SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 21, 1993

SILGAN HOLDINGS INC.
(Exact name of registrant as specified in its charter)

Delaware	33-28409	06-1269834
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

4 Landmark Square, Stamford, Connecticut	06901
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (203) 975-7110

Item 2: Acquisition or Disposition of Assets.

On December 21, 1993 (the "Closing Date"), pursuant to the Purchase Agreement, dated as of September 3, 1993, between Silgan Containers Corporation ("Containers"), a Delaware corporation and an indirect wholly-owned subsidiary of Silgan Holdings Inc. ("Holdings"), a Delaware corporation, and Del Monte Corporation ("DM"), a New York corporation, as amended by the Amendment to Purchase Agreement, dated as of December 10, 1993, between Containers and DM (such Purchase Agreement, as so amended, being herein called the "Purchase Agreement"), Containers acquired from DM substantially all of the fixed assets and certain working capital of DM's container manufacturing business in the United States (the "Business"). Pursuant to the Purchase Agreement, Containers acquired (i) substantially all of the fixed assets of the Business located in the United States (other than those assets located in California and Washington) and certain working capital of the Business (such assets and such working capital being herein called the "DM Assets") and (ii) all of the issued and outstanding capital stock (the "Shares") of California-Washington Can Corporation ("C-W Can"), a California corporation and the owner of substantially all of the fixed assets of the Business located in California and Washington (the "C-W Assets," together with the DM Assets, the "Acquired Assets"). The Acquired Assets included (i) real property located in Rochelle, Illinois, Smithfield, Utah and Toppenish, Washington and (ii) substantially all of the machinery and equipment used by the Business. The working capital of the Business acquired by Containers from DM included all inventories of the Business other than finished steel open top containers and loose ends located at certain DM canneries. Additionally, pursuant to the Purchase Agreement, Containers assumed specified limited liabilities of DM relating to the Business.

On the Closing Date, pursuant to the Purchase Agreement, in consideration for the DM Assets and the Shares and the assumption by Containers of certain specified liabilities of the Business, Containers paid to DM the aggregate purchase price (the "Purchase Price") of $72,800,000. The Purchase Price is subject to adjustment as provided in the Purchase Agreement. The Purchase Price was paid in cash and was determined as a result of an arm's length negotiation between unrelated parties.

The Acquired Assets were used by DM to manufacture metal containers for DM's cannery operations. Containers intends to continue such use of the Acquired Assets.

In connection with the Purchase Agreement, DM and Containers entered into the Supply Agreement dated as of September 3, 1993, as amended by the Amendment to Supply Agreement, dated as of December 21, 1993, between DM and Containers (such Supply Agreement, as so amended, being herein called the "Supply Agreement"). The Supply Agreement became effective on the Closing Date and continues for a term of ten years. Under the Supply Agreement, DM has agreed to purchase from Containers, and Containers has agreed to sell to DM, 100% of DM's annual requirements for metal containers to be used for the packaging of food and beverages in the United States and not less than 65% of DM's annual requirements of metal containers for the packaging of food and beverages at DM's Irapuato, Mexico facility, subject to certain limited exceptions.

The Supply Agreement provides for certain prices for all metal containers supplied by Containers to DM thereunder and specifies that such prices will be increased or decreased based upon specified cost change formulas.

Under the Supply Agreement, after five years, DM may, under certain circumstances, receive proposals with terms more favorable than those under the Supply Agreement from independent commercial can manufacturers for the supply of containers of a type and quality similar to the metal containers that Containers furnishes to DM, which proposals shall be for the remainder of the term of the Supply Agreement and for 100% of the annual volume of containers at one or more of DM's canneries. Containers has the

right to retain the business subject to the terms and conditions of such competitive proposal.

On the Closing Date, to finance the acquisition of the DM Assets and the Shares, (i) Silgan Corporation ("Silgan"), a Delaware corporation and wholly-owned subsidiary of Holdings, Containers, a wholly-owned subsidiary of Silgan, and Silgan Plastics Corporation ("Plastics," and, together with Silgan and Containers, the "Borrowers"), a Delaware corporation and wholly-owned subsidiary of Silgan, entered into a Credit Agreement, dated as of December 21, 1993 (the "Credit Agreement") with the lenders from time to time party thereto (the "Banks"), Bank of America National Trust and Savings Association ("Bank of America"), as Co-Agent, and Bankers Trust Company ("Bankers Trust"), as Agent, and (ii) Holdings issued and sold to Mellon Bank, N.A., as trustee for First Plaza Group Trust, a group trust established under the laws of the State of New York ("First Plaza"), 250,000 shares of its Class B Common Stock, par value $.01 per share (the "Holdings Stock"), for a purchase price of $60.00 per share and an aggregate purchase price of $15,000,000. Additionally, Silgan, Containers and Plastics borrowed term and working capital loans under the Credit Agreement to refinance and repay in full all amounts owing under their Amended and Restated Credit Agreement, dated as of August 31, 1987, as amended (the "Amended and Restated Credit Agreement"), among the Borrowers, various lenders party thereto and Bankers Trust, as Agent.

The sources and uses of funds on the Closing Date for the above-described transactions were as follows:

Sources (in millions)		Uses (in millions)	
Source	Amount	Use	Amount
A Term Loan under the Credit Agreement	$60.0	Purchase of DM Assets and Shares	$72.8
B Term Loan under the Credit Agreement	80.0	Repayment of term loans under the Amended and Restated Credit Agreement	41.5
Working Capital Loans under the Credit Agreement	29.8	Repayment of working capital loans under the Amended and Restated Credit Agreement	61.2
Sale of Holdings Stock	15.0	Fees and Expenses and general corporate purposes	9.3
TOTAL	$184.8	TOTAL	$184.8

Item 5: Other Events.

Description of the Credit Agreement

On December 21, 1993, Silgan, Containers and Plastics entered into the Credit Agreement with the Banks, Bank of America, as Co-Agent, and Bankers Trust, as Agent, to refinance in full all amounts owing under the Amended and Restated Credit Agreement and to finance the acquisition by Containers of the DM Assets and the Shares. The following is a summary of the terms of the Credit Agreement.

The Available Credit Facility. Pursuant to the Credit Agreement, the Banks loaned to Silgan (i) $60,000,000 of term loans (the "A Term Loans") and (ii) $80,000,000 of term loans (the "B Term Loans", and, together with the A Term Loans, the "Term Loans"), and agreed to lend to Containers or Plastics up to an aggregate of $70,000,000 of working capital loans (the "Working Capital Loans"). As part of the Working Capital Loans, Bankers Trust agreed to lend to Containers or Plastics up to an aggregate of $5,000,000 of revolving loans (the "Swingline Loans") and to issue to Containers or Plastics for the account of Containers or Plastics up to an aggregate of $15,000,000 of letters of credit, such Swingline Loans and letters of credit outstanding being deducted from the amount of Working Capital Loans available to be borrowed by Containers or Plastics.

The aggregate amount of Working Capital Loans which may be outstanding at any time is subject to a borrowing base limitation of the sum of (i) 85% of eligible accounts receivable of Containers and its subsidiaries and Plastics and (ii) 50% of eligible inventory of Containers and its subsidiaries and Plastics.

