

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2010 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☒ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☒
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>PACTIV HOURLY 401(K) SAVINGS AND INVESTMENT PLAN</u>	1b Three-digit plan number (PN) ► <u>034</u> 1c Effective date of plan <u>04/01/1996</u>
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>PACTIV CORPORATION</u> <u>1900 WEST FIELD COURT</u> <u>LAKE FOREST, IL 60045</u>	2b Employer Identification Number (EIN) <u>36-2552989</u> 2c Sponsor's telephone number <u>847-482-2000</u> 2d Business code (see instructions) <u>551112</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/13/2011</u>	<u>CLIFFORD HEW</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2010)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")

PACTIV CORPORATION

1900 WEST FIELD COURT
LAKE FOREST, IL 60045**3b** Administrator's EIN

36-2552989

3c Administrator's telephone number

847-482-2000

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:**a** Sponsor's name**4b** EIN**4c** PN**5** Total number of participants at the beginning of the plan year**5**

5896

6 Number of participants as of the end of the plan year (welfare plans complete only lines **6a**, **6b**, **6c**, and **6d**).**a** Active participants.....**6a**

6017

b Retired or separated participants receiving benefits.....**6b**

9

c Other retired or separated participants entitled to future benefits.....**6c**

183

d Subtotal. Add lines **6a**, **6b**, and **6c**.....**6d**

6209

e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....**6e**

18

f Total. Add lines **6d** and **6e**.....**6f**

6227

g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....**6g**

3097

h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....**6h**

0

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)**7****8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

2F 2G 2J 2K 2T 3F 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:**9a** Plan funding arrangement (check all that apply)

- (1) ☐ Insurance
- (2) ☐ Code section 412(e)(3) insurance contracts
- (3) ☒ Trust
- (4) ☐ General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

- (1) ☐ Insurance
- (2) ☐ Code section 412(e)(3) insurance contracts
- (3) ☒ Trust
- (4) ☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)**a Pension Schedules**

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ **A** (Insurance Information)
- (4) ☒ **C** (Service Provider Information)
- (5) ☐ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2010
		This Form is Open to Public Inspection.
For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010		
A Name of plan PACTIV HOURLY 401(K) SAVINGS AND INVESTMENT PLAN		B Three-digit plan number (PN) ▶ 034
C Plan sponsor's name as shown on line 2a of Form 5500 PACTIV CORPORATION		D Employer Identification Number (EIN) 36-2552989

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FIDELITY INV INST OPS CO
04-2647786

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64 37 65 60	RECORDKEEPER	53095	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

ERNST AND YOUNG LLP

34-6565596

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	ACCOUNTANT/AUDITOR	34400	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
ALLNZ NFJ SMCPVAL AD - BOSTON FINAN	0.35%	
04-2526037		
(a) Enter service provider name as it appears on line 2		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
DAVIS NY VENTURE A - BOSTON FINANCI	0.40%	
04-2526037		
(a) Enter service provider name as it appears on line 2		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
DAVIS NY VENTURE Y - BOSTON FINANCI	0.10%	
04-2526037		

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
MSIF SM CO GRTH P - MORGAN STANLEY	0.35%	
13-3799749		
(a) Enter service provider name as it appears on line 2		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
MSIF SMALL CO GRTH I - MORGAN STANL	0.10%	
13-3799749		
(a) Enter service provider name as it appears on line 2		
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		
PIMCO TOT RETURN ADM - BOSTON FINAN	0.25%	
04-2526037		

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2010
		This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010		
A Name of plan PACTIV HOURLY 401(K) SAVINGS AND INVESTMENT PLAN	B Three-digit plan number (PN) ►	034
C Plan sponsor's name as shown on line 2a of Form 5500 PACTIV CORPORATION	D Employer Identification Number (EIN) 36-2552989	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	33602	38328
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	0	3
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	14932462	17576580
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	0	522535
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	7319010	7614049
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	57480603	92230949
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	19511906	0
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	99277583	117982444

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	99277583	117982444
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	3119103	
(B) Participants	2a(1)(B)	5668268	
(C) Others (including rollovers)	2a(1)(C)	71386	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		8858757

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	8268	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	332666	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		340934

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	1441768	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		1441768

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	28116566	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	21093511	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		7023055

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	296664	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		296664
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		9629758
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		27590936

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	8742077	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		8742077
f Corrective distributions (see instructions)	2f		3378
g Certain deemed distributions of participant loans (see instructions).....	2g		51848
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	88772	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		88772
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		8886075

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		18704861
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unqualified **(2)** ☐ Qualified **(3)** ☐ Disclaimer **(4)** ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☐ Yes ☒ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: ERNST & YOUNG LLP

(2) EIN: 34-6565596

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. **(2)** ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		15000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....	X		
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	X		

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2010
		This Form is Open to Public Inspection.

For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u>		
A Name of plan <u>PACTIV HOURLY 401(K) SAVINGS AND INVESTMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>034</u>	
C Plan sponsor's name as shown on line 2a of Form 5500 <u>PACTIV CORPORATION</u>	D Employer Identification Number (EIN) <u>36-2552989</u>	

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....

1	<u>0</u>
----------	----------

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):
EIN(s): 04-6568107

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....

3	
----------	--

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?..... ☐ Yes ☐ No ☐ N/A
If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6

a Enter the minimum required contribution for this plan year	6a	
b Enter the amount contributed by the employer to the plan for this plan year	6b	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c	

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?..... ☐ Yes ☐ No ☐ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No

11

a Does the ESOP hold any preferred stock?	☐ Yes ☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes ☐ No

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULE

Pactiv Hourly 401(k) Savings and Investment Plan
Years Ended December 31, 2010 and 2009
With Report of Independent Auditors

Ernst & Young LLP



Pactiv Hourly 401(k) Savings and Investment Plan

Financial Statements and Supplemental Schedule

Years Ended December 31, 2010 and 2009

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Report of Independent Auditors

To the Pactiv Corporation Benefits Committee

We have audited the accompanying statements of net assets available for benefits of the Pactiv Hourly 401(k) Savings and Investment Plan as of December 31, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2010 and 2009, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2010, is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Ernst & Young LLP

September 28, 2011

Pactiv Hourly 401(k) Savings and Investment Plan

Statements of Net Assets Available for Benefits

	December 31	
	2010	2009
Assets		
Investments, at fair value:		
Common stock	\$ 543,821	\$ 19,511,906
Registered investment companies	92,230,947	57,480,603
Money market fund	17,555,299	14,932,462
Total investments	110,330,067	91,924,971
Receivables:		
Notes receivable from participants	7,614,049	7,319,010
Employer contributions	38,328	33,602
Total receivables	7,652,377	7,352,612
Net assets available for benefits	<u>\$ 117,982,444</u>	<u>\$ 99,277,583</u>

See accompanying notes.

