

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	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>POLYMER GROUP, INC. RETIREMENT SAVINGS PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>03/15/1995</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>03/15/1995</u>			
1b Three-digit plan number (PN) ▶	<u>001</u>						
1c Effective date of plan <u>03/15/1995</u>							
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>CHICOPEE, INC.</u> <u>C/O POLYMER GROUP, INC.</u> <u>9335 HARRIS CORNERS PARKWAY</u> <u>SUITE 300</u> <u>CHARLOTTE, NC 28269</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">2b Employer Identification Number (EIN) <u>57-1013629</u></td> <td style="width: 20%;"></td> </tr> <tr> <td>2c Sponsor's telephone number <u>704-697-5214</u></td> <td></td> </tr> <tr> <td>2d Business code (see instructions) <u>315990</u></td> <td></td> </tr> </table>	2b Employer Identification Number (EIN) <u>57-1013629</u>		2c Sponsor's telephone number <u>704-697-5214</u>		2d Business code (see instructions) <u>315990</u>	
2b Employer Identification Number (EIN) <u>57-1013629</u>							
2c Sponsor's telephone number <u>704-697-5214</u>							
2d Business code (see instructions) <u>315990</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	Filed with authorized/valid electronic signature.	10/17/2011	ADAM CRADDOCK
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/17/2011	ADAM CRADDOCK
	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") CHICOPEE, INC. C/O POLYMER GROUP, INC. 9335 HARRIS CORNERS PARKWAY SUITE 300 CHARLOTTE, NC 28269	3b Administrator's EIN 57-1013629 <hr/> 3c Administrator's telephone number 704-697-5214
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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 <hr/> 4c PN
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5 Total number of participants at the beginning of the plan year	5	1073
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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	774
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	301
d Subtotal. Add lines 6a , 6b , and 6c	6d	1075
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	7
f Total. Add lines 6d and 6e	6f	1082
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	1082
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	11

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 2E 2F 2G 2J 2K 2S 2T 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
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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)
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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 POLYMER GROUP, INC. RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 CHICOPEE, INC.	D Employer Identification Number (EIN) 57-1013629	

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
ALGER
13-2665689
(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
AMERICAN CENTURY INVESTMENTS
44-6006315
(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
DREYFUS
13-5673135
(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
GOLDMAN SACHS
13-5108880

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

HARBOR

04-2679462

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

JANUS

43-1804048

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

JP MORGAN

13-2624428

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

LAZARD

20-4571006

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

LOOMIS SAYLES FUNDS

04-3200030

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

PIMCO FUNDS

95-2632339

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

T. ROWE PRICE

52-2264646

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

RIVERSOURCE

13-3180631

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

AMERICAN FUNDS

95-1411037

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

DODGE & COX

94-1441976

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

LORD ABBETT

13-5620131

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

NEUBERGER BERMAN

13-5521910

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

OAKMARK

04-3276558

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

THORNBURG

85-0301299

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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)

WELLS FARGO BANK, N.A.

94-1347393

(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?
15 21 37 49 50 52 60 61 62 63 64	SERVICE PROVIDER	53596	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

MORNINGSTAR ASSOCIATES, LLC

36-4317381

(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?
27 51	NONE	6765	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
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

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
(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
(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:

<div>SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration</div>	<div>DFE/Participating Plan Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2010</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010		
A Name of plan POLYMER GROUP, INC. RETIREMENT SAVINGS PLAN		B Three-digit plan number (PN) ▶ 001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 CHICOPEE, INC.		D Employer Identification Number (EIN) 57-1013629
Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)		
a Name of MTIA, CCT, PSA, or 103-12 IE: STABLE INVESTMENT FUND 6		
b Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.		
c EIN-PN 56-6271988-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 130204
a Name of MTIA, CCT, PSA, or 103-12 IE: ENHANCED STOCK MARKET G2		
b Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.		
c EIN-PN 56-6288528-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5705433
a Name of MTIA, CCT, PSA, or 103-12 IE: DIVERSIFIED BOND GROUP TRUST		
b Name of sponsor of entity listed in (a): WACHOVIA BANK, N.A.		
c EIN-PN 54-6113592-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
a Name of MTIA, CCT, PSA, or 103-12 IE: TOTAL RETURN BOND FUND G5		
b Name of sponsor of entity listed in (a): WELLS FARGO, BANK, N.A.		
c EIN-PN 94-3222878-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 552122
a Name of MTIA, CCT, PSA, or 103-12 IE: RIVERSOURCE TRUST INCOME V		
b Name of sponsor of entity listed in (a): AMERIPRISE TRUST COMPANY		
c EIN-PN 41-0007957-052	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 16804783
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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 <u>01/01/2010</u> and ending <u>12/31/2010</u>		
A Name of plan <u>POLYMER GROUP, INC. RETIREMENT SAVINGS PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CHICOPEE, INC.</u>	D Employer Identification Number (EIN) <u>57-1013629</u>	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	Total noninterest-bearing cash	1a	22706	
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	26711	31527
	(2) Participant contributions	1b(2)	26083	46067
	(3) Other	1b(3)	4000	
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
	(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)		
	(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)	2439737	2596051
	(9) Value of interest in common/collective trusts	1c(9)	22784063	23192542
	(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)	24144209	29807546
	(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)		
(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	49447509	55673733

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	26706	
k Total liabilities (add all amounts in lines 1g through 1j)	1k	26706	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	49420803	55673733
---	-----------	----------	----------

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) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	2363346	
(B) Participants	2a(1)(B)	2916913	
(C) Others (including rollovers)	2a(1)(C)	134305	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		5414564
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(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)	137848	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		137848
(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)	190186	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		190186
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		1157748
(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)		3403647
c Other income.....	2c		4327
d Total income. Add all income amounts in column (b) and enter total.....	2d		10308320

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3945744	
(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)		3945744
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
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)	109646	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		109646
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		4055390

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		6252930
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: HANCOCK ASKEW & COMPANY LLP CPA

(2) EIN: 58-0662558

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		10000000
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.			