Each of the Term Loans and each of the Working Capital Loans, at the respective Borrower's election, consists of loans designated as Eurodollar rate loans or as Base Rate loans. Subject to certain conditions, each of the Term Loans and each of the Working Capital Loans can be converted from a Base Rate loan into a Eurodollar rate loan and vice versa. The term "Base Rate" means the highest of (i) 1/2 of 1% in excess of the Adjusted Certificate of Deposit Rate (as defined in the Credit Agreement), (ii) 1/2 of 1% in excess of the Federal Funds Rate (as defined in the Credit Agreement) and (iii) Bankers Trust's prime lending rate.

As of the Closing Date, the outstanding principal amounts of A Term Loans, B Term Loans and the Working Capital Loans under the Credit Agreement were $60 million, $80 million and $29.8 million, respectively. At December 31, 1993, the outstanding principal amount of Working Capital Loans under the Credit Agreement was $2.2 million.

Security and Guarantees. To secure the obligations of the Borrowers under the Credit Agreement: (i) Silgan pledged to the Banks all of the capital stock of Containers and Plastics held by Silgan; (ii) Plastics pledged to the Banks 65% of the capital stock of 827599 Ontario Inc. ("Canadian Holdco") held by Plastics; (iii) Containers pledged to the Banks all of the capital stock of C-W Can held by Containers; (iv) Silgan, Containers, Plastics and C-W Can each granted to the Banks security interests in substantially all of their respective real and personal property; and (v) Holdings pledged to the Banks all of the capital stock of Silgan held by Holdings. Such collateral (other than the collateral described in (v)) also secures on an equal and ratable basis Silgan's Senior Secured Floating Rate Notes due 1997 (the "Secured Notes"), subject to intercreditor arrangements.

Holdings, each of the Borrowers and C-W Can have guaranteed on a secured basis all of the obligations of the Borrowers under the Credit Agreement.

Payment of Loans. Generally, the Working Capital Loans can be borrowed, repaid and reborrowed from time to time until September 15, 1996, on which date all Working Capital Loans mature and are payable in full. Amounts repaid under the Term Loans cannot be reborrowed.

The A Term Loans mature on September 15, 1996 and are payable in installments as follows:

Installment Repayment Date	A Term Loan Principal Amount
September 30, 1994	$ 5,000,000
December 31, 1994	15,000,000
September 30, 1995	5,000,000
December 31, 1995	15,000,000
September 15, 1996	20,000,000

The B Term Loans mature and are payable in full on September 15, 1996.

Under the Credit Agreement, Silgan is required to repay the Terms Loans (pro rata for each tranche of Term Loans) in an amount equal to 75% of Silgan's Excess Cash Flow (as defined in the Credit Agreement) in any fiscal year during the Credit Agreement (beginning with the 1994 fiscal year). Additionally, Silgan is required to repay the Term Loans (pro rata for each tranche of Term Loans) in an amount equal to 80% of the net sale proceeds from certain assets sales and 100% of the net equity proceeds from certain sales of equity, all as provided in the Credit Agreement.

Interest and Fees. Interest on the Term Loans and the Working Capital Loans is payable at certain margins over certain rates as summarized below.

Interest on Term Loans maintained as Base Rate loans accrues at floating rates of 1.75% (in the case of A Term Loans) and 2.25% (in the case of B Term Loans) over the Base Rate. Interest on Term Loans maintained as Eurodollar rate loans accrues at floating rates of 2.75% (in the case of A Term Loans) and 3.25% (in the case of B Term Loans) over a formula rate (the "Eurodollar Rate") determined with reference to the rate offered by Bankers Trust for dollar deposits in the New York interbank Eurodollar market. Interest on Working Capital Loans maintained as (i) Base Rate loans accrues at floating rates of 2% over the Base Rate or (ii) Eurodollar rate loans accrues at floating rates of 3% over the Eurodollar Rate.

Each of Containers and Plastics has agreed to jointly and severally pay to the Banks, on a quarterly basis, a commitment commission calculated as 0.50% per annum on the daily average unused portion of the Banks' working capital commitment in respect of the Working Capital Loans until such working capital commitment is terminated. Additionally, Containers and Plastics are required to pay to Bankers Trust, on a quarterly basis in arrears, a letter of credit fee of 3.0% per annum and a facing fee of 1/4 of 1% per annum, each on the average daily stated amount of each letter of credit issued for the account of Containers or Plastics, respectively.

Certain Covenants. The Credit Agreement contains numerous financial and operating covenants, under which Silgan and its subsidiaries must operate. Failure to comply with any of such covenants permits the Banks to accelerate, subject to the terms of the Credit Agreement, the maturity of all amounts outstanding under the Credit Agreement.

The Credit Agreement restricts or limits each of the Borrowers' and their respective subsidiaries' abilities: (i) to create certain liens; (ii) to consolidate, merge or sell its assets and to purchase assets; (iii) to pay dividends on, or repurchase shares of, its capital stock, except that, among other things: (a) Silgan may pay dividends to Holdings under certain circumstances; (b) Containers and Plastics may pay dividends to Silgan as long as they remain wholly owned subsidiaries of Silgan, Canadian Holdco may pay dividends to Plastics, and Express Plastic Containers Limited ("Express") may pay dividends to Canadian Holdco; and (c) Containers and Plastics may repurchase or redeem its respective stock options (or common stock issuable upon exercise thereof) or SARs issued to its management under certain circumstances; (iv) to lease real and personal

property; (v) to create additional indebtedness, except for, among other things: (a) certain indebtedness existing on the date of the Credit Agreement (including Silgan's indebtedness represented by the Secured Notes, the 11-3/4% Senior Subordinated Notes due 2002 (the "11-3/4% Notes") and by intercompany notes); and (b) indebtedness of Containers to Plastics or Plastics to Containers; (vi) to make certain advances, investments and loans, except for, among other things: (a) loans from Silgan to each of Containers and Plastics represented by intercompany notes; (b) loans from Containers to Plastics or from Plastics to Containers; and (c) loans from Containers and/or Plastics to Silgan not exceeding $15 million in aggregate principal amount outstanding at any time; (vii) to enter into transactions with affiliates; (viii) to make certain capital expenditures, except for, among other things, capital expenditures which do not exceed in the aggregate for the Borrowers, such amounts, during such periods, as set forth below:

Period	Amount
Calendar year ended December 31, 1993 . . .	$46,500,000
Calendar year ended December 31, 1994 . . .	35,000,000
Calendar year ended December 31, 1995 . . .	30,000,000
Calendar year ended December 31, 1996 . . .	30,000,000

; provided, however, that to the extent capital expenditures made during any period set forth above are less than the amounts set forth opposite such period, such amount may be carried forward and utilized to make capital expenditures in the immediately succeeding calendar year, with any such amount being deemed utilized first in such succeeding calendar year; (ix) to make any voluntary payments, prepayments, acquire for value, redeem or exchange, among other things, any 11-3/4% Notes or Secured Notes, or to make certain amendments to the 11-3/4% Notes, the Secured Notes, the Borrowers' or their respective subsidiaries' respective certificates of incorporation and by-laws, or to certain other agreements; (x) with certain exceptions, to have any subsidiaries other than Containers and Plastics with respect to Silgan, C-W Can with respect to Containers, and Canadian Holdco and Express with respect to Plastics; (xi) with certain exceptions, to permit its respective subsidiaries to issue capital stock; (xii) to permit its respective subsidiaries to create limitations on the ability of any such subsidiary to (a) pay dividends or make other distributions, (b) make loans or advances, or (c) transfer assets; and (xiii) to engage in any business other than the packaging business.