Pactiv Hourly 401(k) Savings and Investment Plan

Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31	
	2010	2009
Additions		
Dividends and interest income	\$ 1,782,645	\$ 1,392,870
Contributions:		
Participant	5,668,268	5,426,896
Employer	3,119,103	3,011,966
Rollover	71,385	92,966
Total contributions	8,858,756	8,531,828
Total additions	10,641,401	9,924,698
Deductions		
Benefit payments	8,798,647	6,001,696
Administrative expenses	88,583	91,951
Total deductions	8,887,230	6,093,647
Net appreciation (depreciation) in fair value of investments:		
Common stock	7,320,933	(263,558)
Registered investment companies	9,629,757	12,904,208
Total net appreciation in fair value of investments	16,950,690	12,640,650
Net increase	18,704,861	16,471,701
Net assets available for benefits, beginning of year	99,277,583	82,805,882
Net assets available for benefits, end of year	<u>\$ 117,982,444</u>	<u>\$ 99,277,583</u>

See accompanying notes.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements

December 31, 2010

1. Description of the Plan

The following description of the Pactiv Hourly 401(k) Savings and Investment Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). Pactiv Corporation (the Company) is the sponsor of the Plan.

On November 16, 2010, the Company merged with Reynolds Acquisition Corporation, an indirect wholly owned subsidiary of Reynolds Group Holdings Limited (Reynolds). Pursuant to the terms of the merger agreement, each outstanding share of common stock of the Company was canceled, and the Company is now an indirect wholly owned subsidiary of Reynolds. In exchange for each share of the Company's common stock, the holder received \$33.25 per share and the proceeds were invested according to each participant's individual investment elections. Future allocations to the Company stock fund were redirected to the applicable Fidelity Freedom Fund based on each participant's date of birth and a target retirement date of 65.

Eligibility and Contributions

Depending on their location, employees are eligible to enter into the Plan on either the first day of the month following the completion of one full calendar month of service or the first day of the month following the first anniversary of their hire date. Depending on their location, employees are eligible for the Company matching contribution after completing one year of service.

Participants may make regular before-tax contributions by payroll deduction of 1% up to 25%, or such other percentage as may be specified in a covered group's special appendix to the Plan, of eligible compensation, as defined in the Plan, with such contributions limited to \$16,500 in 2010 and 2009. Generally, participants who are 50 or older may make catch-up contributions by payroll deductions of 1% to 50% of eligible compensation, with such catch-up contributions limited to \$5,500 in 2010 and 2009.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

1. Description of the Plan (continued)

After completing one year of service, generally, the Company makes matching contributions equal to 100% of participants' regular contributions up to 3% of eligible compensation deferred (or such other percentage as may be specified in a covered group's special appendix to the Plan).

Company matching contributions are made in the form of cash and are invested in the same investment option(s) as the participants' own regular (and catch-up) contributions.

Subject to the special appendix to the Plan, certain participants of a select covered group are entitled to receive profit-sharing contributions. Profit-sharing contributions were \$38,328 for 2010 and \$33,602 for 2009.

Investment Options

Participants have the right upon enrollment to select the funds offered by the Plan in which the balance in their accounts will be invested. In addition, participants have the right to change their investment elections with respect to future contributions and transfer existing account balances between the various investment options at any time.

Vesting

Participants are immediately vested in their own deferrals and actual earnings thereon.

Vesting of Company matching and profit-sharing contributions is based on participants' years of service as follows:

Years of Service	Vested Percentage
1	20%
2	40%
3	60%
4	80%
5	100%

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

1. Description of the Plan (continued)

Upon attainment of age 65 or termination of employment with the Company due to death or total disability, participants become 100% vested in their entire accounts. Forfeited non-vested account balances are used to reduce future Company matching contributions or to pay Plan administrative expenses.

Payment of Benefits

Upon retirement or other termination of employment, participants may receive their vested account balance as a lump-sum distribution. Participants with balances of \$5,000 or less are paid an automatic lump-sum distribution as soon as administratively feasible after termination of employment or retirement. If the vested account balance is greater than \$1,000 but \$5,000 or less, the automatic lump-sum distribution is rolled over to an IRA selected by the Company unless the participant elects otherwise.

Unless otherwise provided for in the covered group's special appendix to the Plan, a participant may make an in-service withdrawal as described in this paragraph. A participant who has attained age 55 may elect to make an in-service withdrawal, but if such a participant has not attained age 59 ½, the amount of such a withdrawal may not exceed the participant's vested account balance reduced by the portion of the account balance attributable to participant before-tax contributions and earnings thereon. Participants who have attained age 59 ½ may elect to make an in-service withdrawal of all or a portion of their vested account balances. Participants may elect at any time to make an in-service withdrawal of the balance in their rollover contributions accounts.

Participant Loans

Active participants who have not had a loan during the previous 90 days may obtain a loan from their accounts with a term of 12 to 54 months. Participants may have only one loan outstanding at any time and may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 minus the highest outstanding loan balance during the previous 12 months, or 50% of their vested account balances. The interest rate charged is the Federal Reserve's prime rate (posted in the Federal Reserve's release) as in effect as of the end of the month prior to the month in which the loan is requested. Principal and interest are paid through payroll deductions or manual loan payments if a participant is on an unpaid leave of absence.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

1. Description of the Plan (continued)

Plan Termination

Although it has not expressed intent to do so, the Company has the right to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their accounts.

Administration

The Plan is currently administered by the Pactiv Corporation Benefits Committee (the Committee).

2. Summary of Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared using the accrual basis of accounting.

Participant Accounts

Each participant's account is credited with the participant's regular and catch-up contributions, if applicable, the Company's contributions, if applicable, and an allocation of the Plan's earnings (losses). Allocations of earnings (losses) are based on account balances, as defined in the Plan. The benefit to which a participant is entitled is the vested balance in the participant's account.

Notes Receivable From Participants

Notes receivable from participants represent participant loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2010 or 2009. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a benefit payment is recorded.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

2. Summary of Accounting Policies (continued)

Expenses

Substantially all Plan administrative expenses are paid for by the Plan, including recordkeeping and trustee fees.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to use estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes and supplemental schedule. Actual results could differ from such estimates.

Investment Valuation and Income Recognition

Investments held by the Plan are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price.) See Note 6 for further discussion and disclosures related to fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded as earned. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

New Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2010-06, *Improving Disclosures about Fair Value Measurements*. ASU 2010-06 amended Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, to clarify certain existing fair value disclosures and require a number of additional disclosures. The guidance in ASU 2010-06 clarified that disclosures should be presented separately for each "class" of assets and liabilities measured at fair value and provided guidance on how to determine the appropriate classes of assets and liabilities to be presented. ASU 2010-06 also clarified the requirement for entities to disclose information about both the valuation techniques and inputs used in estimating Level 2 and Level 3 fair value measurements. In addition, ASU 2010-06 introduced new requirements to disclose the amounts (on a gross basis) and reasons for any significant transfers between Levels 1, 2, and 3 of the fair value hierarchy.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

2. Summary of Accounting Policies (continued)

and to present information regarding the purchases, sales, issuances, and settlements of Level 3 assets and liabilities on a gross basis. With the exception of the requirement to present changes in Level 3 measurements on a gross basis, which is delayed until 2011, the guidance in ASU 2010-06 becomes effective for reporting periods beginning after December 15, 2009. Since ASU 2010-06 only affects fair value disclosures, adoption of ASU 2010-06 did not affect the Plan's net assets available for benefits or its changes in net assets available for benefits.

2. Summary of Accounting Policies (continued)

In September 2010, the FASB issued ASU 2010-25, *Reporting Loans to Participants by Defined Contribution Pension Plans*. ASU 2010-25 requires participant loans to be measured at their unpaid principal balance plus any accrued but unpaid interest and classified as notes receivable from participants. Previously loans were measured at fair value and classified as investments. ASU 2010-25 is effective for fiscal years ending after December 15, 2010, and is required to be applied retrospectively. Adoption of ASU 2010-25 did not change the value of participant loans from the amount previously reported as of December 31, 2009. Participant loans have been reclassified to notes receivable from participants as of December 31, 2009.