- 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.
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan <u>POLYMER GROUP, INC. RETIREMENT SAVINGS PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CHICOPPEE, INC.</u>	D Employer Identification Number (EIN) <u>57-1013629</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): <u>56-1354495</u>		
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

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

Schedule R (Form 5500) 2010
v.092308.1

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): _____

**POLYMER GROUP, INC.
RETIREMENT SAVINGS PLAN**

**Financial Statements
and
Independent Auditors' Report**
Years Ended December 31, 2010 and 2009

Polymer Group, Inc. Retirement Savings Plan

Contents

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HANCOCK ASKEW & CO LLP
ACCOUNTANTS & ADVISORS

Independent Auditors' Report

Plan Committee
Polymer Group, Inc. Retirement Savings Plan
Charlotte, North Carolina

We were engaged to audit the accompanying financial statements of the Polymer Group, Inc. Retirement Savings Plan (the Plan) as of December 31, 2010 and 2009 and for the years then ended, and supplemental schedule as of December 31, 2010, as listed in the table of contents. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Committee instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in Note 3, which was certified by Wells Fargo Bank, N.A., the Trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan Committee that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan Committee has obtained a certification from the Trustee as of and for the years ended December 31, 2010 and 2009, that the information provided to the Plan Committee by the Trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the investment information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Respectfully submitted,

Savannah, Georgia
September 19, 2011

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2
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Polymer Group, Inc. Retirement Savings Plan

Statements of Net Assets Available for Benefits

<i>December 31,</i>	2010	2009
ASSETS		
Cash	\$ -	\$ 22,706
Investments, at fair value		
Mutual funds	29,807,545	24,144,210
Common trust funds	23,192,543	22,238,100
Total investments, at fair value	53,000,088	46,382,310
Receivables		
Notes receivable from participants	2,596,051	2,439,737
Employer's contribution	31,527	26,711
Participants' contributions	46,067	26,083
Due from brokers	-	4,000
Total receivables	2,673,645	2,496,531
Total assets	55,673,733	48,901,547
LIABILITY		
Due to brokers	-	26,706
Net assets available for benefits, at fair value	55,673,733	48,874,841
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	-	545,963
Net assets available for benefits	\$ 55,673,733	\$ 49,420,804

The accompanying notes are an integral part of these financial statements.

Polymer Group, Inc. Retirement Savings Plan

Statements of Changes in Net Assets Available for Benefits

<i>Years ended December 31,</i>	2010	2009
Investment income		
Dividends	\$ 190,186	\$ 265,429
Net appreciation in fair value of investments	4,561,395	6,666,338
Other income	4,327	3,084
Net investment income	4,755,908	6,934,851
Contributions		
Employer	2,363,346	2,335,238
Participant	3,051,218	3,069,177
Total contributions	5,414,564	5,404,415
Interest income on notes receivable from participants	137,848	166,392
Total additions	10,308,320	12,505,658
Deductions from net assets		
Benefits paid to participants	3,945,745	4,834,958
Assets transferred from Plan	-	5,532,555
Administrative expenses	109,646	165,498
Total deductions	4,055,391	10,533,011
Net increase	6,252,929	1,972,647
Net assets available for benefits, beginning of year	49,420,804	47,448,157
Net assets available for benefits, end of year	\$ 55,673,733	\$ 49,420,804

The accompanying notes are an integral part of these financial statements.

Polymer Group, Inc. Retirement Savings Plan

Notes to Financial Statements

1. Description of the Plan

The following description of the Polymer Group, Inc. Retirement Savings Plan (the Plan) provides only general information. The Plan Sponsor, Chicopee, Inc., is a wholly-owned subsidiary of the Polymer Group, Inc. (the Employer). Participants should refer to the summary Plan description or Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering employees of the following subsidiaries of Polymer Group, Inc.: Chicopee, Inc., FiberTech Group Inc., FNA Polymer Corp., FNA Acquisition, Inc., Poly-Bond, Inc and Fabrene Corp. The Plan covers all employees of these subsidiaries who have three months of service and are not independent contractors, leased employees, nonresident aliens, paid by third-parties or nondomestic payrolls, or are covered by a collective bargaining agreement that does not specifically allow participation under the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Plan participants may elect to contribute between 1% and 50% of their annual compensation subject to certain limitations. The Employer will match participant contributions using a formula based on the participant's classification. The Employer may, at its discretion, make discretionary contributions to the Plan. The Employer will contribute a nonelective contribution on behalf of eligible participants in an amount equal to 3% of the base compensation of all participants under the Plan.

Upon enrollment in the Plan, participants may designate how their contributions and those of the Employer are to be apportioned among the investment options. Participants have the option to retain, for a fee, an investment advisory service to manage asset allocation. The cost of the service is based upon the asset balance in the participant account and the fee is charged against the individual participant account.

Participant Accounts

Each participant's account balance is credited with an allocation of Plan investment results and Employer contributions, and charged with an allocation of administrative expenses. Allocations are based on the participant's compensation or account balances, as defined.

Polymer Group, Inc. Retirement Savings Plan

Notes to Financial Statements

1. Description of the Plan (cont.)

Vesting

Participants are immediately vested in their own contributions plus actual earnings thereon. Vesting in the Employer's matching contribution portion of their accounts is based on years of continuous service. A participant's vesting percentage increases 20% each year after the first year of service, up to 100% after five years of credited service. Participants are immediately vested in Employer nonelective contributions made after January 1, 2007. Employer nonelective contributions made prior to that time follow the five year vesting schedule described above.

