliates.

4.05. Change in Control. "Change in Control" means the occurrence of any of the following events:

(1) Any Person or group (within the meaning of Sections 13(d)(3) and 14(d)(2) of the Exchange Act) (other than a Person who is not an Acquiring Person), at any time becomes the Beneficial Owner of 50% or more of the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Voting Securities"), other than (i) through an acquisition of Voting Securities directly from the Company, (ii) as a result of the Company's repurchase of Voting Securities if, thereafter, such Beneficial Owner purchases no additional Voting Securities, or (iii) pursuant to a Business Combination (as defined below) that does not constitute a Change in Control pursuant to subparagraph (3) below.

(2) Continuing Directors cease to constitute a majority of the members of the Board other than pursuant to a Business Combination that does not constitute a Change in Control pursuant to subparagraph (3) below;

(3) Consummation of a reorganization, merger, share exchange or consolidation (a "Business Combination"), in each case, unless immediately following such Business Combination, (i) all or substantially all of the Persons who were the Beneficial Owners, respectively, of the Company's common stock and Voting Securities outstanding immediately prior to such Business Combination Beneficially Own more than 80% of, respectively, the then outstanding shares of the common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Company common stock and Voting Securities, as the case may be, (ii) no Person (other than a Person who is not an Acquiring Person) Beneficially Owns 50% or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such corporation and (iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination are Continuing Directors; or

(4) The Company effects a complete liquidation or dissolution of the Company or completes a sale or other disposition of all or substantially all of the assets of the Company, in each case, unless immediately following such liquidation, dissolution, sale or other disposition, (i) more than 80% of, respectively, the then outstanding shares of common stock of such corporation and the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors is then Beneficially Owned by all or substantially all of the Persons who were the Beneficial Owners, respectively, of the Company common stock and Voting Securities outstanding immediately prior to such sale or other disposition in substantially the same proportion as their ownership, immediately prior to such sale or other disposition, of such Common Stock and Voting Securities, as the case may be, (ii) less than 20% of, respectively, the then outstanding shares of common stock of such corporation and the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors is then Beneficially Owned by any Person (other than any Person who is not an Acquiring Person), and (iii) at least a majority of the members of the board of directors of such corporation are Continuing Directors immediately following such sale or disposition.

For purposes of the definition of Change of Control, the terms Acquiring Person, Beneficial Owner, Company, Continuing Director, and Person shall have the same definitions given them in the Amended and Restated Rights Agreement between Tredegar Corporation and National City Bank, dated as of June 30, 2009.

4.06. Code. “Code” means the Internal Revenue Code of 1986, as amended. Any reference to a particular section of the Code includes any successor provision to that particular Code section.

4.07. Competitor. “Competitor” means any person, firm, business or other organization or entity that designs, develops, produces, offers for sale or sells products that are in competition with the products of the Company or an Affiliate as designed, developed, produced, offered for sale or sold by the Company or an Affiliate at the time of Executive’s Separation from Service.

4.08. Control Change Date. “Control Change Date” means the date on which a Change in Control occurs. If a Change in Control occurs on account of a series of transactions or events, the Control Change Date is the date of the last of such transactions or events.

4.09. Customer. “Customer” means any person or entity to whom or which the Company or an Affiliate provided services or sold products within the two year period preceding the date of reference.

4.10. Good Reason. “Good Reason” means, without the express written consent of the Executive (i) a change in the Executive’s position with the Company or an Affiliate which results in a material diminution of the Executive’s authority, duties or responsibilities; (ii) a material reduction by the Company or an Affiliate in the annual rate of the Executive’s base salary; (iii) a change in the location of the Executive’s principal office to a different place that is more than fifty miles from the Executive’s principal office immediately prior to such change or (iv) the Company’s material breach of this Agreement. A reduction in the Executive’s rate of annual base pay shall be material if the rate of annual base salary on any date is less than ninety percent (90%) of the Executive’s highest rate of annual base pay as in effect on any date in the preceding thirty-six (36) months; provided, however, that a reduction in the Executive’s rate of annual base pay shall be disregarded to the extent that the reduction is applied similarly to the Company’s other officers. Notwithstanding the two preceding sentences, a change in the Executive’s duties or responsibilities or a reduction in the annual rate of the Executive’s base salary in connection with the Executive’s termination of employment (for Cause, disability or retirement), shall not constitute Good Reason and the Executive shall not have Good Reason to resign solely because the Company does not have common stock or other securities that are publicly traded. A resignation by the Executive shall not be with “Good Reason” unless the Executive gives the Company written notice specifying the event or condition that the Executive asserts constitutes Good Reason, the notice is given no more than ninety days after the occurrence of the event or initial existence of the condition that the Executive asserts constitutes Good Reason and the Company has failed to remedy or cure the event or condition during the thirty day period after such written notice is given to the Company.

4.11. Material Contact. “Material Contact” means (i) any personal or direct contact the Executive had with any Customer, (ii) the Executive’s supervision of others who had direct or personal contact with any Customer or (iii) the supervision, by a person subject to the Executive’s supervision, of others who had personal contact with any Customer, in each case for the purpose of selling or offering for sale any product or service.

4.12. Net After Tax Receipt. “Net After Tax Receipt” means the Present Value of the total Parachute Payments or the Reduced Amount, as applicable, net of all taxes imposed on the Executive with respect thereto under Code sections 1 and 4999, determined by applying the highest marginal rate under Code section 1 which applied to the Executive’s taxable income for the immediately preceding taxable year.

4.13. Parachute Payment. “Parachute Payment” means a payment (under this Agreement or any other plan, agreement or arrangement) that is described in Code section 280G(b)(2), determined in accordance with Code section 280G and the regulations thereunder.

4.14. Present Value. “Present Value” means the value determined in accordance with Code section 280G(d)(4) and the regulations thereunder.

4.15. Reduced Amount. “Reduced Amount” means the largest amount of Parachute Payments that is less than the total Parachute Payments and that may be paid to the Executive without subjecting the Executive to tax under Code section 4999.