The Credit Agreement requires that Silgan own not less than 90% of the outstanding common stock of Containers and Plastics and 100% of all other outstanding capital stock of Containers and Plastics.

The Credit Agreement requires that the ratio of Consolidated Current Assets (as defined below) to Consolidated Current Liabilities (as defined below) of any of the Borrowers may not, at any time, be less than 2:1 and that the ratio of Bank EBITDA (as defined below) to Interest Expense (as defined below) for any of the Borrowers may not be, for any period of four consecutive fiscal quarters (or, if shorter, the period beginning on January 1, 1994 and ending on the last day of a fiscal quarter ended after January 1, 1994) (in each case, taken as one accounting period) ended during a period set forth below, less than the ratio set forth opposite such period below:

Period	Ratio
Fiscal quarter ending March 31, 1994	2.25:1
Fiscal quarter ending June 30, 1994	2.35:1
Fiscal quarter ending September 30, 1994 . . .	2.70:1
Fiscal quarter ending December 31, 1994 . . .	2.70:1
January 1, 1995 to and including December 31, 1995	3.00:1
January 1, 1996 to and including September 30, 1996	3.40:1

In addition, the ratio of Total Indebtedness (as defined below) to Consolidated Net Worth (as defined below) of any of the Borrowers is not permitted to exceed on any date set forth below the ratio set forth opposite such date:

Date	Amount
December 31, 1994	5.00:1
December 31, 1995	3.25:1
August 31, 1996	2.75:1

"Bank EBITDA" means for any period, EBIT, adjusted by adding thereto the amount of all depreciation and amortization of intangibles (including covenants not to compete), goodwill and loan fees that were deducted in arriving at EBIT for such period.

"Consolidated Current Assets" means the current assets of Silgan and its subsidiaries determined on a consolidated basis, provided that the unused amounts of commitments for Working Capital Loans shall also be included as current assets of Silgan in making such determination.

"Consolidated Current Liabilities" means the current liabilities of Silgan and its subsidiaries determined on a consolidated basis, provided that the current portion of loans under the Credit Agreement (including any accrued interest with respect to such current portion), the current portion of any loans made by Silgan to Containers or Plastics, and accrued interest on the Secured Notes and the 11-3/4% Notes from the last regularly scheduled interest payment date shall not be considered current liabilities for the purposes of making such determination.

"Consolidated Net Worth" means the Net Worth of Silgan and its subsidiaries determined on a consolidated basis, and "Net Worth" of any person means the sum of its capital stock, capital in excess of par or stated value of shares of its capital stock, retained earnings (without giving effect to any noncash adjustments resulting from changes in value of employee stock options), and any other account which, in accordance with generally accepted accounting principles, constitutes stockholders' equity, less treasury stock.

"EBIT" means for any period, the consolidated net income of Silgan and its subsidiaries, before interest expense and provision for taxes and without giving effect to any extraordinary noncash gains or extraordinary noncash losses and gains from sales of assets (other than sales of inventory in the ordinary course of business), any noncash adjustments resulting from changes in value of employee stock options.

"Indebtedness" means, as to any person, without duplication, (i) all indebtedness (including principal, interest, fees and charges) of such person for borrowed money or for the deferred purchase price of property or services, (ii) the face amount of all letters of credit issued for the account of such person and all drafts drawn thereunder, (iii) all liabilities secured by any lien on any property owned by such person, whether or not such liabilities have been assumed by such person, (iv) the aggregate amount required to be capitalized under leases under which such person is the lessee and (v) all contingent obligations of such person.

"Interest Expense" means, for any period, the total consolidated interest expense of Silgan and its subsidiaries for such period.

"Total Indebtedness" means the aggregate Indebtedness of Silgan and its subsidiaries determined on a consolidated basis, provided that there shall be excluded, in making such determination, Indebtedness consisting of capitalized lease obligations existing as of the effective date of the Credit Agreement or permitted to be incurred pursuant to the Credit Agreement.

For purposes of the ratios of Bank EBITDA to Interest Expense and Total Indebtedness to Consolidated Net Worth, (i) all computations utilize accounting principles in conformity with those used to prepare the statements of consolidated and consolidating financial condition of Holdings and its subsidiaries and Silgan and its subsidiaries at December 31, 1992 and the related consolidated and consolidating statements of income and cash flow of Holdings and its subsidiaries and Silgan and its subsidiaries for the fiscal year ended December 31, 1992, as audited by Ernst & Young, and (ii) no effect is given to certain other matters as provided in the Credit Agreement.

The ability of Holdings to take certain actions is restricted or limited pursuant to the terms of the Amended and Restated Guaranty, dated as of June 30, 1989, and amended and restated as of June 18, 1992, and further amended and restated as of December 21, 1993, made by Holdings in favor of the Banks, Bank of America, as Co-Agent, and Bankers Trust, as Agent (the "Holdings Guaranty"). The Holdings Guaranty restricts or limits Holdings' ability to, among other things: (i) create certain liens, (ii) incur additional indebtedness, (iii) consolidate, merge or sell its assets and purchase or lease assets, (iv) pay dividends, (v) make loans or advances and (vi) engage in any business other than holding Silgan's common stock and certain other limited matters permitted by the Holding Guaranty.

Events of Default. Events of default under the Credit Agreement include, with respect to each of the Borrowers, as the case may be, among others: (i) the failure to pay any principal on the Term Loans or the Working Capital Loans, the failure to reimburse drawings under any letters of credit when due or the failure to pay within two business days after the date such payment is due interest on the Term Loans, the Working Capital Loans or any unpaid drawings under any letter of credit or any fees or other amounts owing under the Credit Agreement; (ii) any failure to pay amounts due under certain other agreements or any defaults that result in or permit the acceleration of certain other indebtedness; (iii) subject to certain limited exceptions, the breach of any covenants, representations or warranties contained in the Credit Agreement or any related document; (iv) certain events of bankruptcy, insolvency or dissolution; (v) the occurrence of certain judgments, writs of attachment or similar process against any of the Borrowers or any of their respective subsidiaries; (vi) the occurrence of certain ERISA related liabilities; (vii) a default under or invalidity of the guarantees (including an event of default under the Holdings Guaranty) or of the security interests granted to the Banks pursuant to the Credit Agreement; (viii) the failure of Holdings to own 100% of the capital stock of Silgan; and (ix) a Change of Control (as defined in the Holdings Guaranty, the Note Purchase Agreement dated as of June 29, 1992 between Silgan and each of the persons party thereto relating to the Secured Notes, the indenture relating to the 11-3/4% Notes or the indenture relating to Holdings' 13-1/4% Senior Discount Debentures due 2002 (the "Debentures")) shall occur; and (x) the requirement that Silgan repurchase 25% or more of the aggregate principal amount of the Secured Notes then outstanding or any 11-3/4% Note or that Holdings repurchase any Debenture, in any case as a result of a Change of Control (as defined in the agreements and indentures relating thereto).