Forfeitures

At December 31, 2010 and 2009, forfeited nonvested accounts totaled approximately \$128,000 and \$60,000 respectively. In 2009, Employer contributions were reduced by approximately \$47,000 from forfeited nonvested accounts, respectively. No forfeitures were used to reduce Employer contributions for the year ending December 31, 2010.

Payment of Benefits

On termination of service, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments until the balance is depleted.

Participant Loans Receivable

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest at prime plus 1%, or as determined by the Plan Committee based on periodic evaluations of interest rates. Loan terms range from one to five years or up to ten years for the purchase of a primary residence. Principal and interest payments are made through payroll deductions based on an amortization schedule.

Plan Termination

Although it has not expressed any intent to do so, the Employer has the right under the Plan 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 will become 100% vested in their accounts.

Polymer Group, Inc. Retirement Savings Plan

Notes to Financial Statements

**1. Description of
the Plan (cont.)**

Administrative Expenses

Pursuant to provisions of the Plan, expenses incurred in the administration and operation of the Plan may be paid by the Employer at the Employer's election, except for certain account activity charges which are paid from the accounts of the participants that incur the charges.

**2. Summary of
Significant
Accounting
Policies**

Reclassification

In accordance with a required change in accounting standards during 2010 the Plan's participant loan balances reported as Plan investments for the year ending December 31, 2009 has been reclassified as Plan receivables on the Plan's Statements of Net Assets Available for Benefits.

Basis of Accounting

The financial statements of the Plan are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments 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). Investments in mutual funds are valued at quoted market prices for the identical security in an active market. Investments in common collective trusts are valued based on prices quoted and published by the investment manager of the accounts which are determined based upon fair value of the underlying assets. See Note 8 for further discussion and disclosures related to fair value measurements.

Polymer Group, Inc. Retirement Savings Plan

Notes to Financial Statements

2. Summary of Significant Accounting Policies (cont.)

Investment Valuation and Income Recognition (cont.)

Accounting standards establish a fair value hierarchy that 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 or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value are described as follows:

Basis of Fair Value Measurement

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;
- Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

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.

The Stable Investment Fund and the Riversource Trust Income Fund include traditional guaranteed investment contracts (GICs) and synthetic GICs, which include corporate bonds and wrapper contracts. These funds are fully benefit-responsive and are reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under terms of the Plan. Accordingly, the statement of net assets available for benefits presents the fair value of the investment in the Stable Investment Fund and the Riversource Trust Income Fund, as well as the adjustment required to record these investments at contract value for the year ended December 31, 2009. The contract value of the Plan's investment annuity contracts was not materially different from fair value for the year ended December 31, 2010. Investment income of this fund is presented on a contract value basis, determined daily.

Polymer Group, Inc. Retirement Savings Plan

Notes to Financial Statements

2. Summary of Significant Accounting Policies (cont.)

Payment of Benefits

Benefits are recorded when paid.

Notes Receivable from Participants

Notes receivable from participants are valued at their unpaid principal balance plus any accrued but unpaid interest.

3. Information Prepared and Certified by the Trustee

All investment information disclosed in the accompanying financial statements and schedules in total and by fund, including investments held at December 31, 2010 and 2009, and net appreciation in fair value of investments and interest for the years ended December 31, 2010 and 2009, was obtained or derived from information supplied to the Plan Committee and certified as complete and accurate by Wells Fargo Bank, N.A. (the Trustee).

The Plan's investments (including investments bought, sold and held during the year) appreciated in fair value as follows:

<i>Years ended December 31,</i>	2010	2009
Mutual funds	\$ 3,403,647	\$ 5,152,637
Common trust funds	1,157,748	1,513,701
	\$ 4,561,395	\$ 6,666,338

The fair value of individual investments that represent 5% or more of the Plan's net assets are as follows:

<i>December 31,</i>	2010	2009
Wells Fargo Bank, N.A.		
Mutual funds		
Lord Abbett Small Cap Value Fund	\$ 4,368,319	\$ 3,013,319
Oakmark Equity and Income Fund	\$ 4,994,740	4,528,358
Common trust funds		
Enhanced Stock Market Fund	\$ 5,462,716	\$ 5,062,261
Riversource Trust Income Fund	\$ 16,804,783	16,673,174

Polymer Group, Inc. Retirement Savings Plan

Notes to Financial Statements

4. Related Party Transactions

Certain Plan investments are shares of mutual funds and common trust funds managed by Wells Fargo Bank, N.A. Wells Fargo is the Trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions.

5. Investment Contracts

The Stable Investment Fund and the Riversource Trust Income Fund (the Fund) invest in a variety of investment contracts such as GICs issued by insurance companies and other investment products (such as separate account contracts and synthetic GICs) with similar characteristics.

Traditional GICs are backed by the general account of the issuer. The Fund deposits a lump-sum with the issuer and receives a guaranteed interest rate for a specified period of time. Separate account GICs are similar in structure to traditional GICs, except that the underlying crediting rate is based upon the characteristics of the underlying assets.

A synthetic GIC is an investment contract, also known as a wrapper contract, issued by an insurance company, bank or financial institution, and backed by a portfolio of investments that are owned by the Fund. The assets underlying the wrapper contract are maintained separate from the contract issuer's general assets, usually by a third party custodian. These contracts typically provide that realized and unrealized gains and losses on the underlying assets are not reflected immediately in the net assets of the Fund, but rather are amortized, usually over time to maturity or the duration of the underlying investments, through adjustments to the future interest crediting rates. For all types of GICs noted above, the issuer guarantees that all qualified participant withdrawals will occur at contract value (i.e., principal plus accrued interest).