4.16. Separation from Service. “Separation from Service” means the termination of the Executive’s employment with the Company and its Affiliates, determined in a manner consistent with the requirements of Treasury Regulation section 1.409A-1(b). In accordance with, and subject to, the requirements of Treasury Regulation section 1.409A-1(b), the Executive will experience a Separation from Service when the facts and circumstances indicate that the Executive and the Company reasonably anticipate that either (i) no further services will be performed by the Executive for the Company or an Affiliate after such date (whether as an employee or independent contractor) or (ii) the bona fide services to be performed by the Executive (whether as an employee or independent contractor) after such date would permanently decrease to no more than twenty percent of the average level of such services provided by the Executive over the thirty-six month period immediately preceding such date. If the Executive provides services to the Company or an Affiliate both as an employee and a member of the Board or a member of the board of directors of an Affiliate, the services that the Executive provides as a director shall not be taken into account in determining whether the Executive has experienced a Separation from Service to the extent provided in Treasury Regulation section 1.409A-1(h).

4.17. Specified Employee. “Specified Employee” means a “specified employee” as defined in Treasury Regulation section 1.409A-1(i). Whether the Executive is a Specified Employee shall be determined using December 31 as the “specified employee identification date” under Treasury Regulation section 1.409A-1(i) and a “specified employee effective date” of the April 1 following the applicable “specified employee identification date.”

4.18. Target Bonus. “Target Bonus” means the target annual bonus established for the Executive for the calendar year that includes the date on which the Executive’s employment with the Company and its Affiliates terminates. If the target annual bonus has not been established for the Executive on the date that such employment terminates, the “Target Bonus” shall be the target annual bonus established for the Executive for the preceding calendar year.

4.19. Trade Secrets. “Trade Secrets” means any information of the Company or an Affiliate relating to an existing or documented future invention, service, technology, concept, design, pattern, process, compound, formula, program, device, tool, compilation or information, method or technique, including information relating to any research, development, manufacture, purchasing, engineering, know-how, business plan, sales or market method, method of doing business, customers, raw materials, customer usages or requirements, or supplier information, which is owned or licensed by the Company or an Affiliate or held in confidence by the Company or an Affiliate and that is not generally known to the public or to Competitors.

5. **Code Section 280G.** Notwithstanding any other provision of this Agreement, if it is determined that benefits or payments payable under this Agreement, taking into account other benefits or payments provided under other plans, agreements or arrangements, constitute Parachute Payments that would subject the Executive to tax under Code section 4999, it must be determined whether the Executive will receive the total Parachute Payments or the Reduced Amount. The Executive will receive the Reduced Amount if the Reduced Amount results in equal or greater Net After Tax Receipts than the Net After Tax Receipts that would result from the Executive receiving the total Parachute Payments.

If it is determined that the total Parachute Payments should be reduced to the Reduced Amount, the Company must promptly notify the Executive of that determination, including a copy of the detailed calculations by an accounting firm or other professional organization qualified to make the calculation that was selected by the Company and acceptable to the Executive (the "Accounting Firm"). The Company shall pay the fees and expenses of the Accounting Firm. All determinations made by the Accounting Firm under this Section 5 are binding upon the Company and the Executive.

It is the intention of the Company and the Executive to reduce the Parachute Payments under this Agreement and any other plan, agreement or arrangement only if the aggregate Net After Tax Receipts to the Executive would thereby be increased. As a result of the uncertainty in the application of Code section 4999 at the time of the initial determination by the Accounting Firm, however, it is possible that amounts will have been paid or distributed to or for the benefit of the Executive which should not have been so paid or distributed ("Overpayment") or that additional amounts which will not have been paid or distributed to or for the benefit of the Executive should have been so paid or distributed ("Underpayment"), in each case, consistent with the calculation of the Reduced Amount. If the Accounting Firm, based either upon the assertion of a deficiency by the Internal Revenue Service against the Company or the Executive which the Accounting Firm believes has a high probability of success or controlling precedent or other substantial authority, determines that an Overpayment has been made, any such Overpayment must be treated (if permitted by applicable law) for all purposes as a loan *ab initio* for which the Executive must repay the Company together with interest at the applicable federal rate under Code section 7872(f)(2); *provided, however*, that no such loan may be deemed to have been made and no amount shall be payable by the Executive to the Company if and to the extent such deemed loan and payment would not either reduce the amount on which the Executive is subject to tax under Code section 4999 or generate a refund of such taxes. If the Accounting Firm, based upon controlling precedent or other substantial authority, determines that an Underpayment has occurred, the Accounting Firm must promptly notify the Company of the amount of the Underpayment and such amount, together with interest at the applicable federal rate under Code section 7872(f)(2) must be paid to the Executive.

If it is determined that the total Parachute Payments should be reduced to the Reduced Amount, then the reduction shall first apply to Parachute Payments that are not subject to Code section 409A (and by first reducing such payments that are not payable in cash and then by reducing cash payments) and thereafter, if necessary, by reducing Parachute Payments that are subject to Code section 409A (and by first reducing such payments that are not payable in cash and then by reducing cash payments).



6. **Code Section 409A.** This Agreement and the amounts payable and other benefits provided under this Agreement are intended to comply with, or otherwise be exempt from, Section 409A of the Code (“Section 409A”), after giving effect to the exemptions in Treasury Regulation section 1.409A-1(b)(3) through (b)(12). This Agreement shall be administered, interpreted and construed in a manner consistent with Section 409A. If any provision of this Agreement is found not to comply with, or otherwise not be exempt from, the provisions of Section 409A, it shall be modified and given effect, in the sole discretion of the Board and without requiring the Executive’s consent, in such manner as the Board determines to be necessary or appropriate to comply with, or to effectuate an exemption from, Section 409A; provided, however, that in exercising its discretion under this Section 6, the Board shall modify this Agreement in the least restrictive manner necessary. Each payment under this Agreement shall be treated as a separate identified payment for purposes of Section 409A.

With respect to any reimbursement of expenses of, or any provision of in-kind benefits to, the Executive, as specified under this Agreement, such reimbursement of expenses or provision of in-kind benefits shall be subject to the following limitations: (i) the expenses eligible for reimbursement or the amount of in-kind benefits provided in one taxable year shall not affect the expenses eligible for reimbursement or the amount of in-kind benefits provided in any other taxable year, except for any medical reimbursement arrangement providing for the reimbursement of expenses referred to in Section 105(b) of the Code; (ii) the reimbursement of an eligible expense shall be made as specified in this Agreement and in no event later than the end of the year after the year in which such expense was incurred and (iii) the right to reimbursement or in-kind benefit shall not be subject to liquidation or exchange for another benefit.