Subsequent Events

Management evaluated subsequent events for the Plan through September 28, 2011, the date the financial statements were available to be issued.

3. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

4. Investments

Investments that represent 5% or more of the fair value of the Plan's net assets available for benefits are as follows:

	December 31	
	2010	2009
Fidelity Growth Company Fund	\$ 34,193,472	\$ 23,845,587
Fidelity Retirement Money Market Portfolio	17,555,299	14,932,462
PIMCO Total Return Fund	7,694,658	5,683,229
Spartan 500 Index Fund	7,686,990	—
Fidelity Asset Manager Fund	6,935,792	5,477,281
Pactiv Corporation common stock	—	19,225,854
Spartan U.S. Equity Index Fund	—	5,461,241

5. Income Tax Status

The Plan received a determination letter from the Internal Revenue Service (the IRS) dated June 15, 2011, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code) and, therefore, the related trust is exempt from taxation. Subsequent to this issuance of the determination letter, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Committee believes that the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as amended and restated, is qualified and that the related trust is tax-exempt.

Accounting principles generally accepted in the United States require plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The Committee has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions. The Committee believes it is no longer subject to income tax examinations for years prior to 2007.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

6. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible to the reporting entity at the measurement date for identical assets and liabilities.

Level 2 – Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:

- Quoted prices for similar assets and liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in markets that are not active
- Observable inputs other than quoted prices that are used in the valuation of the assets or liabilities (e.g., interest rate and yield curve quotes at commonly quoted intervals)
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

Level 3 – Unobservable inputs for the asset or liability (i.e., supported by little or no market activity). Level 3 inputs include management's own assumption about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

The level in the fair value hierarchy within which the fair value measurement is classified is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

6. Fair Value Measurements (continued)

Following is a description of the valuation techniques and inputs used for each major class of assets measured at fair value by the Plan.

Common Stock

Common stock is valued at the closing price reported on the major market on which the individual securities are traded. Common stock is classified within Level 1 of the valuation hierarchy.

Registered Investment Companies

These investments are public investment vehicles valued using the net asset value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in a market that is active and is classified within Level 1 of the valuation hierarchy.

Money Market Fund

The Fidelity Retirement Money Market Portfolio invests in U.S. dollar-denominated money market securities of domestic and foreign issuers and repurchase agreements. The NAV per unit of this money market fund is \$1 and is classified within Level 1 of the valuation hierarchy.

The following tables detail the Plan's investment assets at fair value and their levels within the fair value hierarchy. As required by ASC 820, assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement for the financial instrument.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

6. Fair Value Measurements (continued)

Assets at fair value as of December 31, 2010:

	Level 1	Level 2	Level 3	Total
Common stock	\$ 543,821	\$ —	\$ —	\$ 543,821
Registered investment companies:				
U.S. equities	51,908,342	—	—	51,908,342
International equities	5,144,516	—	—	5,144,516
Fixed income	7,964,658	—	—	7,964,658
Life cycle funds	20,277,639	—	—	20,277,639
Balanced funds	6,935,792	—	—	6,935,792
Total registered investment companies	92,230,947	—	—	92,230,947
Money market funds	17,555,299	—	—	17,555,299
Total assets at fair value	<u>\$110,330,067</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$110,330,067</u>

Assets at fair value as of December 31, 2009:

	Level 1	Level 2	Level 3	Total
Common stock	\$ 19,511,906	\$ —	\$ —	\$ 19,511,906
Registered investment companies:				
U.S. equities	35,677,479	—	—	35,677,479
International equities	3,906,664	—	—	3,906,664
Fixed income	5,683,229	—	—	5,683,229
Life cycle funds	6,735,950	—	—	6,735,950
Balanced funds	5,477,281	—	—	5,477,281
Total registered investment companies	57,480,603	—	—	57,480,603
Money market funds	14,932,462	—	—	14,932,462
Total assets at fair value	<u>\$ 91,924,971</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 91,924,971</u>

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

7. Related Party Transactions

The Plan holds shares of registered investment companies and a money market fund managed by Fidelity Management Trust Company, the trustee of the Plan. These transactions qualify as party-in-interest transactions; however, they are exempt from the prohibited transactions rules under ERISA.

Supplemental Schedule

Pactiv Hourly 401(k) Savings and Investment Plan

EIN 36-2552989 Plan #034

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2010

Identity of Issuer	Description of Asset	Number of Shares or Units	Current Value
PIMCO	PIMCO Total Return Fund	734,070	\$ 7,964,658
Morgan Stanley	Morgan Stanley Institutional Fund - Small Company Growth Portfolio	113,924	1,614,300
Davis New York	Davis New York Venture Fund	66,030	2,290,577
Allianz Global Investors	Allianz NFJ Small-Cap Value Fund	60,671	1,728,503
Tenneco Automotive	Tenneco Automotive Common Stock	12,696	543,821
Fidelity Management Trust Company	Fidelity Growth Company Fund*	411,226	34,193,472
	Fidelity Asset Manager Fund*	449,792	6,935,792
	Fidelity Low-Priced Stock Fund*	88,124	3,380,453
	Fidelity Diversified International*	170,801	5,144,516
	Fidelity Freedom Income*	18,536	209,087
	Fidelity Freedom 2000*	7,696	91,887
	Fidelity Freedom 2010*	78,253	1,063,460
	Fidelity Freedom 2020*	236,257	3,257,989
	Fidelity Freedom 2030*	258,226	3,555,775
	Fidelity Freedom 2040*	197,774	1,584,169
	Fidelity Freedom 2005*	24,351	263,235
	Fidelity Freedom 2015*	318,016	3,606,301
	Fidelity Freedom 2025*	404,862	4,664,012
	Fidelity Freedom 2035*	138,001	1,582,866
	Fidelity Freedom 2045*	26,275	249,348
	Fidelity Freedom 2050*	15,939	149,510
	Spartan Extended Market Index Fund*	26,567	1,014,047
	Fidelity Retirement Money Market Portfolio*	17,555,299	17,555,299
	Spartan 500 Index Fund*	172,819	7,686,990
			<u>110,330,067</u>
Participant loans*		Interest rates ranging from 3.25% to 8.25%	7,614,049
			<u><u>\$ 117,944,116</u></u>