The separate account and synthetic GICs are designed to reset the respective crediting rate on a periodic basis, typically quarterly. The rate reset allows the contract value of the portfolio to converge to the fair value over time, assuming the fair value continues to earn the current portfolio yield for a period of time equal to the current portfolio duration.

The average yield earned by the Stable Investment Fund was 2.38% and 3.40% during the years ended December 31, 2010 and 2009, respectively, and by the Riversource Trust and Income Fund was 2.39% and 3.94% during the years ended December 31, 2010 and 2009, respectively. The average yield earned by the Stable Investment Fund with an adjustment to reflect actual interest rate credited to the participants in the Fund was 2.90% and 3.32% during the years ended December 31, 2010 and 2009, respectively, and by the Riversource Trust and Income Fund was 1.84% and 2.23% during the years ended December 31, 2010 and 2009, respectively.

Polymer Group, Inc. Retirement Savings Plan

Notes to Financial Statements

-
- 5. Investment Contracts (cont.)** In addition to certain wrapper agreements and separate account agreement termination provisions, the contracts generally provide for withdrawals associated with certain events which are not in the ordinary course of the Funds' operations, and that the issuer determines will have a material adverse affect on the issuer's financial interest, will be paid with a fair value adjustment to the contract value amount of such withdrawal as defined in such contracts. At December 31, 2010, the Trustee of the Fund does not believe that the occurrence of any such fair value event which would limit the Fund's ability to transact at contract value with participants is probable.
- GICs generally do not permit issuers to terminate the agreement prior to the scheduled maturity date. Wrapper contracts and separate account agreements generally are evergreen contracts that contain termination provisions.
- 6. Income Tax Status** The Internal Revenue Service has determined and informed the Employer by a letter dated September 19, 2003, that the Plan and related Trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan Administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.
- 7. Risk and Uncertainty** Investments, in general, are exposed to various risks such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investments, it is reasonably possible that the changes in the values of investments will occur in the near term and that such changes could be material in relation to these financial statements.
- 8. Fair Value Measurements** The following table sets forth by level within the fair value hierarchy the Plan investment assets at fair value, as of December 31, 2010 and 2009. Assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Polymer Group, Inc. Retirement Savings Plan

Notes to Financial Statements

8. Fair Value Measurements (cont.)

Investment Assets at Fair Value as of December 31, 2010

	Level 1	Level 2	Level 3	Total
Mutual funds				
Bond	\$ 4,599,105	\$ -	\$ -	\$ 4,599,105
Balanced	4,994,740	-	-	4,994,740
Domestic equity	14,906,720	-	-	14,906,720
International equity	5,306,980	-	-	5,306,980
Total mutual funds	29,807,545	-	-	29,807,545
Common collective trusts				
Bond (a)	-	17,487,110	-	17,487,110
Equity (b)	-	5,705,433	-	5,705,433
Total common collective trusts	-	23,192,543	-	23,192,543
Total investments at fair value	\$ 29,807,545	\$ 23,192,543	\$ -	\$ 53,000,088

Investment Assets at Fair Value as of December 31, 2009

	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 24,144,210	\$ -	\$ -	\$ 24,144,210
Common collective trusts	-	22,238,100	-	22,238,100
Total investments at fair value	\$ 24,144,210	\$ 22,238,100	\$ -	\$ 46,382,310

Polymer Group, Inc. Retirement Savings Plan

Notes to Financial Statements

- 8. Fair Value Measurements (cont.)**
- (a) This category represents common collective trust funds that are designed to deliver safety and stability by preserving principal and accumulating earnings. These funds are primarily invested in debt securities. The fair value of these funds have been estimated based on the fair value of the underlying investment contracts in the fund as reported by the issuer of the fund. The fair value differs from the contract value. As previously discussed in Note 5, contract value is the relevant measurement attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan.
- (b) This category represents common collective trust funds that are designed to provide a portfolio of stocks for collective investment with market capitalizations within the range of the S&P 500 Index. Such funds are held for investment with the objective of seeking to achieve long term return greater than the return on the S&P 500 Index while maintaining risk characteristics similar to the risk characteristics of the stocks in the S&P 500 Index.
- 9. Plan Transfer**
- On September 1, 2009, FabPro Oriented Polymers, Inc., a subsidiary of Polymer Group, Inc., was sold by the Plan sponsor. As a result of that sale, Plan assets totaling \$5,532,555 attributable to the affected participants were transferred out of the Plan on September 8, 2009.
- 10. Subsequent Events**
- Subsequent events have been evaluated through September 19, 2011, the date the financial statements were available to be issued.