If a payment obligation under this Agreement arises on account of the Executive’s termination of employment and such payment obligation constitutes “deferred compensation” (as defined under Treasury Regulation section 1.409A-1(b)(1), after giving effect to the exemptions in Treasury Regulation section 1.409A-1(b)(3) through (b)(12)), it shall be payable only after the Executive’s Separation from Service; provided, however, that if the Executive is a Specified Employee, any payment that is scheduled to be paid within six months after such Separation from Service shall accrue without interest and shall be paid on the first day of the seventh month beginning after the date of the Executive’s Separation from Service or, if earlier, within fifteen days after the appointment of the personal representative or executor of the Executive’s estate following the Executive’s death.

7. **No Employment Rights.** Nothing in this Agreement confers on the Executive any right to continuance of employment or service by the Company or an Affiliate. Nothing in this Agreement interferes with the right of the Company or an Affiliate to terminate the Executive’s employment or service at any time for any reason, with or without Cause, subject to the requirements of this Agreement. Nothing in this Agreement restricts the right of the Executive to terminate the Executive’s employment with the Company and its Affiliates at any time, for any reason, with or without Good Reason. If the Executive is elected or appointed to the Board, the Executive agrees that the Executive will promptly resign from membership on the Board if at any time the Board adopts a resolution that requests the Executive’s resignation from the Board.

8. **Governing Law; Venue.** The laws of the Commonwealth of Virginia shall govern all matters arising out of or relating to this Agreement including, without limitation, its validity, interpretation, construction and performance but without giving effect to the conflict of laws principles that may require the application of the laws of another jurisdiction. Any party bringing a legal action or proceeding against any other party arising out of or relating to this Agreement may bring the legal action or proceeding in the United States District Court for the Eastern District of Virginia or in any court of the Commonwealth of Virginia sitting in the City of Richmond, Virginia. Each party waives, to the fullest extent permitted by law (i) any objection it may now or later have to the laying of venue of any legal action or proceeding arising out of or relating to this Agreement brought in a court described in the preceding sentence and (ii) any claim that any legal action or proceeding brought in any such court has been brought in an inconvenient forum.

9. **Binding Agreement.** This Agreement shall be binding on and inure to the benefit of, and be enforceable by or against the Company and its successors and the Executive (and the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees). If the Executive dies while any amount remains payable to the Executive under this Agreement, all such amounts shall be paid in accordance with the terms of this Agreement to the Executive's devise, legatee or other designee, of if there is none, to the Executive's estate.

10. **No Assignment.** Except as required by applicable law, no right to receive payments under this Agreement shall be subject to anticipation, commutation, alienation, sale, assignment, encumbrance, charge, pledge or hypothecation or to execution, attachment, levy or similar process or assignment by operation of law and any attempt to effect any such action shall be null, void and no effect.

11. **Entire Agreement.** This Agreement expresses the whole and entire agreement between the parties with reference to the payment of the Severance Benefits and, except for the Secrecy Agreement, supersedes and replaces any prior agreement, understanding or arrangement (whether oral or written) by or between the Company or an Affiliate and the Executive with respect to the Severance Benefits and the Executive's covenants (other than the Secrecy Agreement).

12. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together constitute on and the same instrument.

13. **Modification of Agreement.** No waiver or modification of this Agreement shall be valid unless in writing and duly executed by the party to be charged therewith. No evidence of any waiver or modification shall be offered or received in evidence at any proceeding, arbitration or litigation between the parties unless such waiver or modification is in writing, duly authorized and executed.

14. **No Attorneys' Fees.** Except as provided in Section 3.07(b), the Company and the Executive each shall bear their costs for any attorneys' fees and any other reasonable expenses incurred in enforcing or protecting the rights of the Company or the Executive under this Agreement.

15. **Notices.** All notices, requests and other communications to any party under this Agreement shall be in writing and shall be given to such party at its address set forth below or such other address as such party may hereafter specify for the purpose of notice to the other party:

If to the Company: Tredegar Corporation  
Attn: Corporate Director of Human Resources  
1100 Boulders Parkway  
Richmond, VA 23235

With a copy to:

J. G. Ritter, II, Esq.  
Hunton & Williams LLP  
951 E. Byrd Street  
Richmond, VA 23219

If to the Executive: Mr. Kevin A. O'Leary  
6103 Moss Creek Court  
Midlothian, VA 23112

Each notice, request or other communication shall be effective if (i) given by mail, seventy-two hours after such communication is deposited in the mails with first class postage prepaid and addressed as set forth above or (ii) if given by other means, when delivered at the address prescribed by this Section 15.

IN WITNESS WHEREOF, the parties have executed this Agreement.

**KEVIN A. O'LEARY**

/s/ Kevin A. O'Leary

Dated: 3-23-12

**TREDEGAR CORPORATION**

By /s/ Nancy M. Taylor

Title: President and CEO

Dated: 3/26/12

**CHANGE IN CONTROL SEVERANCE AGREEMENT**

THIS CHANGE IN CONTROL SEVERANCE AGREEMENT (the "Agreement") is made and entered into effective as of the 23<sup>rd</sup> day of March, 2012, between TREDEGAR CORPORATION, a Virginia corporation (the "Company") and A. BRENT KING (the "Executive"). Certain capitalized terms used in this Agreement are defined in Section 4.