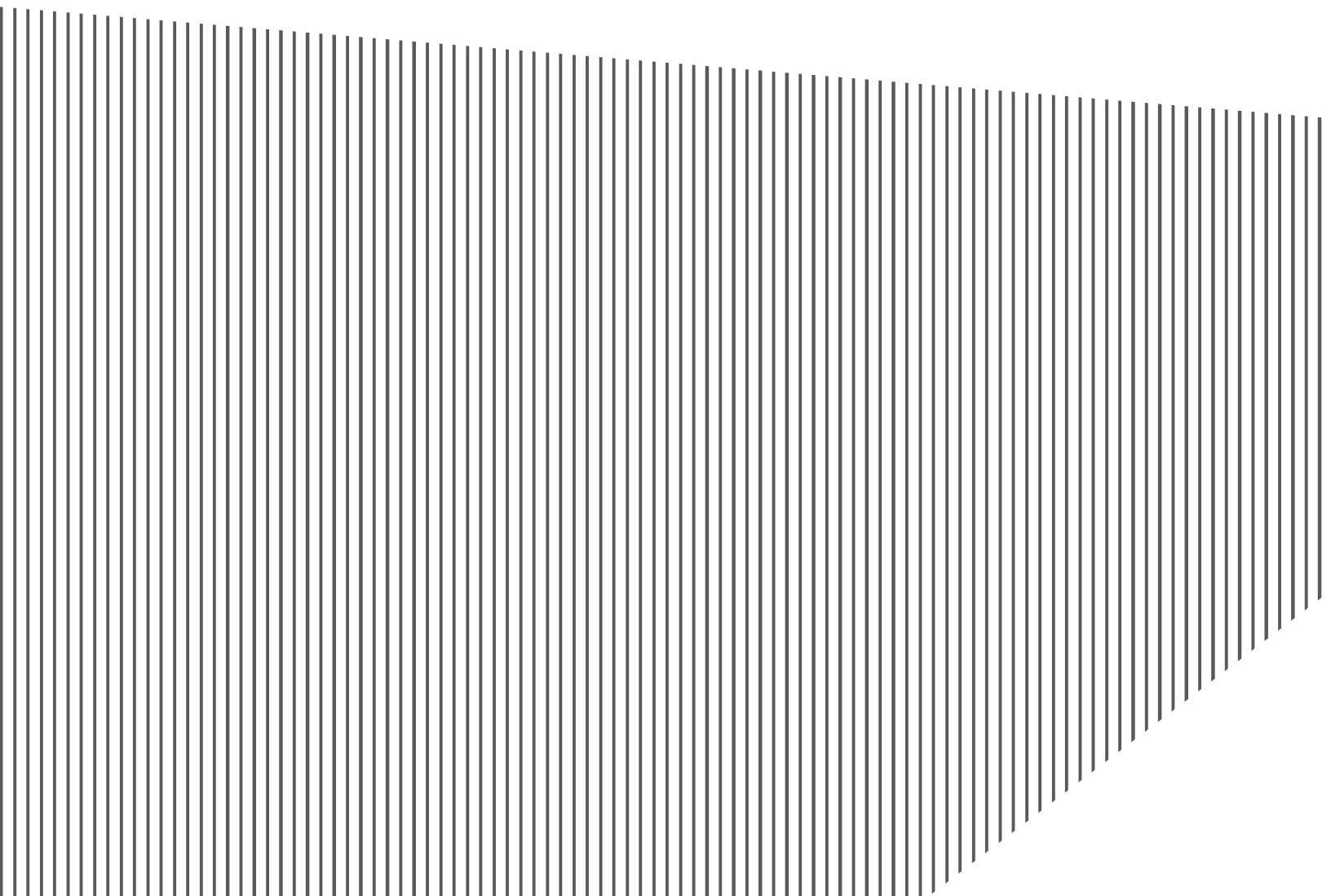
*Indicates party-in-interest to the Plan.

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FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULE

Pactiv Hourly 401(k) Savings and Investment Plan
Years Ended December 31, 2010 and 2009
With Report of Independent Auditors

Ernst & Young LLP



Pactiv Hourly 401(k) Savings and Investment Plan

Financial Statements and Supplemental Schedule

Years Ended December 31, 2010 and 2009

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Report of Independent Auditors

To the Pactiv Corporation Benefits Committee

We have audited the accompanying statements of net assets available for benefits of the Pactiv Hourly 401(k) Savings and Investment Plan as of December 31, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2010 and 2009, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2010, is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Ernst & Young LLP

September 28, 2011

Pactiv Hourly 401(k) Savings and Investment Plan

Statements of Net Assets Available for Benefits

	December 31	
	2010	2009
Assets		
Investments, at fair value:		
Common stock	\$ 543,821	\$ 19,511,906
Registered investment companies	92,230,947	57,480,603
Money market fund	17,555,299	14,932,462
Total investments	110,330,067	91,924,971
Receivables:		
Notes receivable from participants	7,614,049	7,319,010
Employer contributions	38,328	33,602
Total receivables	7,652,377	7,352,612
Net assets available for benefits	<u>\$ 117,982,444</u>	<u>\$ 99,277,583</u>

See accompanying notes.

Pactiv Hourly 401(k) Savings and Investment Plan

Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31	
	2010	2009
Additions		
Dividends and interest income	\$ 1,782,645	\$ 1,392,870
Contributions:		
Participant	5,668,268	5,426,896
Employer	3,119,103	3,011,966
Rollover	71,385	92,966
Total contributions	8,858,756	8,531,828
Total additions	10,641,401	9,924,698
Deductions		
Benefit payments	8,798,647	6,001,696
Administrative expenses	88,583	91,951
Total deductions	8,887,230	6,093,647
Net appreciation (depreciation) in fair value of investments:		
Common stock	7,320,933	(263,558)
Registered investment companies	9,629,757	12,904,208
Total net appreciation in fair value of investments	16,950,690	12,640,650
Net increase	18,704,861	16,471,701
Net assets available for benefits, beginning of year	99,277,583	82,805,882
Net assets available for benefits, end of year	<u>\$ 117,982,444</u>	<u>\$ 99,277,583</u>

See accompanying notes.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements

December 31, 2010

1. Description of the Plan

The following description of the Pactiv Hourly 401(k) Savings and Investment Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). Pactiv Corporation (the Company) is the sponsor of the Plan.

On November 16, 2010, the Company merged with Reynolds Acquisition Corporation, an indirect wholly owned subsidiary of Reynolds Group Holdings Limited (Reynolds). Pursuant to the terms of the merger agreement, each outstanding share of common stock of the Company was canceled, and the Company is now an indirect wholly owned subsidiary of Reynolds. In exchange for each share of the Company's common stock, the holder received \$33.25 per share and the proceeds were invested according to each participant's individual investment elections. Future allocations to the Company stock fund were redirected to the applicable Fidelity Freedom Fund based on each participant's date of birth and a target retirement date of 65.

Eligibility and Contributions

Depending on their location, employees are eligible to enter into the Plan on either the first day of the month following the completion of one full calendar month of service or the first day of the month following the first anniversary of their hire date. Depending on their location, employees are eligible for the Company matching contribution after completing one year of service.

Participants may make regular before-tax contributions by payroll deduction of 1% up to 25%, or such other percentage as may be specified in a covered group's special appendix to the Plan, of eligible compensation, as defined in the Plan, with such contributions limited to \$16,500 in 2010 and 2009. Generally, participants who are 50 or older may make catch-up contributions by payroll deductions of 1% to 50% of eligible compensation, with such catch-up contributions limited to \$5,500 in 2010 and 2009.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

1. Description of the Plan (continued)

After completing one year of service, generally, the Company makes matching contributions equal to 100% of participants' regular contributions up to 3% of eligible compensation deferred (or such other percentage as may be specified in a covered group's special appendix to the Plan).

Company matching contributions are made in the form of cash and are invested in the same investment option(s) as the participants' own regular (and catch-up) contributions.

Subject to the special appendix to the Plan, certain participants of a select covered group are entitled to receive profit-sharing contributions. Profit-sharing contributions were \$38,328 for 2010 and \$33,602 for 2009.