Upon the occurrence of any event of default under the Credit Agreement, the Banks are permitted, among other things, to accelerate the maturity of the Term Loans and the Working Capital Loans and all other outstanding indebtedness under the Credit Agreement and terminate their commitment to make any further Working Capital Loans or to issue any letters of credit.

In connection with the Credit Agreement, the Banks (including Bankers Trust) received certain fees amounting to $8.1 million.

Sale of Holdings Stock; Beneficial Owners of Holdings' Capital Stock

On December 21, 1993, Holdings sold to First Plaza the Holdings

Stock for a purchase price of $60.00 per share and an aggregate purchase price of $15,000,000 pursuant to the terms of a stock purchase agreement dated as of December 21, 1993. The following table sets forth, as of December 21, 1993 and giving effect to such sale of the Holdings Stock, certain information with respect to the beneficial ownership by all of the directors of Holdings and by certain other persons and entities of outstanding shares of capital stock of Holdings:

	Number of Shares of each class of			Percentage Ownership of					Holdings
	Class A	Class B	Class C	Class A	Class B	Class C	Consolidated (1)		
D. Greg Horrigan (2)			208,750	--	--	50%	--	--	19.24%
R. Philip Silver (2)			208,750	--	--	50%	--	--	19.24%
James S. Hoch (3) .	--	--	--	--	--	--	--		
Robert H. Niehaus(3)			--	--	--	--	--	--	--
Harley Rankin, Jr.	--	--	10,000(4)	--	--	15.63%	--		
James D. Beam (5) .	--	--	--	--	--	--	--		
Gary M. Hughes (5)	--	--	--	--	--	--	--		
The Morgan Stanley Leveraged Equity Fund II, L.P.(6)	--	417,500	--	--	62.55%	--	38.48%		
Mellon Bank, N.A., as trustee for First Plaza Group Trust (7)	--	250,000	--	--	37.45%	--	23.04%		
All officers and directors as a group	417,500	--	14,000(4)	100%	--	21.88%(8)	38.48%		

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(1) This column reflects the percentage ownership of voting common stock that would exist if Holdings Class A Stock (as defined under "Description of Holdings Common Stock" below) and Holdings Class B Stock (as defined under "Description of Holdings Common Stock" below) were treated as a single class. Holdings Class C Stock (as defined under "Description of Holdings Common Stock" below) generally does not have voting rights and is not included in the percentage ownership reflected in this column. See "Description of Holdings Common Stock" below.

(2) Director of Holdings and Silgan. Messrs. Horrigan and Silver are parties to a voting agreement pursuant to which they have agreed to use their best efforts to vote their shares as a block. The address for such person is 4 Landmark Square, Stamford, CT 06901.

(3) Director of Holdings and Silgan. The address for such person is c/o Morgan Stanley & Co. Incorporated, 1251 Avenue of the Americas, New York, NY 10020.

(4) Reflects shares that may be acquired through the exercise of vested stock options granted pursuant to Silgan Holdings Inc. Amended and Restated 1989 Stock Option Plan.

(5) Options to purchase shares of common stock of Containers and tandem SARs have been granted to such person pursuant to the Silgan Containers Corporation Amended and Restated 1989 Stock Option Plan (the "Containers Plan"). Pursuant to the Containers Plan, such options may be converted into stock options of Holdings (and the Containers' common stock issuable upon exercise of such options may be converted into common stock of Holdings) in the event of a public offering of any of Holdings' common stock or a sale of Holdings to a third party.

(6) The address for The Morgan Stanley Leveraged Equity Fund II, L.P., is 1251 Avenue of the Americas, New York, NY 10020.

(7) The address for First Plaza Group Trust is c/o General Motors Investment Management Corporation, 767 Fifth Avenue, New York, NY 10153.

(8) Bankers Trust New York Corporation beneficially owns 50,000 shares of Holdings Class C Stock.

See "Description of Holdings Common Stock" below for additional information about the common stock of Holdings, the holders thereof and certain arrangements among them.

Description of Holdings Common Stock

Prior to the sale of the Holdings Stock to First Plaza, Holdings amended its existing restated certificate of incorporation and filed with the Delaware Secretary of State a Restated Certificate of Incorporation (the "Certificate of Incorporation"), which restated in its entirety Holdings' existing restated certificate of incorporation. Certain of the statements contained herein are summaries of the detailed provisions of the Certificate of Incorporation and are qualified in their entirety by reference to the Certificate of Incorporation.

Under the Certificate of Incorporation, Holdings has authority to issue 500,000 shares of Class A Common Stock, par value $.01 per share (the "Holdings Class A Stock"), 667,500 shares of Class B Common Stock, par value $.01 per share (the "Holdings Class B Stock"), and 1,000,000 shares of Class C Common Stock, par value $.01 per share (the "Holdings Class C Stock"). Except as described below, the rights, privileges and powers of Holdings Class A Stock and Holdings Class B Stock are identical, with each share of each class being entitled to one vote on all matters to come before the stockholders of Holdings.

Until the occurrence of a Change of Control (as defined in the Certificate of Incorporation and as described below), the affirmative vote of the holders of not less than a majority of the outstanding shares of Holdings Class A Stock and Holdings Class B Stock, voting as separate classes, shall be required for the approval of any matter to come before the stockholders of Holdings, except that (i) the holders of a majority of the outstanding shares of Holdings Class A Stock, voting as a separate class, have the sole right to vote for the election and removal of three directors (the directors elected by the holders of Holdings Class A Stock being referred to herein as "Class A Directors"); (ii) the holders of a majority of the outstanding shares of Holdings Class B Stock, voting as a separate class, have the sole right to vote for the election and removal of all directors other than the Class A Directors (the directors elected by the holders of Holdings Class B Stock being referred to herein as "Class B Directors"); and (iii) the vote of not less than a majority of the outstanding shares of Holdings Class B Stock shall be required in certain circumstances set forth in the Certificate of Incorporation. The holders of Holdings Class C Stock have no voting rights except as provided by applicable law and except that such holders are entitled to vote as a separate class on certain amendments to the Certificate of Incorporation as provided therein. In the event Holdings sells shares of any class of its common stock to the public, the distinctions between Holdings Class A Stock and Holdings Class B Stock terminate, the powers, including voting powers, of Holdings Class A Stock and Holdings Class B Stock shall be identical upon compliance with certain provisions contained in the Certificate of Incorporation, and any Regulated Stockholder (generally defined to mean banks) will be entitled to convert all shares of Holdings Class C Stock held by such stockholder into the same number of shares of Holdings Class B Stock (or Holdings Class A Stock to the extent such Holdings Class C Stock was issued upon conversion of Holdings

Class A Stock).

After a Change of Control, the affirmative vote of the holders of not less than a majority of the outstanding shares of Holdings Class A Stock and Holdings Class B Stock, voting together as a single class, will be required for the approval of any matter to come before the stockholders of Holdings, except that the provisions described in clauses (i) and (ii) in the preceding paragraph shall continue to apply from and after a Change of Control, and except as otherwise provided in the Certificate of Incorporation with respect to its amendment. Also, after a Change of Control, the number of Class B Directors will be increased to five.