WHEREAS, the Company acknowledges that the Executive has made, and is expected to make, significant contributions to the growth and success of the Company and its Affiliates; and

WHEREAS, the Company recognizes that the possibility of a Change in Control may contribute to uncertainty on the part of the Executive with respect to the Executive's continued employment and may result in the distraction of the Executive from the Executive's operating responsibilities to the Company and its Affiliates; and

WHEREAS, the Company wishes to provide the Executive assurances regarding the benefits that will be payable to the Executive in the event the Executive's employment with the Company and its Affiliates is terminated without Cause or on account of the Executive's resignation with Good Reason within a specified period before or after a Change in Control, subject to the terms and conditions set forth in this Agreement; and

WHEREAS, the Company is willing to provide such assurances only in accordance with the terms and conditions of this Agreement and most especially in exchange for the Executive's covenants and promises set forth in Section 3 of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and obligations set forth in this Agreement and the compensation and benefits the Company agrees herein to pay the Executive and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Executive agree as follows:

1. **Term of Agreement.** The Effective Date of this Agreement is March 23, 2012. The Term of this Agreement begins on the Effective Date and ends on January 30, 2015. Notwithstanding the preceding sentence, if a Control Change Date occurs on or before January 30, 2015, the Term of this Agreement shall end on the later of (i) January 30, 2015 and (ii) the day before the second anniversary of the Control Change Date.

2. **Severance Benefits.**

2.01. **Eligibility for Benefits.** The Executive shall be entitled to receive the benefits described in this Section 2 (the "Severance Benefits") if a Control Change Date occurs before January 30, 2015 and, during the period beginning 90 days before the Control Change Date and ending on the second anniversary of the Control Change Date (i) the Company terminates the Executive's employment with the Company and its Affiliates without Cause or (ii) the Executive resigns from the employment of the Company and its Affiliates and the Executive has Good Reason to resign.

---

2.02. Severance Pay. If the requirements of Section 2.01 are satisfied, the Company shall pay the Executive the amount equal to two times the sum of (i) the Executive's Base Salary plus (ii) the Executive's Target Bonus (the "Severance Pay"). The Severance Pay shall be paid in a single cash payment, less deductions for applicable income and employment taxes. Subject to Section 6, the Severance Pay shall be paid within five business days after the later of (i) the date the Executive's employment with the Company and its Affiliates terminates and (ii) the date that the release required under Section 2.06 becomes effective.

2.03. Long-Term Incentives. If the requirements of Section 2.01 are satisfied, outstanding equity or equity-based awards granted to the Executive under the Company's 2004 Equity Incentive Plan (or a successor plan) (the "Equity Plan") that are not earned, vested or exercisable on or before the termination of the Executive's employment or on account of the Change in Control shall be earned, become vested or become exercisable as described in the following paragraphs (a) and (b), as applicable.

(a) In the case of awards that are earned, become vested or become exercisable solely on account of the Executive's continued employment with the Company and its Affiliates (i) outstanding options to purchase Company stock granted to the Executive under the Equity Plan shall become exercisable, in whole or in part, for the shares that remain subject to the option, as of the date the Executive's employment terminates and shall remain exercisable until the expiration date of the option (as if the Executive's employment did not terminate), (ii) outstanding stock awards, *i.e.*, shares of restricted stock granted to the Executive under the Equity Plan, shall become vested and transferable as of the date the Executive's employment terminates and (iii) outstanding stock unit awards granted to the Executive under the Equity Plan shall be earned (for the maximum number of units that may be earned under the award) and settled in cash, Company stock or a combination thereof in accordance with their terms as of the date the Executive's employment terminates or the date determined under Section 6.

(b) In the case of awards that are earned, become vested or become exercisable upon the achievement of performance goals, objectives or measures (i) outstanding options to purchase Company stock granted to the Executive under the Equity Plan shall remain outstanding until the end of the performance measurement period or periods and shall become exercisable thereafter, in whole or in part, to the extent that the performance goals, objectives or measures are achieved and shall remain exercisable until the expiration date of the option (as if the Executive's employment did not terminate), (ii) outstanding stock awards, *i.e.*, shares of restricted stock granted to the Executive under the Equity Plan, shall remain outstanding until the end of the performance measurement period or periods and shall become vested and transferable to the extent that the performance goals, objectives or measures are achieved, (iii) dividends payable on stock awards described in the preceding clause (ii) after the date the Executive's employment terminates shall be retained by the Company and paid to the Executive to the extent that the underlying stock award becomes vested and transferable and (iv) outstanding stock unit awards granted to the Executive under the Equity Plan shall remain outstanding until the end of the performance measurement period or periods and shall be earned to the extent that the performance goals, objectives or measures are achieved.

2.04. **Health Benefits.** If the requirements of Section 2.01 are satisfied, the Company shall reimburse the Executive the amount that the Executive pays for continued medical, dental and vision coverage under the health plan of the Company or an Affiliate pursuant to Code section 4980B for the Executive and the Executive's "qualified beneficiaries" (as defined in Code section 4980B). The Company shall reimburse the Executive for the cost of such coverage until the earlier of (i) the date that the Executive or qualified beneficiary is no longer entitled to continued coverage under Code section 4980B or (ii) the end of the eighteenth month of such coverage. The first reimbursement payment shall be made on the date that is six months after the date the Executive's employment terminates (and shall include reimbursement for amounts paid by the Executive for such coverage after the Executive's termination). Thereafter, the Company's reimbursement payments shall be paid to the Executive on the fifteenth day of the calendar month following the month in which the Executive paid the cost of such coverage.

2.05. **Other Benefits.** Except as specifically provided in this Section 2, the Executive's right to receive benefits under other plans, programs and arrangements maintained by the Company or an Affiliate shall be governed by the terms of such other plans, programs and arrangements that are applicable to terminated participants.

2.06. **Release.** Notwithstanding any other provision of this Section 2, no Severance Benefits will be paid or provided to, or on behalf of, the Executive under Section 2.02, 2.03 or 2.04 unless and until the Executive has signed a release and waiver of claims acceptable to the Company in substantially the same form as set forth in Exhibit I and such release and waiver of claims has become binding and irrevocable.

2.07. **Forfeiture of Severance Benefits.** The Executive shall forfeit the right to receive the Severance Benefits (other than the benefits described in Section 2.05) if the Executive breaches any of the covenants set forth in Section 3. If the Executive breaches any of the covenants set forth in Section 3, the Executive shall be liable to the Company for the repayment of any Severance Benefits (other than the benefits described in Section 2.05) previously paid to the Executive.

3. **Executive's Covenants.** In consideration of the Company's agreement to pay the benefits in accordance with Section 2 and in recognition of the services that the Executive provides to the Company and its Affiliates that are conducting, or intend to conduct, business in worldwide markets, the Executive agrees to the covenants set forth in this Section 3.