Polymer Group, Inc. Retirement Savings Plan
EIN: 57-1013629 Plan Number: 001

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

December 31, 2010

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
Common trust funds				
*	Wells Fargo Bank, N.A.	Enhanced Stock Market Fund G	**	\$ 5,462,716
*	Wells Fargo Bank, N.A.	Enhanced Stock Market Fund B	**	242,717
*	Wells Fargo Bank, N.A.	Stable Return Fund	**	130,204
*	Wells Fargo Bank, N.A.	Total Return Bond Fund	**	552,123
*	Ameriprise Financial	Riversource Trust Income Fund	**	16,804,783
				23,192,543
Mutual funds				
*	Wells Fargo Bank, N.A.	Alger Small Cap Growth Fund	**	227,702
*	Wells Fargo Bank, N.A.	Alger Small Cap and Mid Cap Fund	**	2,360,207
*	Wells Fargo Bank, N.A.	American Century Small Company Fund	**	62
*	Wells Fargo Bank, N.A.	American Funds Growth of America Fund	**	1,824,358
*	Wells Fargo Bank, N.A.	Dodge and Cox International Stock Fund	**	1,489,590
*	Wells Fargo Bank, N.A.	Dreyfus Bond Market Index Fund	**	2,249,283
*	Wells Fargo Bank, N.A.	Dreyfus Midcap Index Fund	**	2,457,946
*	Wells Fargo Bank, N.A.	Dreyfus Premier Small Cap Equity Fund	**	247,344
*	Wells Fargo Bank, N.A.	Goldman Sachs Large Cap Value Fund	**	876,960
*	Wells Fargo Bank, N.A.	Goldman Sachs Large Value Fund	**	427,249
*	Wells Fargo Bank, N.A.	Goldman Sachs Structured Fund	**	66,428
*	Wells Fargo Bank, N.A.	Harbor International Institutional Fund	**	372,003
*	Wells Fargo Bank, N.A.	Janus Overseas Class I Fund	**	291,375
*	Wells Fargo Bank, N.A.	JP Morgan High Yield Fund	**	196,912
*	Wells Fargo Bank, N.A.	Lazard Emerging Markets Institutional Fund	**	20,723
*	Wells Fargo Bank, N.A.	Loomis Sayles Strategic Income Fund	**	808,956
*	Wells Fargo Bank, N.A.	Lord Abbett Small Cap Value Fund	**	4,368,319
*	Wells Fargo Bank, N.A.	Neuberger Berman Partners Adv Fund	**	884,145
*	Wells Fargo Bank, N.A.	Oakmark Equity and Income Fund	**	4,994,740
*	Wells Fargo Bank, N.A.	PIMCO High Yield Fund	**	55,091
*	Wells Fargo Bank, N.A.	PIMCO Real Return Institutional Fund	**	325,698
*	Wells Fargo Bank, N.A.	PIMCO Total Return Institutional Fund	**	574,034
*	Wells Fargo Bank, N.A.	Thornburg International Value R5 Fund	**	318,248

Polymer Group, Inc. Retirement Savings Plan
EIN: 57-1013629 Plan Number: 001

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

December 31, 2010

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
*	Wells Fargo Bank, N.A.	Thornburg International Value Fund	**	2,745,344
*	Wells Fargo Bank, N.A.	T Rowe Price Equity Income Fund	**	351,028
*	Wells Fargo Bank, N.A.	T. Rowe Price Real Estate Fund	**	174,618
*	Wells Fargo Bank, N.A.	T. Rowe Price Growth Fund	**	356,120
*	Wells Fargo Bank, N.A.	The Boston Company Small Cap Value Fund	**	41
*	Wells Fargo Bank, N.A.	Wells Fargo Advantage International Bond Fund	**	389,131
*	Wells Fargo Bank, N.A.	Wells Fargo Advantage International Equity Fund	**	3,269
*	Wells Fargo Bank, N.A.	Wells Fargo Advantage Strategic Large Cap Growth Fund	**	350,621
				29,807,545
Participant loans		Interest rates ranging from 4.25% - 9.25%	-0-	2,596,051
				\$ 55,596,139

* Denotes party-in-interest to the Plan.

** Cost information has not been included in column (d) because all investments are participant directed.

**POLYMER GROUP, INC.
RETIREMENT SAVINGS PLAN**

**Financial Statements
and
Independent Auditors' Report**
Years Ended December 31, 2010 and 2009

Polymer Group, Inc. Retirement Savings Plan

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HANCOCK ASKEW & CO LLP
ACCOUNTANTS & ADVISORS

Independent Auditors' Report

Plan Committee
Polymer Group, Inc. Retirement Savings Plan
Charlotte, North Carolina

We were engaged to audit the accompanying financial statements of the Polymer Group, Inc. Retirement Savings Plan (the Plan) as of December 31, 2010 and 2009 and for the years then ended, and supplemental schedule as of December 31, 2010, as listed in the table of contents. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Committee instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in Note 3, which was certified by Wells Fargo Bank, N.A., the Trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan Committee that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan Committee has obtained a certification from the Trustee as of and for the years ended December 31, 2010 and 2009, that the information provided to the Plan Committee by the Trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the investment information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Respectfully submitted,

Savannah, Georgia
September 19, 2011

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Polymer Group, Inc. Retirement Savings Plan

Statements of Net Assets Available for Benefits

<i>December 31,</i>	2010	2009
ASSETS		
Cash	\$ -	\$ 22,706
Investments, at fair value		
Mutual funds	29,807,545	24,144,210
Common trust funds	23,192,543	22,238,100
Total investments, at fair value	53,000,088	46,382,310
Receivables		
Notes receivable from participants	2,596,051	2,439,737
Employer's contribution	31,527	26,711
Participants' contributions	46,067	26,083
Due from brokers	-	4,000
Total receivables	2,673,645	2,496,531
Total assets	55,673,733	48,901,547
LIABILITY		
Due to brokers	-	26,706
Net assets available for benefits, at fair value	55,673,733	48,874,841
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	-	545,963
Net assets available for benefits	\$ 55,673,733	\$ 49,420,804

The accompanying notes are an integral part of these financial statements.

Polymer Group, Inc. Retirement Savings Plan

Statements of Changes in Net Assets Available for Benefits

<i>Years ended December 31,</i>	2010	2009
Investment income		
Dividends	\$ 190,186	\$ 265,429
Net appreciation in fair value of investments	4,561,395	6,666,338
Other income	4,327	3,084
Net investment income	4,755,908	6,934,851
Contributions		
Employer	2,363,346	2,335,238
Participant	3,051,218	3,069,177
Total contributions	5,414,564	5,404,415
Interest income on notes receivable from participants	137,848	166,392
Total additions	10,308,320	12,505,658
Deductions from net assets		
Benefits paid to participants	3,945,745	4,834,958
Assets transferred from Plan	-	5,532,555
Administrative expenses	109,646	165,498
Total deductions	4,055,391	10,533,011
Net increase	6,252,929	1,972,647
Net assets available for benefits, beginning of year	49,420,804	47,448,157
Net assets available for benefits, end of year	\$ 55,673,733	\$ 49,420,804

The accompanying notes are an integral part of these financial statements.