Investment Options

Participants have the right upon enrollment to select the funds offered by the Plan in which the balance in their accounts will be invested. In addition, participants have the right to change their investment elections with respect to future contributions and transfer existing account balances between the various investment options at any time.

Vesting

Participants are immediately vested in their own deferrals and actual earnings thereon.

Vesting of Company matching and profit-sharing contributions is based on participants' years of service as follows:

Years of Service	Vested Percentage
1	20%
2	40%
3	60%
4	80%
5	100%

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

1. Description of the Plan (continued)

Upon attainment of age 65 or termination of employment with the Company due to death or total disability, participants become 100% vested in their entire accounts. Forfeited non-vested account balances are used to reduce future Company matching contributions or to pay Plan administrative expenses.

Payment of Benefits

Upon retirement or other termination of employment, participants may receive their vested account balance as a lump-sum distribution. Participants with balances of \$5,000 or less are paid an automatic lump-sum distribution as soon as administratively feasible after termination of employment or retirement. If the vested account balance is greater than \$1,000 but \$5,000 or less, the automatic lump-sum distribution is rolled over to an IRA selected by the Company unless the participant elects otherwise.

Unless otherwise provided for in the covered group's special appendix to the Plan, a participant may make an in-service withdrawal as described in this paragraph. A participant who has attained age 55 may elect to make an in-service withdrawal, but if such a participant has not attained age 59 ½, the amount of such a withdrawal may not exceed the participant's vested account balance reduced by the portion of the account balance attributable to participant before-tax contributions and earnings thereon. Participants who have attained age 59 ½ may elect to make an in-service withdrawal of all or a portion of their vested account balances. Participants may elect at any time to make an in-service withdrawal of the balance in their rollover contributions accounts.

Participant Loans

Active participants who have not had a loan during the previous 90 days may obtain a loan from their accounts with a term of 12 to 54 months. Participants may have only one loan outstanding at any time and may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 minus the highest outstanding loan balance during the previous 12 months, or 50% of their vested account balances. The interest rate charged is the Federal Reserve's prime rate (posted in the Federal Reserve's release) as in effect as of the end of the month prior to the month in which the loan is requested. Principal and interest are paid through payroll deductions or manual loan payments if a participant is on an unpaid leave of absence.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

1. Description of the Plan (continued)

Plan Termination

Although it has not expressed intent to do so, the Company has the right to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their accounts.

Administration

The Plan is currently administered by the Pactiv Corporation Benefits Committee (the Committee).

2. Summary of Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared using the accrual basis of accounting.

Participant Accounts

Each participant's account is credited with the participant's regular and catch-up contributions, if applicable, the Company's contributions, if applicable, and an allocation of the Plan's earnings (losses). Allocations of earnings (losses) are based on account balances, as defined in the Plan. The benefit to which a participant is entitled is the vested balance in the participant's account.

Notes Receivable From Participants

Notes receivable from participants represent participant loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2010 or 2009. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a benefit payment is recorded.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

2. Summary of Accounting Policies (continued)

Expenses

Substantially all Plan administrative expenses are paid for by the Plan, including recordkeeping and trustee fees.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to use estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes and supplemental schedule. Actual results could differ from such estimates.

Investment Valuation and Income Recognition

Investments held by the Plan are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price.) See Note 6 for further discussion and disclosures related to fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded as earned. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

New Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2010-06, *Improving Disclosures about Fair Value Measurements*. ASU 2010-06 amended Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, to clarify certain existing fair value disclosures and require a number of additional disclosures. The guidance in ASU 2010-06 clarified that disclosures should be presented separately for each "class" of assets and liabilities measured at fair value and provided guidance on how to determine the appropriate classes of assets and liabilities to be presented. ASU 2010-06 also clarified the requirement for entities to disclose information about both the valuation techniques and inputs used in estimating Level 2 and Level 3 fair value measurements. In addition, ASU 2010-06 introduced new requirements to disclose the amounts (on a gross basis) and reasons for any significant transfers between Levels 1, 2, and 3 of the fair value hierarchy.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

2. Summary of Accounting Policies (continued)

and to present information regarding the purchases, sales, issuances, and settlements of Level 3 assets and liabilities on a gross basis. With the exception of the requirement to present changes in Level 3 measurements on a gross basis, which is delayed until 2011, the guidance in ASU 2010-06 becomes effective for reporting periods beginning after December 15, 2009. Since ASU 2010-06 only affects fair value disclosures, adoption of ASU 2010-06 did not affect the Plan's net assets available for benefits or its changes in net assets available for benefits.

2. Summary of Accounting Policies (continued)

In September 2010, the FASB issued ASU 2010-25, *Reporting Loans to Participants by Defined Contribution Pension Plans*. ASU 2010-25 requires participant loans to be measured at their unpaid principal balance plus any accrued but unpaid interest and classified as notes receivable from participants. Previously loans were measured at fair value and classified as investments. ASU 2010-25 is effective for fiscal years ending after December 15, 2010, and is required to be applied retrospectively. Adoption of ASU 2010-25 did not change the value of participant loans from the amount previously reported as of December 31, 2009. Participant loans have been reclassified to notes receivable from participants as of December 31, 2009.

Subsequent Events

Management evaluated subsequent events for the Plan through September 28, 2011, the date the financial statements were available to be issued.

3. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

4. Investments

Investments that represent 5% or more of the fair value of the Plan's net assets available for benefits are as follows:

	December 31	
	2010	2009
Fidelity Growth Company Fund	\$ 34,193,472	\$ 23,845,587
Fidelity Retirement Money Market Portfolio	17,555,299	14,932,462
PIMCO Total Return Fund	7,694,658	5,683,229
Spartan 500 Index Fund	7,686,990	—
Fidelity Asset Manager Fund	6,935,792	5,477,281
Pactiv Corporation common stock	—	19,225,854
Spartan U.S. Equity Index Fund	—	5,461,241

5. Income Tax Status

The Plan received a determination letter from the Internal Revenue Service (the IRS) dated June 15, 2011, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code) and, therefore, the related trust is exempt from taxation. Subsequent to this issuance of the determination letter, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Committee believes that the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as amended and restated, is qualified and that the related trust is tax-exempt.

Accounting principles generally accepted in the United States require plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The Committee has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions. The Committee believes it is no longer subject to income tax examinations for years prior to 2007.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

6. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible to the reporting entity at the measurement date for identical assets and liabilities.

Level 2 – Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:

- Quoted prices for similar assets and liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in markets that are not active
- Observable inputs other than quoted prices that are used in the valuation of the assets or liabilities (e.g., interest rate and yield curve quotes at commonly quoted intervals)
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

Level 3 – Unobservable inputs for the asset or liability (i.e., supported by little or no market activity). Level 3 inputs include management's own assumption about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

The level in the fair value hierarchy within which the fair value measurement is classified is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

6. Fair Value Measurements (continued)

Following is a description of the valuation techniques and inputs used for each major class of assets measured at fair value by the Plan.

Common Stock

Common stock is valued at the closing price reported on the major market on which the individual securities are traded. Common stock is classified within Level 1 of the valuation hierarchy.

Registered Investment Companies

These investments are public investment vehicles valued using the net asset value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in a market that is active and is classified within Level 1 of the valuation hierarchy.