3.01. **Non-Competition Covenant.** During the Executive's employment with the Company or an Affiliate and for a period of two (2) years following the date of the Executive's Separation from Service (the "Restriction Period"), the Executive will not, either as a principal, agent, employee, employer, consultant, co-partner or otherwise, or in any other individual or representative capacity, directly or indirectly, render any services for a Competitor that are substantially similar to those the Executive rendered for the Company or an Affiliate.

3.02. **Non-Solicitation of Customers.** During the Restriction Period, the Executive will not, either as a principal, agent, employee, employer, consultant, co-partner or otherwise, or in any other individual or representative capacity, directly or indirectly, divert or solicit or attempt to divert or solicit, in whole or in part, any Customer with whom the Executive had Material Contact, or do business with any Customer with whom the Executive had Material Contact, for the purpose of providing products that are the same or substantially the same as, or in competition with, products provided by the Company or any Affiliate at the time of Executive's Separation from Service.

3.03. Non-Recruitment Covenant. During the Executive's employment with the Company or an Affiliate and for a period of one (1) year following the date of the Executive's Separation from Service, the Executive will not, either as a principal, agent, employee, employer, consultant, co-partner or otherwise, or in any other individual or representative capacity, directly or indirectly offer employment to or hire any employee of the Company or any Affiliate who was employed by the Company or any Affiliate at the time of Executive's Separation from Service or within six (6) months prior to such Separation from Service, or solicit, or cause to be solicited or recruited, any such employee of the Company or any Affiliate for the purpose of having such employee terminate his or her employment with the Company or any Affiliate.

3.04. Executive's Acknowledgements. The Company conducts and intends to continue to conduct its business and the business of its Affiliates in worldwide markets, including but not limited to: the United States, Canada, Brazil, Europe, China, and other foreign countries, regions, and territories. The Executive acknowledges that such global markets are highly competitive and that there are limited numbers of customers for the products of the Company and its Affiliates with whom developing relationships is difficult. The Executive agrees that the employment restrictions set forth herein are fair and reasonable in time, function, customer base and geography and are no greater than necessary to protect the legitimate business interests of the Company and its Affiliates.

3.05. Secrecy Agreement. The Executive has entered into, or no later than March 31, 2012, will enter into, the Employee Secrecy Agreement Relating to Inventions, Know How, Patents and Trade Secrets Information with the Company (the "Secrecy Agreement"). The Executive reaffirms the Executive's obligations under the Secrecy Agreement and agrees to comply with the Secrecy Agreement (and any successor written agreement relating to such matters that the Executive may execute in the future).

3.06. Reporting Obligation. The Executive agrees that during the Restriction Period the Executive will disclose to the Company any employment obtained by the Executive. Such disclosure shall be made within two weeks of the Executive obtaining such employment. The Company shall maintain the confidentiality of such disclosure until the date that the Executive's new employment is in the public domain; provided, however, that the Executive expressly consents to and authorizes the Company to disclose to any of the Executive's subsequent employers and prospective employers both the existence and terms of this Agreement, to take any steps the Company deems necessary to enforce this Agreement and to make such disclosures, if any, that are required by law.

3.07. Company Remedies. In the event that the Executive fails to abide by the employment and other restrictions herein, the Company shall have the right to:

(a) forego payment to the Executive of any unpaid and unearned discretionary compensation and revoke any form of compensation that has not been definitively granted or earned;

(b) seek legal remedies including, but not limited to, recovery from the Executive of damages, lost profits, amounts previously paid under Sections 2.02, 2.03 and 2.04 and reasonable attorneys' fees incurred in the enforcement of the Executive's promises herein; and/or

(c) obtain a temporary restraining order without further notice to the Executive and/or a preliminary injunction or other equitable relief to prevent such breach or threatened breach.

3.08. No Waiver, etc. The Company's remedies for breach of this Agreement shall be cumulative, and the pursuit of one remedy shall not be deemed to exclude other remedies. No delay or omission by the Company or the Executive in exercising any right, remedy or power hereunder existing in law or equity shall be construed as a waiver thereof, and any such right, remedy or power may be exercised by either of the parties from time to time and as often as may be deemed expedient or necessary by each party in that party's sole discretion. The Executive further agrees that no breach of this Agreement or any other agreement by the Company, shall constitute a defense to the Company's enforcement of Sections 3.01, 3.02 and 3.03 of this Agreement in accordance with the terms set forth therein.

3.09. Interpretation of Covenants. It is the desire and intent of the parties hereto that the provisions of this Agreement shall be enforced to the fullest extent legally permissible. Accordingly, if any particular provision of this Agreement shall be adjudicated to be invalid or unenforceable, the court may modify or sever such provision and such modification or deletion shall apply only with respect to the operation of such provision in the particular jurisdiction in which such adjudication is made. In addition, if any one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to duration, geographical scope, activity or subject, it shall be constructed by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable law as it shall then appear. The remaining provisions of this Agreement shall remain in full force and effect.

4. **Definitions.** As used in this Agreement, certain terms have the definitions set forth below.

4.01. Affiliate. "Affiliate" means any trade or business, whether or not incorporated, which together with the Company is treated as a single employer under Code section 414(b) or is deemed to be under common control under Code section 414(c).

4.02. Base Salary. "Base Salary" means the Executive's annual rate of base salary as in effect on the date that the Executive's employment with the Company and its Affiliates terminates; provided, however, that if the Executive resigns from the employment of the Company and its Affiliates for Good Reason and the basis for the resignation is, or includes, a material reduction in the Executive's annual rate of base salary, then "Base Salary" means the Executive's annual rate of base salary as in effect prior to such reduction.