In the event that a vacancy among the Class A Directors or the Class B Directors occurs at any time prior to the election of directors at the next scheduled annual meeting of stockholders, the vacancy shall be filled, in the case of the Class A Directors, by either (i) the vote of the holders of a majority of the outstanding shares of Holdings Class A Stock, at a special meeting of stockholders, or (ii) by written consent of the holders of a majority of the outstanding shares of Holdings Class A Stock, and, in the case of the Class B Directors, by either (i) the vote of the holders of a majority of the outstanding shares of Holdings Class B Stock at a special meeting or stockholders, or (ii) by written consent of the holders of a majority of the outstanding shares of the Holdings Class B Stock.

A "Change of Control" is defined in the Certificate of Incorporation to include the occurrence of any of the following events: (i) Messrs. Horrigan and Silver shall collectively own, directly or indirectly, less than one-half of the aggregate number of outstanding shares of Holdings Class A Stock owned by them directly or indirectly on June 30, 1989 on a

common stock equivalent basis, or (ii) the acceleration of the indebtedness under the Credit Agreement or the Debentures, as a result of the occurrence of an event of default thereunder relating to a payment default or a financial covenant event of default.

Description of the Holdings Organization Agreement

Concurrently with the issuance and sale to First Plaza of the Holdings Stock, Holdings, The Morgan Stanley Leveraged Equity Fund II, L.P. ("MSLEF II"), Bankers Trust New York Corporation ("BTNY"), First Plaza and Messrs. D. Greg Horrigan and R. Philip Silver entered into the Amended and Restated Organization Agreement dated as of December 21, 1993 (the "Holdings Organization Agreement") that provides for the termination of the Organization Agreement dated as of June 30, 1989 by and among Holdings, MSLEF II, BTNY and Messrs. Horrigan and Silver (except for the indemnification provisions thereof, which provisions survive) and for the investment by First Plaza in Holdings and the relationships among the stockholders and between the stockholders and Holdings. Certain of the statements contained herein are summaries of the detailed provisions of the Holdings Organization Agreement and are qualified in their entirety by reference to the Holdings Organization Agreement.

The Holdings Organization Agreement prohibits the disposition of Holdings' common stock without the prior written consent of Messrs. Horrigan and Silver and MSLEF II, except for (i) dispositions to affiliates (which, in the case of First Plaza, includes any successor or underlying trust, and which, in the case of MSLEF II, does not include any person which is not an Investment Entity (as defined below)), (ii) dispositions to certain family members of Messrs. Horrigan and Silver or trusts for the benefit of those family members, (iii) certain transfers among MSLEF II, BTNY, First Plaza and Messrs. Horrigan and Silver that comply with certain rights of first refusal set forth in the Holdings Organization Agreement, which rights expire on June 30, 1994, (iv) dispositions to certain parties at any time on or after June 30, 1994, subject to certain other rights of first refusal discussed below, (v) the sale by First Plaza to Holdings of all of the Holdings Stock acquired by First Plaza on December 21, 1993, upon the exercise of Holdings' call option as described below, and (vi)

dispositions in connection with an initial public offering of the common stock of Holdings, as described below. Any transfer of Holdings' common stock (other than transfers described in clauses (v) and (vi) of the preceding sentence) will be void unless the transferee agrees in writing prior to the proposed transfer to be bound by the terms of the Holdings Organization Agreement.

At any time on or after June 30, 1994, MSLEF II may effect a sale of stock to an Investment Entity (generally defined as any person who (i) is primarily engaged in the business of investing in securities of other companies and not taking an active role in the management or operations of such companies and (ii) does not permit the participation or involvement in any way in the business or affairs of Holdings of a person who is engaged in a business not described in clause (i)) or, in the event of certain defaults under the amended and restated management services agreement by and between S&H, Inc., a company wholly-owned by Messrs. Horrigan and Silver ("S&H"), and Holdings (described below under "Description of Management Agreements"), to a third party, in each case, if it first offers such stock to: (a) Holdings, (b) the Group (defined generally to mean, collectively, Silver and Horrigan and their respective affiliates and certain related family transferees and estates, with Silver and his affiliates and certain related family transferees and estates being deemed to be collectively one member of the Group, and Horrigan and his affiliates and certain related family transferees and estates being deemed to be collectively one member of the Group) and (c) BTNY, in each case on the same terms and conditions as the proposed sale to an Investment Entity or the proposed third party sale. In addition, in any such sale by MSLEF II, BTNY and First Plaza must be given the opportunity to sell the same percentage of its stock to such Investment Entity or third party. At any time on or after June 30, 1994, each member of the Group may

transfer shares of stock to a third party if such holder first offers such shares to: (a) the other member of the Group, (b) Holdings, (c) MSLEF II and (d) BTNY, in each case on the same terms and conditions as the proposed third party sale. At any time on or after June 30, 1994, BTNY may effect a sale of stock to a third party if it first offers such shares to: (a) Holdings, (b) MSLEF II and (c) the Group, in each case on the same terms and conditions as the proposed third party sale.

At any time on or after June 30, 1994, either MSLEF II or the Group has the right to require a recapitalization transaction. A recapitalization transaction is defined as any transaction (such as a merger, consolidation, exchange of securities or liquidation) involving Holdings pursuant to which MSLEF II and the Group retain their proportionate ownership interest in the surviving entity if the following conditions are met: (i) the value of any securities of the surviving entity acquired or retained by the party not initiating the recapitalization transaction does not exceed 67% of the difference between (x) the value of such securities and any cash received by such party and (y) all taxes payable as a result of the transaction, (ii) if MSLEF II initiates the recapitalization transaction and will not own all the voting equity securities of the surviving entity not owned by the Group, the Group shall have the right to purchase such securities, (iii) if the Group initiates the recapitalization transaction and will not own all of the voting equity securities of the surviving entity, MSLEF II shall have the right to purchase such securities, and (iv) the majority in principal amount of the indebtedness incurred in connection with such transaction shall be held for at least one year by persons not affiliated with either MSLEF II or any member of the Group.

The Holdings Organization Agreement provides that in the event that either Mr. Silver or Mr. Horrigan (each, a "Manager") dies or becomes permanently disabled prior to June 30, 1994 (an "Inactive Manager"), such Inactive Manager or his affiliates shall have the right to sell to Holdings all Holdings Class A Stock held by the Inactive Manager at the Fair Market Value (as defined in the Holdings Organization Agreement) of such stock, provided that such stock must first be offered to the remaining Manager at the same price. The Holdings Organization Agreement also provides that if either Mr. Silver or Mr. Horrigan dies, becomes permanently disabled

or is convicted of any felony directly related to the business of Holdings prior to June 30, 1994, the other Manager and his affiliates shall have the right to purchase all of such person's Holdings Class A Stock at a price equal to Fair Market Value in the case of death or disability and the Adjusted Book Value (as defined in the Holdings Organization Agreement) in the case of a conviction as stated above, and Holdings shall have the right to purchase all such stock not purchased by the other Manager.

At any time prior to December 21, 1998, Holdings shall have the right and option to purchase from First Plaza, and First Plaza shall have the obligation to sell to Holdings, all (but not less than all) of the Holdings Stock for a price per share equal to the greater of (i) $120 per share and (ii) the purchase price necessary to yield on an annual basis a compound return on investment of forty percent (40%). The number of shares subject to such call and the call purchase price shall be proportionately adjusted to take into account any stock dividend, stock split, combination of shares, subdivision or other recapitalization of the capital stock of Holdings.