Money Market Fund

The Fidelity Retirement Money Market Portfolio invests in U.S. dollar-denominated money market securities of domestic and foreign issuers and repurchase agreements. The NAV per unit of this money market fund is \$1 and is classified within Level 1 of the valuation hierarchy.

The following tables detail the Plan's investment assets at fair value and their levels within the fair value hierarchy. As required by ASC 820, assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement for the financial instrument.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

6. Fair Value Measurements (continued)

Assets at fair value as of December 31, 2010:

	Level 1	Level 2	Level 3	Total
Common stock	\$ 543,821	\$ —	\$ —	\$ 543,821
Registered investment companies:				
U.S. equities	51,908,342	—	—	51,908,342
International equities	5,144,516	—	—	5,144,516
Fixed income	7,964,658	—	—	7,964,658
Life cycle funds	20,277,639	—	—	20,277,639
Balanced funds	6,935,792	—	—	6,935,792
Total registered investment companies	92,230,947	—	—	92,230,947
Money market funds	17,555,299	—	—	17,555,299
Total assets at fair value	<u>\$110,330,067</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$110,330,067</u>

Assets at fair value as of December 31, 2009:

	Level 1	Level 2	Level 3	Total
Common stock	\$ 19,511,906	\$ —	\$ —	\$ 19,511,906
Registered investment companies:				
U.S. equities	35,677,479	—	—	35,677,479
International equities	3,906,664	—	—	3,906,664
Fixed income	5,683,229	—	—	5,683,229
Life cycle funds	6,735,950	—	—	6,735,950
Balanced funds	5,477,281	—	—	5,477,281
Total registered investment companies	57,480,603	—	—	57,480,603
Money market funds	14,932,462	—	—	14,932,462
Total assets at fair value	<u>\$ 91,924,971</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 91,924,971</u>

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

7. Related Party Transactions

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Supplemental Schedule

Pactiv Hourly 401(k) Savings and Investment Plan

EIN 36-2552989 Plan #034

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2010

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Morgan Stanley	Morgan Stanley Institutional Fund - Small Company Growth Portfolio	113,924	1,614,300
Davis New York	Davis New York Venture Fund	66,030	2,290,577
Allianz Global Investors	Allianz NFJ Small-Cap Value Fund	60,671	1,728,503
Tenneco Automotive	Tenneco Automotive Common Stock	12,696	543,821
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Participant loans*	Interest rates ranging from 3.25% to 8.25%		7,614,049
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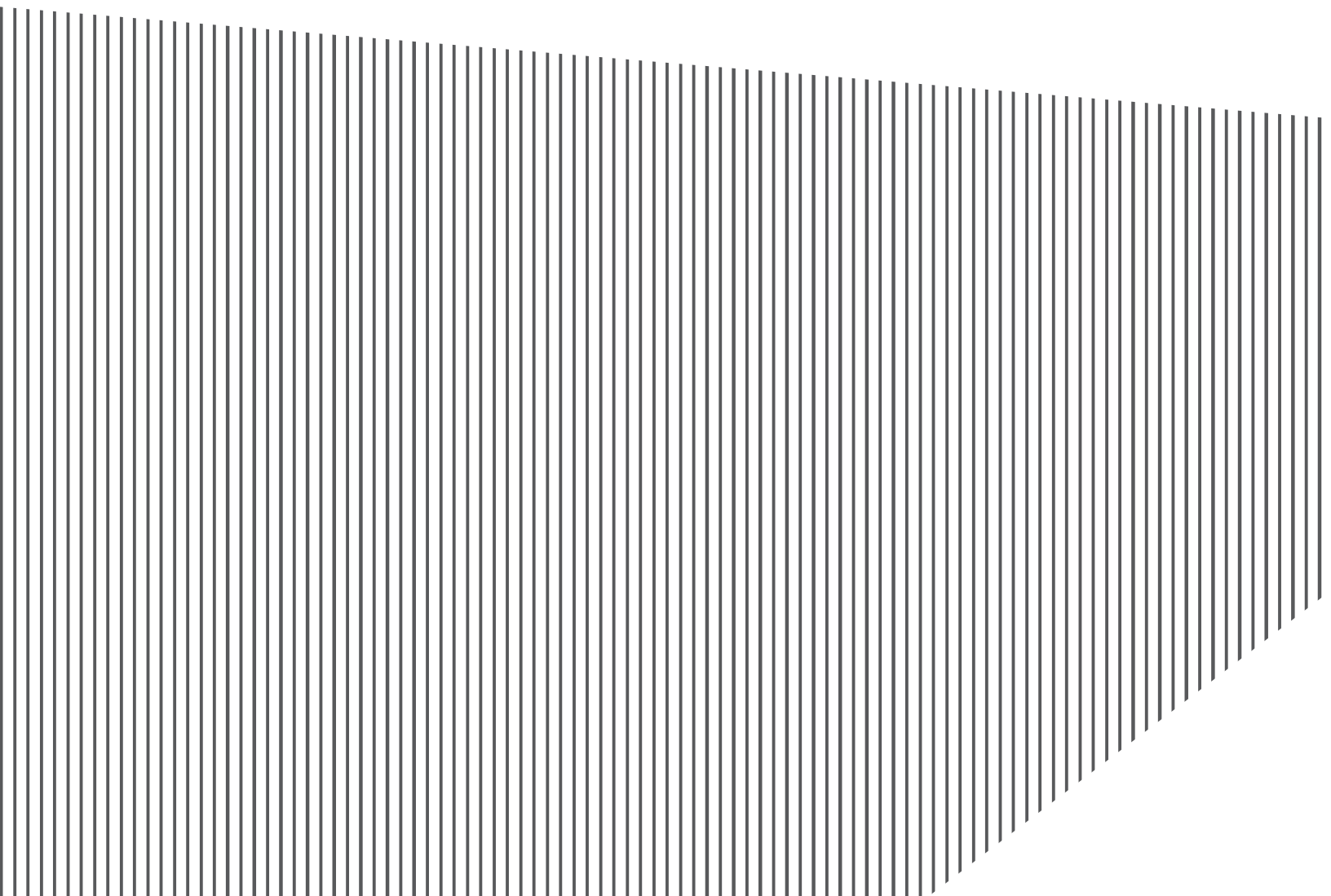
*Indicates party-in-interest to the Plan.

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FINANCIAL STATEMENTS AND
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Pactiv Hourly 401(k) Savings and Investment Plan
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Pactiv Hourly 401(k) Savings and Investment Plan

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Report of Independent Auditors

To the Pactiv Corporation Benefits Committee

We have audited the accompanying statements of net assets available for benefits of the Pactiv Hourly 401(k) Savings and Investment Plan as of December 31, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2010 and 2009, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2010, is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Ernst & Young LLP

September 28, 2011

Pactiv Hourly 401(k) Savings and Investment Plan

Statements of Net Assets Available for Benefits

	December 31	
	2010	2009
Assets		
Investments, at fair value:		
Common stock	\$ 543,821	\$ 19,511,906
Registered investment companies	92,230,947	57,480,603
Money market fund	17,555,299	14,932,462
Total investments	110,330,067	91,924,971
Receivables:		
Notes receivable from participants	7,614,049	7,319,010
Employer contributions	38,328	33,602
Total receivables	7,652,377	7,352,612
Net assets available for benefits	<u>\$ 117,982,444</u>	<u>\$ 99,277,583</u>

See accompanying notes.