4.03. Board. "Board" means the Board of Directors of the Company.



4.04. Cause. "Cause" means (i) the Executive's willful conduct that is demonstrably and materially injurious to the Company or an Affiliate, monetarily or otherwise; (ii) the Executive's breach of a covenant set forth in Section 3; (iii) the Executive's breach of the Executive's fiduciary duties to the Company or an Affiliate; (iv) the Executive's conviction of any crime (or entering a plea of guilty or *nolo contendere* to any crime) constituting a felony; or (v) the Executive's entering into an agreement or consent decree or being the subject of any regulatory order that in any of such cases prohibits the Executive from serving as an officer or director of a company that has publicly traded securities. A termination of the Executive shall not be for "Cause" unless the decision to terminate the Executive is set forth in a resolution of the Board to that effect and which specifies the particulars thereof and that is approved by a majority of the members of the Board (exclusive of the Executive if the Executive is a member of the Board) adopted at a meeting called and held for such purpose (after reasonable notice to the Executive and an opportunity for the Executive to be heard before the Board). No act or failure to act by the Executive will be deemed "willful" if it was done or omitted to be done by the Executive in good faith or with a reasonable belief on the part of the Executive that the action or omission was in the best interest of the Company or an Affiliate. Any act or failure to act by the Executive based upon authority given pursuant to a resolution duly adopted by the Board or based on the advice of counsel to the Company shall be conclusively presumed to be done or omitted to be done by the Executive in good faith and in the best interest of the Company and its Affiliates.

4.05. Change in Control. "Change in Control" means the occurrence of any of the following events:

(1) Any Person or group (within the meaning of Sections 13(d)(3) and 14(d)(2) of the Exchange Act) (other than a Person who is not an Acquiring Person), at any time becomes the Beneficial Owner of 50% or more of the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Voting Securities"), other than (i) through an acquisition of Voting Securities directly from the Company, (ii) as a result of the Company's repurchase of Voting Securities if, thereafter, such Beneficial Owner purchases no additional Voting Securities, or (iii) pursuant to a Business Combination (as defined below) that does not constitute a Change in Control pursuant to subparagraph (3) below.

(2) Continuing Directors cease to constitute a majority of the members of the Board other than pursuant to a Business Combination that does not constitute a Change in Control pursuant to subparagraph (3) below;

(3) Consummation of a reorganization, merger, share exchange or consolidation (a "Business Combination"), in each case, unless immediately following such Business Combination, (i) all or substantially all of the Persons who were the Beneficial Owners, respectively, of the Company's common stock and Voting Securities outstanding immediately prior to such Business Combination Beneficially Own more than 80% of, respectively, the then outstanding shares of the common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Company common stock and Voting Securities, as the case may be, (ii) no Person (other than a Person who is not an Acquiring Person) Beneficially Owns 50% or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such corporation and (iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination are Continuing Directors; or

(4) The Company effects a complete liquidation or dissolution of the Company or completes a sale or other disposition of all or substantially all of the assets of the Company, in each case, unless immediately following such liquidation, dissolution, sale or other disposition, (i) more than 80% of, respectively, the then outstanding shares of common stock of such corporation and the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors is then Beneficially Owned by all or substantially all of the Persons who were the Beneficial Owners, respectively, of the Company common stock and Voting Securities outstanding immediately prior to such sale or other disposition in substantially the same proportion as their ownership, immediately prior to such sale or other disposition, of such Common Stock and Voting Securities, as the case may be, (ii) less than 20% of, respectively, the then outstanding shares of common stock of such corporation and the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors is then Beneficially Owned by any Person (other than any Person who is not an Acquiring Person), and (iii) at least a majority of the members of the board of directors of such corporation are Continuing Directors immediately following such sale or disposition.

For purposes of the definition of Change of Control, the terms Acquiring Person, Beneficial Owner, Company, Continuing Director, and Person shall have the same definitions given them in the Amended and Restated Rights Agreement between Tredegar Corporation and National City Bank, dated as of June 30, 2009.

4.06. Code. “Code” means the Internal Revenue Code of 1986, as amended. Any reference to a particular section of the Code includes any successor provision to that particular Code section.

4.07. Competitor. “Competitor” means any person, firm, business or other organization or entity that designs, develops, produces, offers for sale or sells products that are in competition with the products of the Company or an Affiliate as designed, developed, produced, offered for sale or sold by the Company or an Affiliate at the time of Executive’s Separation from Service.

4.08. Control Change Date. “Control Change Date” means the date on which a Change in Control occurs. If a Change in Control occurs on account of a series of transactions or events, the Control Change Date is the date of the last of such transactions or events.

4.09. Customer. “Customer” means any person or entity to whom or which the Company or an Affiliate provided services or sold products within the two year period preceding the date of reference.

4.10. Good Reason. “Good Reason” means, without the express written consent of the Executive (i) a change in the Executive’s position with the Company or an Affiliate which results in a material diminution of the Executive’s authority, duties or responsibilities; (ii) a material reduction by the Company or an Affiliate in the annual rate of the Executive’s base salary; (iii) a change in the location of the Executive’s principal office to a different place that is more than fifty miles from the Executive’s principal office immediately prior to such change or (iv) the Company’s material breach of this Agreement. A reduction in the Executive’s rate of annual base pay shall be material if the rate of annual base salary on any date is less than ninety percent (90%) of the Executive’s highest rate of annual base pay as in effect on any date in the preceding thirty-six (36) months; provided, however, that a reduction in the Executive’s rate of annual base pay shall be disregarded to the extent that the reduction is applied similarly to the Company’s other officers. Notwithstanding the two preceding sentences, a change in the Executive’s duties or responsibilities or a reduction in the annual rate of the Executive’s base salary in connection with the Executive’s termination of employment (for Cause, disability or retirement), shall not constitute Good Reason and the Executive shall not have Good Reason to resign solely because the Company does not have common stock or other securities that are publicly traded. A resignation by the Executive shall not be with “Good Reason” unless the Executive gives the Company written notice specifying the event or condition that the Executive asserts constitutes Good Reason, the notice is given no more than ninety days after the occurrence of the event or initial existence of the condition that the Executive asserts constitutes Good Reason and the Company has failed to remedy or cure the event or condition during the thirty day period after such written notice is given to the Company.

4.11. Material Contact. “Material Contact” means (i) any personal or direct contact the Executive had with any Customer, (ii) the Executive’s supervision of others who had direct or personal contact with any Customer or (iii) the supervision, by a person subject to the Executive’s supervision, of others who had personal contact with any Customer, in each case for the purpose of selling or offering for sale any product or service.