Polymer Group, Inc. Retirement Savings Plan

Notes to Financial Statements

1. Description of the Plan

The following description of the Polymer Group, Inc. Retirement Savings Plan (the Plan) provides only general information. The Plan Sponsor, Chicopee, Inc., is a wholly-owned subsidiary of the Polymer Group, Inc. (the Employer). Participants should refer to the summary Plan description or Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering employees of the following subsidiaries of Polymer Group, Inc.: Chicopee, Inc., FiberTech Group Inc., FNA Polymer Corp., FNA Acquisition, Inc., Poly-Bond, Inc and Fabrene Corp. The Plan covers all employees of these subsidiaries who have three months of service and are not independent contractors, leased employees, nonresident aliens, paid by third-parties or nondomestic payrolls, or are covered by a collective bargaining agreement that does not specifically allow participation under the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Plan participants may elect to contribute between 1% and 50% of their annual compensation subject to certain limitations. The Employer will match participant contributions using a formula based on the participant's classification. The Employer may, at its discretion, make discretionary contributions to the Plan. The Employer will contribute a nonelective contribution on behalf of eligible participants in an amount equal to 3% of the base compensation of all participants under the Plan.

Upon enrollment in the Plan, participants may designate how their contributions and those of the Employer are to be apportioned among the investment options. Participants have the option to retain, for a fee, an investment advisory service to manage asset allocation. The cost of the service is based upon the asset balance in the participant account and the fee is charged against the individual participant account.

Participant Accounts

Each participant's account balance is credited with an allocation of Plan investment results and Employer contributions, and charged with an allocation of administrative expenses. Allocations are based on the participant's compensation or account balances, as defined.

Polymer Group, Inc. Retirement Savings Plan

Notes to Financial Statements

1. Description of the Plan (cont.)

Vesting

Participants are immediately vested in their own contributions plus actual earnings thereon. Vesting in the Employer's matching contribution portion of their accounts is based on years of continuous service. A participant's vesting percentage increases 20% each year after the first year of service, up to 100% after five years of credited service. Participants are immediately vested in Employer nonelective contributions made after January 1, 2007. Employer nonelective contributions made prior to that time follow the five year vesting schedule described above.

Forfeitures

At December 31, 2010 and 2009, forfeited nonvested accounts totaled approximately \$128,000 and \$60,000 respectively. In 2009, Employer contributions were reduced by approximately \$47,000 from forfeited nonvested accounts, respectively. No forfeitures were used to reduce Employer contributions for the year ending December 31, 2010.

Payment of Benefits

On termination of service, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments until the balance is depleted.

Participant Loans Receivable

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest at prime plus 1%, or as determined by the Plan Committee based on periodic evaluations of interest rates. Loan terms range from one to five years or up to ten years for the purchase of a primary residence. Principal and interest payments are made through payroll deductions based on an amortization schedule.

Plan Termination

Although it has not expressed any intent to do so, the Employer has the right under the Plan 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 will become 100% vested in their accounts.

Polymer Group, Inc. Retirement Savings Plan

Notes to Financial Statements

**1. Description of
the Plan (cont.)**

Administrative Expenses

Pursuant to provisions of the Plan, expenses incurred in the administration and operation of the Plan may be paid by the Employer at the Employer's election, except for certain account activity charges which are paid from the accounts of the participants that incur the charges.

**2. Summary of
Significant
Accounting
Policies**

Reclassification

In accordance with a required change in accounting standards during 2010 the Plan's participant loan balances reported as Plan investments for the year ending December 31, 2009 has been reclassified as Plan receivables on the Plan's Statements of Net Assets Available for Benefits.

Basis of Accounting

The financial statements of the Plan are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments 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). Investments in mutual funds are valued at quoted market prices for the identical security in an active market. Investments in common collective trusts are valued based on prices quoted and published by the investment manager of the accounts which are determined based upon fair value of the underlying assets. See Note 8 for further discussion and disclosures related to fair value measurements.

Polymer Group, Inc. Retirement Savings Plan

Notes to Financial Statements

2. Summary of Significant Accounting Policies (cont.)

Investment Valuation and Income Recognition (cont.)

Accounting standards establish a fair value hierarchy that 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 or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value are described as follows:

Basis of Fair Value Measurement

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;
- Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

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.

The Stable Investment Fund and the Riversource Trust Income Fund include traditional guaranteed investment contracts (GICs) and synthetic GICs, which include corporate bonds and wrapper contracts. These funds are fully benefit-responsive and are reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under terms of the Plan. Accordingly, the statement of net assets available for benefits presents the fair value of the investment in the Stable Investment Fund and the Riversource Trust Income Fund, as well as the adjustment required to record these investments at contract value for the year ended December 31, 2009. The contract value of the Plan's investment annuity contracts was not materially different from fair value for the year ended December 31, 2010. Investment income of this fund is presented on a contract value basis, determined daily.

Polymer Group, Inc. Retirement Savings Plan

Notes to Financial Statements

2. Summary of Significant Accounting Policies (cont.)

Payment of Benefits

Benefits are recorded when paid.

Notes Receivable from Participants

Notes receivable from participants are valued at their unpaid principal balance plus any accrued but unpaid interest.