Pactiv Hourly 401(k) Savings and Investment Plan

Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31	
	2010	2009
Additions		
Dividends and interest income	\$ 1,782,645	\$ 1,392,870
Contributions:		
Participant	5,668,268	5,426,896
Employer	3,119,103	3,011,966
Rollover	71,385	92,966
Total contributions	8,858,756	8,531,828
Total additions	10,641,401	9,924,698
Deductions		
Benefit payments	8,798,647	6,001,696
Administrative expenses	88,583	91,951
Total deductions	8,887,230	6,093,647
Net appreciation (depreciation) in fair value of investments:		
Common stock	7,320,933	(263,558)
Registered investment companies	9,629,757	12,904,208
Total net appreciation in fair value of investments	16,950,690	12,640,650
Net increase	18,704,861	16,471,701
Net assets available for benefits, beginning of year	99,277,583	82,805,882
Net assets available for benefits, end of year	<u>\$ 117,982,444</u>	<u>\$ 99,277,583</u>

See accompanying notes.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements

December 31, 2010

1. Description of the Plan

The following description of the Pactiv Hourly 401(k) Savings and Investment Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). Pactiv Corporation (the Company) is the sponsor of the Plan.

On November 16, 2010, the Company merged with Reynolds Acquisition Corporation, an indirect wholly owned subsidiary of Reynolds Group Holdings Limited (Reynolds). Pursuant to the terms of the merger agreement, each outstanding share of common stock of the Company was canceled, and the Company is now an indirect wholly owned subsidiary of Reynolds. In exchange for each share of the Company's common stock, the holder received \$33.25 per share and the proceeds were invested according to each participant's individual investment elections. Future allocations to the Company stock fund were redirected to the applicable Fidelity Freedom Fund based on each participant's date of birth and a target retirement date of 65.

Eligibility and Contributions

Depending on their location, employees are eligible to enter into the Plan on either the first day of the month following the completion of one full calendar month of service or the first day of the month following the first anniversary of their hire date. Depending on their location, employees are eligible for the Company matching contribution after completing one year of service.

Participants may make regular before-tax contributions by payroll deduction of 1% up to 25%, or such other percentage as may be specified in a covered group's special appendix to the Plan, of eligible compensation, as defined in the Plan, with such contributions limited to \$16,500 in 2010 and 2009. Generally, participants who are 50 or older may make catch-up contributions by payroll deductions of 1% to 50% of eligible compensation, with such catch-up contributions limited to \$5,500 in 2010 and 2009.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

1. Description of the Plan (continued)

After completing one year of service, generally, the Company makes matching contributions equal to 100% of participants' regular contributions up to 3% of eligible compensation deferred (or such other percentage as may be specified in a covered group's special appendix to the Plan).

Company matching contributions are made in the form of cash and are invested in the same investment option(s) as the participants' own regular (and catch-up) contributions.

Subject to the special appendix to the Plan, certain participants of a select covered group are entitled to receive profit-sharing contributions. Profit-sharing contributions were \$38,328 for 2010 and \$33,602 for 2009.

Investment Options

Participants have the right upon enrollment to select the funds offered by the Plan in which the balance in their accounts will be invested. In addition, participants have the right to change their investment elections with respect to future contributions and transfer existing account balances between the various investment options at any time.

Vesting

Participants are immediately vested in their own deferrals and actual earnings thereon.

Vesting of Company matching and profit-sharing contributions is based on participants' years of service as follows:

Years of Service	Vested Percentage
1	20%
2	40%
3	60%
4	80%
5	100%

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

1. Description of the Plan (continued)

Upon attainment of age 65 or termination of employment with the Company due to death or total disability, participants become 100% vested in their entire accounts. Forfeited non-vested account balances are used to reduce future Company matching contributions or to pay Plan administrative expenses.

Payment of Benefits

Upon retirement or other termination of employment, participants may receive their vested account balance as a lump-sum distribution. Participants with balances of \$5,000 or less are paid an automatic lump-sum distribution as soon as administratively feasible after termination of employment or retirement. If the vested account balance is greater than \$1,000 but \$5,000 or less, the automatic lump-sum distribution is rolled over to an IRA selected by the Company unless the participant elects otherwise.

Unless otherwise provided for in the covered group's special appendix to the Plan, a participant may make an in-service withdrawal as described in this paragraph. A participant who has attained age 55 may elect to make an in-service withdrawal, but if such a participant has not attained age 59 ½, the amount of such a withdrawal may not exceed the participant's vested account balance reduced by the portion of the account balance attributable to participant before-tax contributions and earnings thereon. Participants who have attained age 59 ½ may elect to make an in-service withdrawal of all or a portion of their vested account balances. Participants may elect at any time to make an in-service withdrawal of the balance in their rollover contributions accounts.

Participant Loans

Active participants who have not had a loan during the previous 90 days may obtain a loan from their accounts with a term of 12 to 54 months. Participants may have only one loan outstanding at any time and may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 minus the highest outstanding loan balance during the previous 12 months, or 50% of their vested account balances. The interest rate charged is the Federal Reserve's prime rate (posted in the Federal Reserve's release) as in effect as of the end of the month prior to the month in which the loan is requested. Principal and interest are paid through payroll deductions or manual loan payments if a participant is on an unpaid leave of absence.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

1. Description of the Plan (continued)

Plan Termination

Although it has not expressed intent to do so, the Company has the right to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their accounts.

Administration

The Plan is currently administered by the Pactiv Corporation Benefits Committee (the Committee).

2. Summary of Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared using the accrual basis of accounting.

Participant Accounts

Each participant's account is credited with the participant's regular and catch-up contributions, if applicable, the Company's contributions, if applicable, and an allocation of the Plan's earnings (losses). Allocations of earnings (losses) are based on account balances, as defined in the Plan. The benefit to which a participant is entitled is the vested balance in the participant's account.

Notes Receivable From Participants

Notes receivable from participants represent participant loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2010 or 2009. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a benefit payment is recorded.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

2. Summary of Accounting Policies (continued)

Expenses

Substantially all Plan administrative expenses are paid for by the Plan, including recordkeeping and trustee fees.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to use estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes and supplemental schedule. Actual results could differ from such estimates.

Investment Valuation and Income Recognition

Investments held by the Plan are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price.) See Note 6 for further discussion and disclosures related to fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded as earned. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

New Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2010-06, *Improving Disclosures about Fair Value Measurements*. ASU 2010-06 amended Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, to clarify certain existing fair value disclosures and require a number of additional disclosures. The guidance in ASU 2010-06 clarified that disclosures should be presented separately for each "class" of assets and liabilities measured at fair value and provided guidance on how to determine the appropriate classes of assets and liabilities to be presented. ASU 2010-06 also clarified the requirement for entities to disclose information about both the valuation techniques and inputs used in estimating Level 2 and Level 3 fair value measurements. In addition, ASU 2010-06 introduced new requirements to disclose the amounts (on a gross basis) and reasons for any significant transfers between Levels 1, 2, and 3 of the fair value hierarchy.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

2. Summary of Accounting Policies (continued)

and to present information regarding the purchases, sales, issuances, and settlements of Level 3 assets and liabilities on a gross basis. With the exception of the requirement to present changes in Level 3 measurements on a gross basis, which is delayed until 2011, the guidance in ASU 2010-06 becomes effective for reporting periods beginning after December 15, 2009. Since ASU 2010-06 only affects fair value disclosures, adoption of ASU 2010-06 did not affect the Plan's net assets available for benefits or its changes in net assets available for benefits.