The Holdings Organization Agreement provides that at any time after June 15, 1996, the holders of a majority of the issued and outstanding shares of Holdings Class A Stock and Holdings Class B Stock (considered together as a class) may by written notice to Holdings require Holdings to pursue the first public offering of Holdings' common stock pursuant to an effective registration statement (an "IPO") on the terms and conditions provided in the Holdings Organization Agreement. The investment banking firm designated by such holders to act as managing underwriter for the IPO shall be Morgan Stanley & Co. Incorporated ("Morgan Stanley") (or an affiliate of Morgan Stanley) or another firm designated by MSLEF II

reasonably acceptable to Holdings. In addition to the portion of the IPO which shall consist of shares of Holdings' common stock to be sold by Holdings, the IPO may also include a secondary tranche consisting of shares of Holdings' common stock to be sold by stockholders of Holdings.

Pursuant to the provisions of the Holdings Organization Agreement, each of MSLEF II, BTNY, First Plaza and Messrs. Silver and Horrigan agrees to take all action (including voting its shares of Holdings' common stock) to approve the adoption of the Restated Certificate of Incorporation of Holdings, as amended, substantially in the form attached as an exhibit to the Holdings Organization Agreement, the Amended and Restated By-laws of Holdings, substantially in the form attached as an exhibit to the Holdings Organization Agreement, and the Amended and Restated Management Services Agreement, substantially in the form attached as an exhibit to the Holdings Organization Agreement (the "Post-IPO Management Services Contract"), in each case to become effective at the time an IPO is completed. The Post-IPO Management Services Contract provides, among other things, for the payment to S&H of management fees of $2.0 million annually plus reimbursement of expenses.

Pursuant to the provisions of the Holdings Organization Agreement, MSLEF II agrees that it will not vote its shares of Holdings Class B Stock in favor of any changes in the Certificate of Incorporation or By-laws of Holdings which would adversely affect the rights of First Plaza, unless First Plaza has consented in writing to such change. In addition, so long as First Plaza shall hold not less than 18.73% of the issued and outstanding shares of Holdings Class B Stock, First Plaza shall have the right to nominate one of the Class B Directors to be elected at each annual meeting of stockholders in accordance with the provisions of the Certificate of Incorporation, and the holders of Holdings Class B Stock parties to the Holdings Organization Agreement agree to vote their shares of Holdings Class B Stock in favor of such nominee.

In addition, in the event that First Plaza, MSLEF II or BTNY shall purchase any shares of Holdings Class A Stock, such purchaser agrees that it will vote such shares in accordance with the directions of the "holders of a majority of the shares of Class A Stock held by the Group"

(defined generally to mean the holders of a majority of the aggregate of 417,500 shares of Holdings Class A Stock held by Messrs. Silver and Horrigan at December 21, 1993, which at the time of any such determination have been continuously and are held by the Group) until such time as a Change of Control has occurred. In the event that Messrs. Silver or Horrigan shall purchase any shares of Holdings Class B Stock, such purchaser agrees that it will vote such shares in accordance with the directions of MSLEF II, unless MSLEF II and First Plaza (together with their respective affiliates) shall hold directly or indirectly less than one-half of the aggregate number of shares of Holdings Class B Stock held by MSLEF II and First Plaza immediately following the issuance and sale of the Holdings Stock to First Plaza on December 21, 1993.

Pursuant to the terms of the Holdings Organization Agreement, Holdings entered into an amended and restated management services agreement with S&H, a corporation wholly owned by Messrs. Horrigan and Silver. See "Description of Management Agreements" below.

The Holdings Organization Agreement terminates upon the earlier of (i) the mutual agreement of the parties, (ii) such time as it becomes unlawful, (iii) the completion of an IPO, and (iv) June 30, 1999. The parties may agree to extend the term of the Holdings Organization Agreement.

Concurrently with the issuance and sale to First Plaza of the Holdings Stock, Holdings, MSLEF II, BTNY, First Plaza and Messrs. Silver and Horrigan entered into a Stockholders Agreement dated as of December 21, 1993 (the "Stockholders Agreement") that provides for certain prospective rights and obligations among the stockholders and between the stockholders

and Holdings. Upon termination of the Holdings Organization Agreement as a result of an IPO, the operative provisions of the Stockholders Agreement become effective. The Stockholders Agreement provides for certain registration rights, certain stock transfer restrictions, and certain voting agreements relating to the election of directors of Holdings and certain mergers or sales of business or assets involving Holdings.

Description of Management Agreements

Holdings, Silgan, Containers and Plastics each entered into an amended and restated management services agreement dated as of December 21, 1993 (collectively, the "Management Agreements") with S&H to replace in its entirety its existing management services agreement, as amended, with S&H. Pursuant to the Management Agreements, S&H provides Holdings, Silgan, Containers and Plastics and their respective subsidiaries with general management and administrative services (the "Services"). The Management Agreements provide for payments to S&H (i) on a monthly basis, of $5,000 plus an amount equal to 2.475% of consolidated earnings before depreciation, interest and taxes of Holdings and its subsidiaries ("Holdings EBDIT"), for such calendar month until Holdings EBDIT for the calendar year shall have reached an amount set forth in the Management Agreements for such calendar year (the "Scheduled Amount") and 1.65% of Holdings EBDIT for such calendar month to the extent that Holdings EBDIT for the calendar year shall have exceeded the Scheduled Amount but shall not have been greater than an amount (the "Maximum Amount") set forth in the Management Agreements (the "Monthly Management Fee") and (ii) on a quarterly basis, of an amount equal to 2.475% of Holdings EBDIT for such calendar quarter until Holdings EBDIT for the calendar year shall have reached the Scheduled Amount and 1.65% of Holdings EBDIT for such calendar quarter to the extent that Holdings EBDIT for the calendar year shall have exceeded the Scheduled Amount but shall not have been greater than the Maximum Amount (the "Quarterly Management Fee"). The Scheduled Amount was $65.5 million for the calendar year 1993 and increases by $6.0 million for each year thereafter. The Maximum Amount is $90.197 million for the calendar year 1994, $95.758 million for the calendar year 1995, $98.101 million for the calendar year 1996, $100.504 million for the calendar year 1997, $102.964 million for the calendar year 1998 and $105.488

million for the calendar year 1999. The Management Agreements provide that upon receipt by Silgan of a notice from Bankers Trust that certain events of default under the Credit Agreement have occurred, the Quarterly Management Fee shall continue to accrue, but shall not be paid to S&H until the fulfillment of certain conditions, as set forth in the Management Agreements.

The Management Agreements continue in effect until the earliest of: (i) the completion of an IPO; (ii) June 30, 1999; (iii) at the option of each of the respective companies, the failure or refusal of S&H to perform its obligations under the Management Agreements, if such failure continues unremedied for more than 60 days after written notice of its existence shall have been given; (iv) at the option of MSLEF II (a) if S&H or Holdings is declared insolvent or bankrupt or a voluntary bankruptcy petition is filed by either of them, (b) upon the occurrence of any of the following events with respect to S&H or Holdings if not cured, dismissed or stayed within 45 days: the filing of an involuntary petition in bankruptcy, the appointment of a trustee or receiver or the institution of a proceeding seeking a reorganization, arrangement, liquidation or dissolution, (c) if S&H or Holdings voluntarily seeks a reorganization or arrangement or makes an assignment for the benefit of creditors or (d) upon the death or permanent disability of both of Messrs. Horrigan and Silver; and (v) the occurrence of a Change of Control (as defined in the Restated Certificate of Incorporation of Holdings and as described under "Description of Holdings Common Stock" above).