3. Information Prepared and Certified by the Trustee

All investment information disclosed in the accompanying financial statements and schedules in total and by fund, including investments held at December 31, 2010 and 2009, and net appreciation in fair value of investments and interest for the years ended December 31, 2010 and 2009, was obtained or derived from information supplied to the Plan Committee and certified as complete and accurate by Wells Fargo Bank, N.A. (the Trustee).

The Plan's investments (including investments bought, sold and held during the year) appreciated in fair value as follows:

<i>Years ended December 31,</i>	2010	2009
Mutual funds	\$ 3,403,647	\$ 5,152,637
Common trust funds	1,157,748	1,513,701
	\$ 4,561,395	\$ 6,666,338

The fair value of individual investments that represent 5% or more of the Plan's net assets are as follows:

<i>December 31,</i>	2010	2009
Wells Fargo Bank, N.A.		
Mutual funds		
Lord Abbett Small Cap Value Fund	\$ 4,368,319	\$ 3,013,319
Oakmark Equity and Income Fund	\$ 4,994,740	4,528,358
Common trust funds		
Enhanced Stock Market Fund	\$ 5,462,716	\$ 5,062,261
Riversource Trust Income Fund	\$ 16,804,783	16,673,174

Polymer Group, Inc. Retirement Savings Plan

Notes to Financial Statements

4. Related Party Transactions

Certain Plan investments are shares of mutual funds and common trust funds managed by Wells Fargo Bank, N.A. Wells Fargo is the Trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions.

5. Investment Contracts

The Stable Investment Fund and the Riversource Trust Income Fund (the Fund) invest in a variety of investment contracts such as GICs issued by insurance companies and other investment products (such as separate account contracts and synthetic GICs) with similar characteristics.

Traditional GICs are backed by the general account of the issuer. The Fund deposits a lump-sum with the issuer and receives a guaranteed interest rate for a specified period of time. Separate account GICs are similar in structure to traditional GICs, except that the underlying crediting rate is based upon the characteristics of the underlying assets.

A synthetic GIC is an investment contract, also known as a wrapper contract, issued by an insurance company, bank or financial institution, and backed by a portfolio of investments that are owned by the Fund. The assets underlying the wrapper contract are maintained separate from the contract issuer's general assets, usually by a third party custodian. These contracts typically provide that realized and unrealized gains and losses on the underlying assets are not reflected immediately in the net assets of the Fund, but rather are amortized, usually over time to maturity or the duration of the underlying investments, through adjustments to the future interest crediting rates. For all types of GICs noted above, the issuer guarantees that all qualified participant withdrawals will occur at contract value (i.e., principal plus accrued interest).

The separate account and synthetic GICs are designed to reset the respective crediting rate on a periodic basis, typically quarterly. The rate reset allows the contract value of the portfolio to converge to the fair value over time, assuming the fair value continues to earn the current portfolio yield for a period of time equal to the current portfolio duration.

The average yield earned by the Stable Investment Fund was 2.38% and 3.40% during the years ended December 31, 2010 and 2009, respectively, and by the Riversource Trust and Income Fund was 2.39% and 3.94% during the years ended December 31, 2010 and 2009, respectively. The average yield earned by the Stable Investment Fund with an adjustment to reflect actual interest rate credited to the participants in the Fund was 2.90% and 3.32% during the years ended December 31, 2010 and 2009, respectively, and by the Riversource Trust and Income Fund was 1.84% and 2.23% during the years ended December 31, 2010 and 2009, respectively.

Polymer Group, Inc. Retirement Savings Plan

Notes to Financial Statements

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| 5. Investment Contracts (cont.) | <p>In addition to certain wrapper agreements and separate account agreement termination provisions, the contracts generally provide for withdrawals associated with certain events which are not in the ordinary course of the Funds' operations, and that the issuer determines will have a material adverse affect on the issuer's financial interest, will be paid with a fair value adjustment to the contract value amount of such withdrawal as defined in such contracts. At December 31, 2010, the Trustee of the Fund does not believe that the occurrence of any such fair value event which would limit the Fund's ability to transact at contract value with participants is probable.</p> <p>GICs generally do not permit issuers to terminate the agreement prior to the scheduled maturity date. Wrapper contracts and separate account agreements generally are evergreen contracts that contain termination provisions.</p> |
| 6. Income Tax Status | <p>The Internal Revenue Service has determined and informed the Employer by a letter dated September 19, 2003, that the Plan and related Trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan Administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.</p> |
| 7. Risk and Uncertainty | <p>Investments, in general, are exposed to various risks such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investments, it is reasonably possible that the changes in the values of investments will occur in the near term and that such changes could be material in relation to these financial statements.</p> |
| 8. Fair Value Measurements | <p>The following table sets forth by level within the fair value hierarchy the Plan investment assets at fair value, as of December 31, 2010 and 2009. Assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.</p> |

Polymer Group, Inc. Retirement Savings Plan

Notes to Financial Statements

8. Fair Value Measurements (cont.)

Investment Assets at Fair Value as of December 31, 2010

	Level 1	Level 2	Level 3	Total
Mutual funds				
Bond	\$ 4,599,105	\$ -	\$ -	\$ 4,599,105
Balanced	4,994,740	-	-	4,994,740
Domestic equity	14,906,720	-	-	14,906,720
International equity	5,306,980	-	-	5,306,980
Total mutual funds	29,807,545	-	-	29,807,545
Common collective trusts				
Bond (a)	-	17,487,110	-	17,487,110
Equity (b)	-	5,705,433	-	5,705,433
Total common collective trusts	-	23,192,543	-	23,192,543
Total investments at fair value	\$ 29,807,545	\$ 23,192,543	\$ -	\$ 53,000,088