4.12. Net After Tax Receipt. “Net After Tax Receipt” means the Present Value of the total Parachute Payments or the Reduced Amount, as applicable, net of all taxes imposed on the Executive with respect thereto under Code sections 1 and 4999, determined by applying the highest marginal rate under Code section 1 which applied to the Executive’s taxable income for the immediately preceding taxable year.

4.13. Parachute Payment. “Parachute Payment” means a payment (under this Agreement or any other plan, agreement or arrangement) that is described in Code section 280G(b)(2), determined in accordance with Code section 280G and the regulations thereunder.

4.14. Present Value. “Present Value” means the value determined in accordance with Code section 280G(d)(4) and the regulations thereunder.

4.15. Reduced Amount. “Reduced Amount” means the largest amount of Parachute Payments that is less than the total Parachute Payments and that may be paid to the Executive without subjecting the Executive to tax under Code section 4999.

4.16. Separation from Service. “Separation from Service” means the termination of the Executive’s employment with the Company and its Affiliates, determined in a manner consistent with the requirements of Treasury Regulation section 1.409A-1(b). In accordance with, and subject to, the requirements of Treasury Regulation section 1.409A-1(b), the Executive will experience a Separation from Service when the facts and circumstances indicate that the Executive and the Company reasonably anticipate that either (i) no further services will be performed by the Executive for the Company or an Affiliate after such date (whether as an employee or independent contractor) or (ii) the bona fide services to be performed by the Executive (whether as an employee or independent contractor) after such date would permanently decrease to no more than twenty percent of the average level of such services provided by the Executive over the thirty-six month period immediately preceding such date. If the Executive provides services to the Company or an Affiliate both as an employee and a member of the Board or a member of the board of directors of an Affiliate, the services that the Executive provides as a director shall not be taken into account in determining whether the Executive has experienced a Separation from Service to the extent provided in Treasury Regulation section 1.409A-1(h).

4.17. Specified Employee. “Specified Employee” means a “specified employee” as defined in Treasury Regulation section 1.409A-1(i). Whether the Executive is a Specified Employee shall be determined using December 31 as the “specified employee identification date” under Treasury Regulation section 1.409A-1(i) and a “specified employee effective date” of the April 1 following the applicable “specified employee identification date.”

4.18. Target Bonus. “Target Bonus” means the target annual bonus established for the Executive for the calendar year that includes the date on which the Executive’s employment with the Company and its Affiliates terminates. If the target annual bonus has not been established for the Executive on the date that such employment terminates, the “Target Bonus” shall be the target annual bonus established for the Executive for the preceding calendar year.

4.19. Trade Secrets. “Trade Secrets” means any information of the Company or an Affiliate relating to an existing or documented future invention, service, technology, concept, design, pattern, process, compound, formula, program, device, tool, compilation or information, method or technique, including information relating to any research, development, manufacture, purchasing, engineering, know-how, business plan, sales or market method, method of doing business, customers, raw materials, customer usages or requirements, or supplier information, which is owned or licensed by the Company or an Affiliate or held in confidence by the Company or an Affiliate and that is not generally known to the public or to Competitors.

5. **Code Section 280G.** Notwithstanding any other provision of this Agreement, if it is determined that benefits or payments payable under this Agreement, taking into account other benefits or payments provided under other plans, agreements or arrangements, constitute Parachute Payments that would subject the Executive to tax under Code section 4999, it must be determined whether the Executive will receive the total Parachute Payments or the Reduced Amount. The Executive will receive the Reduced Amount if the Reduced Amount results in equal or greater Net After Tax Receipts than the Net After Tax Receipts that would result from the Executive receiving the total Parachute Payments.

If it is determined that the total Parachute Payments should be reduced to the Reduced Amount, the Company must promptly notify the Executive of that determination, including a copy of the detailed calculations by an accounting firm or other professional organization qualified to make the calculation that was selected by the Company and acceptable to the Executive (the "Accounting Firm"). The Company shall pay the fees and expenses of the Accounting Firm. All determinations made by the Accounting Firm under this Section 5 are binding upon the Company and the Executive.

It is the intention of the Company and the Executive to reduce the Parachute Payments under this Agreement and any other plan, agreement or arrangement only if the aggregate Net After Tax Receipts to the Executive would thereby be increased. As a result of the uncertainty in the application of Code section 4999 at the time of the initial determination by the Accounting Firm, however, it is possible that amounts will have been paid or distributed to or for the benefit of the Executive which should not have been so paid or distributed ("Overpayment") or that additional amounts which will not have been paid or distributed to or for the benefit of the Executive should have been so paid or distributed ("Underpayment"), in each case, consistent with the calculation of the Reduced Amount. If the Accounting Firm, based either upon the assertion of a deficiency by the Internal Revenue Service against the Company or the Executive which the Accounting Firm believes has a high probability of success or controlling precedent or other substantial authority, determines that an Overpayment has been made, any such Overpayment must be treated (if permitted by applicable law) for all purposes as a loan *ab initio* for which the Executive must repay the Company together with interest at the applicable federal rate under Code section 7872(f)(2); *provided, however*, that no such loan may be deemed to have been made and no amount shall be payable by the Executive to the Company if and to the extent such deemed loan and payment would not either reduce the amount on which the Executive is subject to tax under Code section 4999 or generate a refund of such taxes. If the Accounting Firm, based upon controlling precedent or other substantial authority, determines that an Underpayment has occurred, the Accounting Firm must promptly notify the Company of the amount of the Underpayment and such amount, together with interest at the applicable federal rate under Code section 7872(f)(2) must be paid to the Executive.

If it is determined that the total Parachute Payments should be reduced to the Reduced Amount, then the reduction shall first apply to Parachute Payments that are not subject to Code section 409A (and by first reducing such payments that are not payable in cash and then by reducing cash payments) and thereafter, if necessary, by reducing Parachute Payments that are subject to Code section 409A (and by first reducing such payments that are not payable in cash and then by reducing cash payments).