In addition to the management fees described above, the Management Agreements provide for the payment to S&H on the closing date of the IPO of an amount, if any (the "Additional Amount") equal to the sum of the present values, calculated for each year or portion thereof, of (i) the

amount of the annual management fee for such year or portion thereof that otherwise would have been payable to S&H for each such year or portion thereof for the period beginning as of the time of the IPO and ending on June 30, 1999 (the "Remaining Term") pursuant to the provisions described in the preceding paragraph but for the occurrence of the IPO, minus (ii) the amount payable to S&H for the Remaining Term at the rate of $2.0 million per year. The Management Agreements further provide that the amounts described in clause (i) of the first sentence of this paragraph will be calculated based upon S&H's good faith projections of Holdings EBDIT for each such year (or portion thereof) during the Remaining Term (the "Estimated Fees"), which projections shall be made on a basis consistent with S&H's past projections. The difference between the amount of Estimated Fees for any particular year and $2 million shall be discounted to present value at the time of the IPO using a discount rate of eight percent (8%) per annum, compounded annually.

Additionally, the Management Agreements provide that Holdings, Silgan, Containers, Plastics and their respective subsidiaries shall reimburse S&H, on a monthly basis, for all out-of-pocket expenses paid by S&H in providing the Services, including fees and expenses to consultants, subcontractors and other third parties, in connection with such Services. All fees and expenses paid to S&H under each of the Management Agreements are credited against amounts paid to S&H under the other Management Agreements. Under the terms of the Management Agreements, Holdings, Silgan, Containers and Plastics have agreed, subject to certain exceptions, to indemnify S&H and its affiliates, officers, directors, employees, subcontractors, consultants or controlling persons against any losses, damages, costs and expenses they may sustain arising in connection with the Management Agreements.

The Management Agreements also provide that S&H may select a consultant, subcontractor or agent to provide the Services. S&H has retained Morgan Stanley to render financial advisory services to S&H. In connection with such retention, S&H has agreed to pay Morgan Stanley a fee equal to 9.1% of the fees paid to S&H under the Management Agreements.

Item 7: Financial Statements and Exhibits.

(a) and (b) Financial Statements of Business Acquired and Pro Forma Financial Information

It is impracticable at this time to file the financial statements and pro forma financial information required to be filed pursuant to Item 7 of Form 8-K. Such financial statements and pro forma financial information will be filed, as soon as practicable, but not later than 60 days from the date hereof.

(c) Exhibits

(1) Purchase Agreement, dated as of September 3, 1993, between Silgan Containers Corporation and Del Monte Corporation.

(2) Amendment to Purchase Agreement, dated as of December 10, 1993, between Silgan Containers Corporation and Del Monte Corporation.

In accordance with Item 601(b)(2) of Regulation S-K, the schedules and exhibits referenced in the Purchase Agreement and Amendment to Purchase Agreement referenced above have not been filed as part of the exhibits to this Form 8-K. The Registrant agrees to furnish supplementary a copy of the omitted schedules and exhibits to the Commission upon request.

SIGNATURES

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

SILGAN HOLDINGS INC.

By:/s/ Harley Rankin, Jr.
Harley Rankin, Jr.
Executive Vice President,
Chief Financial Officer
and Treasurer

Date: January 5, 1994

INDEX TO EXHIBITS

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EXHIBIT 1

PURCHASE AGREEMENT

THIS IS A PURCHASE AGREEMENT (the "Agreement") made and entered into as of September 3, 1993, by and between DEL MONTE CORPORATION, a New York corporation ("DM"), and SILGAN CONTAINERS CORPORATION, a Delaware corporation ("Purchaser").

B A C K G R O U N D

DM desires to sell to Purchaser, and Purchaser desires to purchase from DM, certain of the assets of DM, and also assume certain obligations and liabilities of DM, all upon the terms and subject to the conditions set forth in this Agreement

ACCORDINGLY, THE PARTIES AGREE AS FOLLOWS:

DEFINITIONS

As used in this Agreement, the following terms have these meanings when begun with capital letters:

"AA" means Arthur Andersen & Co.

"Adjustment Date" means the date five Business Days after the date on which the Final Closing Date Balance Sheet has been delivered as contemplated by Section 2.3.

"Affected Employees" has the meaning set forth in Section 7.1(a).

"Affiliate" means (with respect to any entity) any other entity which directly or indirectly owns or controls, or is owned or controlled by, or is under common control with, the specified entity. For purposes of this definition, the term "control" as applied to any entity (including with

correlative meanings the terms "controlling", "controlled by" and "under common control with") means the direct or indirect ownership of stock or similar equity interests, or contractual or other rights, in any such case entitling their holder to elect at least 50 percent of the directors or similar functionaries of that entity. Notwithstanding the foregoing, Morgan Stanley Group, Inc. and its affiliates shall not be deemed an Affiliate of Purchaser.

"Antitrust Improvements Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the regulations adopted by the United States Federal Trade Commission under that statute.

"Assets" means the DM Assets and the Subsidiary Assets.

"Assumed Liabilities" has the meaning set forth in Section 1.4.

"Business" means the manufacture of metal containers for food and beverages in the United States, as carried on by DM, as of the date of this Agreement.

"Business Day" means any day, Monday through Friday, on which commercial banks are open for regular business in San Francisco and New York City.

"CERCLA" means the Comprehensive Environmental Response, Compensation and Liability Act, as amended, and the regulations adopted by the United States Environmental Protection Agency under that statute.

"Closing" has the meaning set forth in Article III.

"Closing Date" has the meaning set forth in Article III.

"Closing Date Balance Sheet" means the audited balance sheet of the Business as of the Closing Date prepared in accordance with GAAP, subject to the next sentence. The "Closing Date Balance Sheet" (i) shall not include the Excluded Assets or the Excluded Liabilities, (ii) shall include a footnote

setting forth any Underfunding Adjustment and (iii) shall include another footnote setting forth the Three Hundred Can Conversion Costs.

"Code" means the United States Internal Revenue Code of 1986, as amended, and the regulations adopted by the IRS under that statute.

"Damages" has the meaning set forth in Section 14.1.

"Disclosure Schedule" means the Disclosure Schedule dated the same date as this Agreement furnished by DM to Purchaser, as amended from time to time in the manner permitted by Section
4.19.

"DM Assets" has the meaning set forth in Section 1.1.

"DM Closing Documents" means all documents, agreements, instruments, certificates, bills of sale, deeds, easements, assignments, leases and notices to be executed and delivered by DM or caused by DM to be executed and delivered at the Closing pursuant to this Agreement.

"DM Indemnitee" has the meaning set forth in Section 14.2.

"DM's Phase I Environmental Reports" means the reports of Green Engineering relating to the Facilities dated August, 1993.

"EY" means Ernst & Young, DM's auditors.

"Effective Time" has the meaning set forth in Section 1.6.

"Employee Benefit Programs" means all of the plans, programs and benefits referred to in Schedule 4.9.