Investment Assets at Fair Value as of December 31, 2009

	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 24,144,210	\$ -	\$ -	\$ 24,144,210
Common collective trusts	-	22,238,100	-	22,238,100
Total investments at fair value	\$ 24,144,210	\$ 22,238,100	\$ -	\$ 46,382,310

Polymer Group, Inc. Retirement Savings Plan

Notes to Financial Statements

- 8. Fair Value Measurements (cont.)**
- (a) This category represents common collective trust funds that are designed to deliver safety and stability by preserving principal and accumulating earnings. These funds are primarily invested in debt securities. The fair value of these funds have been estimated based on the fair value of the underlying investment contracts in the fund as reported by the issuer of the fund. The fair value differs from the contract value. As previously discussed in Note 5, contract value is the relevant measurement attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan.
- (b) This category represents common collective trust funds that are designed to provide a portfolio of stocks for collective investment with market capitalizations within the range of the S&P 500 Index. Such funds are held for investment with the objective of seeking to achieve long term return greater than the return on the S&P 500 Index while maintaining risk characteristics similar to the risk characteristics of the stocks in the S&P 500 Index.
- 9. Plan Transfer**
- On September 1, 2009, FabPro Oriented Polymers, Inc., a subsidiary of Polymer Group, Inc., was sold by the Plan sponsor. As a result of that sale, Plan assets totaling \$5,532,555 attributable to the affected participants were transferred out of the Plan on September 8, 2009.
- 10. Subsequent Events**
- Subsequent events have been evaluated through September 19, 2011, the date the financial statements were available to be issued.

Polymer Group, Inc. Retirement Savings Plan
EIN: 57-1013629 Plan Number: 001

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

December 31, 2010

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
Common trust funds				
*	Wells Fargo Bank, N.A.	Enhanced Stock Market Fund G	**	\$ 5,462,716
*	Wells Fargo Bank, N.A.	Enhanced Stock Market Fund B	**	242,717
*	Wells Fargo Bank, N.A.	Stable Return Fund	**	130,204
*	Wells Fargo Bank, N.A.	Total Return Bond Fund	**	552,123
*	Ameriprise Financial	Riversource Trust Income Fund	**	16,804,783
				23,192,543
Mutual funds				
*	Wells Fargo Bank, N.A.	Alger Small Cap Growth Fund	**	227,702
*	Wells Fargo Bank, N.A.	Alger Small Cap and Mid Cap Fund	**	2,360,207
*	Wells Fargo Bank, N.A.	American Century Small Company Fund	**	62
*	Wells Fargo Bank, N.A.	American Funds Growth of America Fund	**	1,824,358
*	Wells Fargo Bank, N.A.	Dodge and Cox International Stock Fund	**	1,489,590
*	Wells Fargo Bank, N.A.	Dreyfus Bond Market Index Fund	**	2,249,283
*	Wells Fargo Bank, N.A.	Dreyfus Midcap Index Fund	**	2,457,946
*	Wells Fargo Bank, N.A.	Dreyfus Premier Small Cap Equity Fund	**	247,344
*	Wells Fargo Bank, N.A.	Goldman Sachs Large Cap Value Fund	**	876,960
*	Wells Fargo Bank, N.A.	Goldman Sachs Large Value Fund	**	427,249
*	Wells Fargo Bank, N.A.	Goldman Sachs Structured Fund	**	66,428
*	Wells Fargo Bank, N.A.	Harbor International Institutional Fund	**	372,003
*	Wells Fargo Bank, N.A.	Janus Overseas Class I Fund	**	291,375
*	Wells Fargo Bank, N.A.	JP Morgan High Yield Fund	**	196,912
*	Wells Fargo Bank, N.A.	Lazard Emerging Markets Institutional Fund	**	20,723
*	Wells Fargo Bank, N.A.	Loomis Sayles Strategic Income Fund	**	808,956
*	Wells Fargo Bank, N.A.	Lord Abbett Small Cap Value Fund	**	4,368,319
*	Wells Fargo Bank, N.A.	Neuberger Berman Partners Adv Fund	**	884,145
*	Wells Fargo Bank, N.A.	Oakmark Equity and Income Fund	**	4,994,740
*	Wells Fargo Bank, N.A.	PIMCO High Yield Fund	**	55,091
*	Wells Fargo Bank, N.A.	PIMCO Real Return Institutional Fund	**	325,698
*	Wells Fargo Bank, N.A.	PIMCO Total Return Institutional Fund	**	574,034
*	Wells Fargo Bank, N.A.	Thornburg International Value R5 Fund	**	318,248

Polymer Group, Inc. Retirement Savings Plan
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Schedule H, Line 4i, Schedule of Assets (Held at Year End) (cont.)

December 31, 2010

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
*	Wells Fargo Bank, N.A.	Thornburg International Value Fund	**	2,745,344
*	Wells Fargo Bank, N.A.	T Rowe Price Equity Income Fund	**	351,028
*	Wells Fargo Bank, N.A.	T. Rowe Price Real Estate Fund	**	174,618
*	Wells Fargo Bank, N.A.	T. Rowe Price Growth Fund	**	356,120
*	Wells Fargo Bank, N.A.	The Boston Company Small Cap Value Fund	**	41
*	Wells Fargo Bank, N.A.	Wells Fargo Advantage International Bond Fund	**	389,131
*	Wells Fargo Bank, N.A.	Wells Fargo Advantage International Equity Fund	**	3,269
*	Wells Fargo Bank, N.A.	Wells Fargo Advantage Strategic Large Cap Growth Fund	**	350,621
				29,807,545
Participant loans		Interest rates ranging from 4.25% - 9.25%	-0-	2,596,051
				\$ 55,596,139

* Denotes party-in-interest to the Plan.

** Cost information has not been included in column (d) because all investments are participant directed.