6. **Code Section 409A.** This Agreement and the amounts payable and other benefits provided under this Agreement are intended to comply with, or otherwise be exempt from, Section 409A of the Code (“Section 409A”), after giving effect to the exemptions in Treasury Regulation section 1.409A-1(b)(3) through (b)(12). This Agreement shall be administered, interpreted and construed in a manner consistent with Section 409A. If any provision of this Agreement is found not to comply with, or otherwise not be exempt from, the provisions of Section 409A, it shall be modified and given effect, in the sole discretion of the Board and without requiring the Executive’s consent, in such manner as the Board determines to be necessary or appropriate to comply with, or to effectuate an exemption from, Section 409A; provided, however, that in exercising its discretion under this Section 6, the Board shall modify this Agreement in the least restrictive manner necessary. Each payment under this Agreement shall be treated as a separate identified payment for purposes of Section 409A.

With respect to any reimbursement of expenses of, or any provision of in-kind benefits to, the Executive, as specified under this Agreement, such reimbursement of expenses or provision of in-kind benefits shall be subject to the following limitations: (i) the expenses eligible for reimbursement or the amount of in-kind benefits provided in one taxable year shall not affect the expenses eligible for reimbursement or the amount of in-kind benefits provided in any other taxable year, except for any medical reimbursement arrangement providing for the reimbursement of expenses referred to in Section 105(b) of the Code; (ii) the reimbursement of an eligible expense shall be made as specified in this Agreement and in no event later than the end of the year after the year in which such expense was incurred and (iii) the right to reimbursement or in-kind benefit shall not be subject to liquidation or exchange for another benefit.

If a payment obligation under this Agreement arises on account of the Executive’s termination of employment and such payment obligation constitutes “deferred compensation” (as defined under Treasury Regulation section 1.409A-1(b)(1), after giving effect to the exemptions in Treasury Regulation section 1.409A-1(b)(3) through (b)(12)), it shall be payable only after the Executive’s Separation from Service; provided, however, that if the Executive is a Specified Employee, any payment that is scheduled to be paid within six months after such Separation from Service shall accrue without interest and shall be paid on the first day of the seventh month beginning after the date of the Executive’s Separation from Service or, if earlier, within fifteen days after the appointment of the personal representative or executor of the Executive’s estate following the Executive’s death.

7. **No Employment Rights.** Nothing in this Agreement confers on the Executive any right to continuance of employment or service by the Company or an Affiliate. Nothing in this Agreement interferes with the right of the Company or an Affiliate to terminate the Executive’s employment or service at any time for any reason, with or without Cause, subject to the requirements of this Agreement. Nothing in this Agreement restricts the right of the Executive to terminate the Executive’s employment with the Company and its Affiliates at any time, for any reason, with or without Good Reason. If the Executive is elected or appointed to the Board, the Executive agrees that the Executive will promptly resign from membership on the Board if at any time the Board adopts a resolution that requests the Executive’s resignation from the Board.

8. **Governing Law; Venue.** The laws of the Commonwealth of Virginia shall govern all matters arising out of or relating to this Agreement including, without limitation, its validity, interpretation, construction and performance but without giving effect to the conflict of laws principles that may require the application of the laws of another jurisdiction. Any party bringing a legal action or proceeding against any other party arising out of or relating to this Agreement may bring the legal action or proceeding in the United States District Court for the Eastern District of Virginia or in any court of the Commonwealth of Virginia sitting in the City of Richmond, Virginia. Each party waives, to the fullest extent permitted by law (i) any objection it may now or later have to the laying of venue of any legal action or proceeding arising out of or relating to this Agreement brought in a court described in the preceding sentence and (ii) any claim that any legal action or proceeding brought in any such court has been brought in an inconvenient forum.

9. **Binding Agreement.** This Agreement shall be binding on and inure to the benefit of, and be enforceable by or against the Company and its successors and the Executive (and the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees). If the Executive dies while any amount remains payable to the Executive under this Agreement, all such amounts shall be paid in accordance with the terms of this Agreement to the Executive's devise, legatee or other designee, of if there is none, to the Executive's estate.

10. **No Assignment.** Except as required by applicable law, no right to receive payments under this Agreement shall be subject to anticipation, commutation, alienation, sale, assignment, encumbrance, charge, pledge or hypothecation or to execution, attachment, levy or similar process or assignment by operation of law and any attempt to effect any such action shall be null, void and no effect.

11. **Entire Agreement.** This Agreement expresses the whole and entire agreement between the parties with reference to the payment of the Severance Benefits and, except for the Secrecy Agreement, supersedes and replaces any prior agreement, understanding or arrangement (whether oral or written) by or between the Company or an Affiliate and the Executive with respect to the Severance Benefits and the Executive's covenants (other than the Secrecy Agreement).

12. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together constitute on and the same instrument.

13. **Modification of Agreement.** No waiver or modification of this Agreement shall be valid unless in writing and duly executed by the party to be charged therewith. No evidence of any waiver or modification shall be offered or received in evidence at any proceeding, arbitration or litigation between the parties unless such waiver or modification is in writing, duly authorized and executed.

14. **No Attorneys' Fees.** Except as provided in Section 3.07(b), the Company and the Executive each shall bear their costs for any attorneys' fees and any other reasonable expenses incurred in enforcing or protecting the rights of the Company or the Executive under this Agreement.

15. **Notices.** All notices, requests and other communications to any party under this Agreement shall be in writing and shall be given to such party at its address set forth below or such other address as such party may hereafter specify for the purpose of notice to the other party:

If to the Company: Tredegar Corporation  
Attn: Corporate Director of Human Resources  
1100 Boulders Parkway  
Richmond, VA 23235

With a copy to:

J. G. Ritter, II, Esq.  
Hunton & Williams LLP  
951 E. Byrd Street  
Richmond, VA 23219

If to the Executive: A. Brent King, Esq.  
10 Calycanthus Road  
Richmond, VA 23221

Each notice, request or other communication shall be effective if (i) given by mail, seventy-two hours after such communication is deposited in the mails with first class postage prepaid and addressed as set forth above or (ii) if given by other means, when delivered at the address prescribed by this Section 15.

IN WITNESS WHEREOF, the parties have executed this Agreement.

**A. BRENT KING**

/s/ A. Brent King

Dated: 3/26/12

**TREDEGAR CORPORATION**

By /s/ Nancy M. Taylor

Title: President and CEO

Dated: 3/26/12