2. Summary of Accounting Policies (continued)

In September 2010, the FASB issued ASU 2010-25, *Reporting Loans to Participants by Defined Contribution Pension Plans*. ASU 2010-25 requires participant loans to be measured at their unpaid principal balance plus any accrued but unpaid interest and classified as notes receivable from participants. Previously loans were measured at fair value and classified as investments. ASU 2010-25 is effective for fiscal years ending after December 15, 2010, and is required to be applied retrospectively. Adoption of ASU 2010-25 did not change the value of participant loans from the amount previously reported as of December 31, 2009. Participant loans have been reclassified to notes receivable from participants as of December 31, 2009.

Subsequent Events

Management evaluated subsequent events for the Plan through September 28, 2011, the date the financial statements were available to be issued.

3. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

4. Investments

Investments that represent 5% or more of the fair value of the Plan's net assets available for benefits are as follows:

	December 31	
	2010	2009
Fidelity Growth Company Fund	\$ 34,193,472	\$ 23,845,587
Fidelity Retirement Money Market Portfolio	17,555,299	14,932,462
PIMCO Total Return Fund	7,694,658	5,683,229
Spartan 500 Index Fund	7,686,990	—
Fidelity Asset Manager Fund	6,935,792	5,477,281
Pactiv Corporation common stock	—	19,225,854
Spartan U.S. Equity Index Fund	—	5,461,241

5. Income Tax Status

The Plan received a determination letter from the Internal Revenue Service (the IRS) dated June 15, 2011, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code) and, therefore, the related trust is exempt from taxation. Subsequent to this issuance of the determination letter, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Committee believes that the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as amended and restated, is qualified and that the related trust is tax-exempt.

Accounting principles generally accepted in the United States require plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The Committee has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions. The Committee believes it is no longer subject to income tax examinations for years prior to 2007.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

6. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible to the reporting entity at the measurement date for identical assets and liabilities.

Level 2 – Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:

- Quoted prices for similar assets and liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in markets that are not active
- Observable inputs other than quoted prices that are used in the valuation of the assets or liabilities (e.g., interest rate and yield curve quotes at commonly quoted intervals)
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

Level 3 – Unobservable inputs for the asset or liability (i.e., supported by little or no market activity). Level 3 inputs include management's own assumption about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

The level in the fair value hierarchy within which the fair value measurement is classified is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

6. Fair Value Measurements (continued)

Following is a description of the valuation techniques and inputs used for each major class of assets measured at fair value by the Plan.

Common Stock

Common stock is valued at the closing price reported on the major market on which the individual securities are traded. Common stock is classified within Level 1 of the valuation hierarchy.

Registered Investment Companies

These investments are public investment vehicles valued using the net asset value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in a market that is active and is classified within Level 1 of the valuation hierarchy.

Money Market Fund

The Fidelity Retirement Money Market Portfolio invests in U.S. dollar-denominated money market securities of domestic and foreign issuers and repurchase agreements. The NAV per unit of this money market fund is \$1 and is classified within Level 1 of the valuation hierarchy.

The following tables detail the Plan's investment assets at fair value and their levels within the fair value hierarchy. As required by ASC 820, assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement for the financial instrument.

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

6. Fair Value Measurements (continued)

Assets at fair value as of December 31, 2010:

	Level 1	Level 2	Level 3	Total
Common stock	\$ 543,821	\$ —	\$ —	\$ 543,821
Registered investment companies:				
U.S. equities	51,908,342	—	—	51,908,342
International equities	5,144,516	—	—	5,144,516
Fixed income	7,964,658	—	—	7,964,658
Life cycle funds	20,277,639	—	—	20,277,639
Balanced funds	6,935,792	—	—	6,935,792
Total registered investment companies	92,230,947	—	—	92,230,947
Money market funds	17,555,299	—	—	17,555,299
Total assets at fair value	<u>\$110,330,067</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$110,330,067</u>

Assets at fair value as of December 31, 2009:

	Level 1	Level 2	Level 3	Total
Common stock	\$ 19,511,906	\$ —	\$ —	\$ 19,511,906
Registered investment companies:				
U.S. equities	35,677,479	—	—	35,677,479
International equities	3,906,664	—	—	3,906,664
Fixed income	5,683,229	—	—	5,683,229
Life cycle funds	6,735,950	—	—	6,735,950
Balanced funds	5,477,281	—	—	5,477,281
Total registered investment companies	57,480,603	—	—	57,480,603
Money market funds	14,932,462	—	—	14,932,462
Total assets at fair value	<u>\$ 91,924,971</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 91,924,971</u>

Pactiv Hourly 401(k) Savings and Investment Plan

Notes to Financial Statements (continued)

7. Related Party Transactions

The Plan holds shares of registered investment companies and a money market fund managed by Fidelity Management Trust Company, the trustee of the Plan. These transactions qualify as party-in-interest transactions; however, they are exempt from the prohibited transactions rules under ERISA.

Supplemental Schedule

Pactiv Hourly 401(k) Savings and Investment Plan

EIN 36-2552989 Plan #034

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2010

Identity of Issuer	Description of Asset	Number of Shares or Units	Current Value
PIMCO	PIMCO Total Return Fund	734,070	\$ 7,964,658
Morgan Stanley	Morgan Stanley Institutional Fund - Small Company Growth Portfolio	113,924	1,614,300
Davis New York	Davis New York Venture Fund	66,030	2,290,577
Allianz Global Investors	Allianz NFJ Small-Cap Value Fund	60,671	1,728,503
Tenneco Automotive	Tenneco Automotive Common Stock	12,696	543,821
Fidelity Management Trust Company	Fidelity Growth Company Fund*	411,226	34,193,472
	Fidelity Asset Manager Fund*	449,792	6,935,792
	Fidelity Low-Priced Stock Fund*	88,124	3,380,453
	Fidelity Diversified International*	170,801	5,144,516
	Fidelity Freedom Income*	18,536	209,087
	Fidelity Freedom 2000*	7,696	91,887
	Fidelity Freedom 2010*	78,253	1,063,460
	Fidelity Freedom 2020*	236,257	3,257,989
	Fidelity Freedom 2030*	258,226	3,555,775
	Fidelity Freedom 2040*	197,774	1,584,169
	Fidelity Freedom 2005*	24,351	263,235
	Fidelity Freedom 2015*	318,016	3,606,301
	Fidelity Freedom 2025*	404,862	4,664,012
	Fidelity Freedom 2035*	138,001	1,582,866
	Fidelity Freedom 2045*	26,275	249,348
	Fidelity Freedom 2050*	15,939	149,510
	Spartan Extended Market Index Fund*	26,567	1,014,047
	Fidelity Retirement Money Market Portfolio*	17,555,299	17,555,299
	Spartan 500 Index Fund*	172,819	7,686,990
			<u>110,330,067</u>
Participant loans*	Interest rates ranging from 3.25% to 8.25%		<u>7,614,049</u>
			<u><u>\$ 117,944,116</u></u>

*Indicates party-in-interest to the Plan.

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