"Environmental Claim" means any claim, action, cause of action or notice by

any person or entity alleging (i) any liability or potential liability arising out of, based on or resulting from the presence or release or threatened release into the environment of any Materials of Environmental Concern or (ii) responsibility or potential responsibility for the cleanup, removal, treatment or remediation of any Materials of Environmental Concern.

"Environmental Laws" means all federal, state, local and foreign laws and regulations applicable to the Business and relating to pollution or protection of human health or the environment, including, without limitation, laws and regulations relating to emissions, discharges, releases or threatened releases of Materials of Environmental Concern, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Materials of Environmental Concern.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the regulations adopted by the United States Department of Labor under that statute.

"Estimated Closing Balance Sheet" means the unaudited balance sheet of the Business as of a date not more than 10 Business Days before the Closing Date, prepared in good faith by DM in accordance with GAAP, subject to the next sentence. The "Estimated Closing Balance Sheet" (i) shall not include the Excluded Assets or the Excluded Liabilities, (ii) shall include a footnote setting forth DM's good faith estimate of any Underfunding Adjustment, and (iii) shall include another footnote setting forth DM's good faith estimate of the Three Hundred Can Conversion Costs.

"Estimated Purchase Price" has the meaning set forth in Section 2.2.

"Excluded Assets" has the meaning set forth in Section 1.3.

"Excluded Liabilities" has the meaning set forth in Section 1.4.

"Facility" or "Facilities" means the real estate used by the Business, as

set forth on Schedule 4.6 (which separately identifies the real estate included in the DM Assets or Subsidiary Assets and the real estate to be leased to Purchaser), and the buildings, improvements and fixtures thereon, either individually or collectively, as appropriate for the context. As used herein, real estate includes fee or leasehold title to all properties used by the Business, together with all easements, rights and grants used in conjunction with such properties.

"Final Closing Date Balance Sheet" has the meaning set forth in Section 2.3.

"FY 93 Statement of Costs" has the meaning set forth in Section 4.5(c).

"GAAP" means United States generally accepted accounting principles applied on a basis consistent with that used to prepare DM's audited consolidated financial statements for DM's fiscal year ended June 30, 1992; provided that no write down shall be made for fixed assets which are not in present use, no accrued or prepaid pension costs or pension plan disclosures are to be included, and inventory balances shall not be adjusted for LIFO reserves.

"Indemnitee" has the meaning set forth in Section 14. 3.

"Indemnitor" has the meaning set forth in Section 14.3.

"IRS" means the United States Internal Revenue Service.

"June 30 Balance Sheet" has the meaning set forth in Section 4.5(a).

"Material Adverse Effect" means a material adverse effect on the properties, earnings, results of operation or financial condition of the Business taken as a whole.

"Materials of Environmental Concern" means pollutants, contaminants,

hazardous waste, hazardous substances, toxic substances, petroleum and petroleum products, as defined in CERCLA or in any other Environmental Law.

"Net Working Capital" means the amount by which total current assets (other than all current assets constituting Excluded Assets) exceeds total current liabilities (other than all current liabilities constituting Excluded Liabilities).

"Oakland Facility" means plant 237 located at 3100 East 9th Street and 2806 East 10th Street, Oakland, California to be leased by DM to Purchaser at the Closing.

"PCP" means Pacific Coast Producers.

"PCP CanMan Assets" has the meaning set forth in Section 6.2(a).

"PCP Option" has the meaning set forth in Section 6.2(a).

"PCP Option Agreement" has the meaning set forth in Section 6.2(a)

"Plan" has the meaning set forth in Section 4.9(a).

"Plover Items" means the relining of the trenches and the removal or decommissioning in place of the underground storage tanks located at plant 106 in Plover, Wisconsin as described in the letter dated August 31, 1993 from DM to Purchaser.

"Purchase Price" has the meaning set forth in Section 2.1.

"Purchaser Closing Documents" means all documents agreements, instruments, certificates, leases and notices to be executed and delivered by Purchaser at the Closing pursuant to this Agreement.

"Purchaser Indemnitee" has the meaning set forth in Section 14.1.

"Shares" has the meaning set forth in Section 1.2.

"Statements of Costs" has the meaning set forth in Section 4.5(b).

Subsidiary" means DM Can Corporation, a California corporation.

"Subsidiary Assets" has the meaning set forth in Section 1.2.

"Supply Agreement" means the Supply Agreement dated the date hereof between DM and Purchaser for the supply by Purchaser of DM's metal food container requirements.

"Taxes" means United States, state, local and foreign taxes measured by taxable or net income (as appropriate), property taxes, franchise taxes, sales and use taxes (other than property, franchise, sales and use taxes imposed upon the transactions contemplated by this Agreement), payroll taxes, wage and withholding taxes, and value-added taxes, including interest and penalties on all such taxes.

"Three Hundred Can Conversion Costs" means the sum of all amounts expended by DM before the Closing Date (including before the date of this Agreement) or accrued as a current liability of DM as of the Closing Date to effect the 303 to 300 can conversion at the Facilities, it being understood that such expenditures and accruals shall have been included on Schedule 9.3 to this Agreement or otherwise consented to in writing by Purchaser.

"To the Knowledge of DM" means to the actual knowledge of H. Dennis Nerstad, David L. Meyers, William Spain, Thomas E. Gibbons or David Little.

"To the Knowledge of Purchaser" means to the actual knowledge of James D. Beam, D. Greg Horrigan or Harley Rankin, Jr.

"Underfunding Adjustment" means the aggregate amount, if any, by which (the

following being determined separately for each applicable Plan as of the Closing Date) (i) the "accumulated benefit obligation" (as defined in Statement of Financial Accounting Standards No. 87) of the Affected Employees under each Plan from which a transfer of assets is made to one or more transferee plans of the Purchaser pursuant to Section 7.2 (e) (ii) of this Agreement, determined in accordance with actuarial assumptions set forth on Schedule 7.2 and further assuming that all Affected Employees are fully vested on the Closing Date, exceeds (ii) the amount of assets that DM shall cause to be so transferred from such Plan.

"WARN" means the Worker Adjustment and Retraining Notification Act of 1988, as amended, and the regulations adopted by the United States Department of Labor under that statute.

ARTICLE I
PURCHASE AND SALE AND ASSUMPTION OF LIABILITIES

1.1 Assets. On the terms and subject to the conditions set forth in this Agreement, at the Closing DM shall sell, convey, transfer, assign and deliver to Purchaser, and Purchaser shall purchase and acquire from DM, all of DM's right, title and interest in and to certain of the assets of DM related to the Business, as set forth on Schedule 1.1 (the "DM Assets").

1.2 Shares. Immediately prior to the Closing, DM will transfer to Subsidiary all of DM's right, title and interest in and to the assets of DM related to the Business and located in Washington and California set forth on Schedule 1.2 (the "Subsidiary Assets"). On the terms and subject to the conditions set forth in this Agreement, at the Closing DM shall sell, convey, transfer, assign and deliver to Purchaser, and Purchaser shall purchase and acquire from DM, all of DM s right, title and interest in and to all of the shares of capital stock of the Subsidiary (the "Shares").

1.3 Excluded Assets. The assets set forth on Schedule 1.3 (the

"Excluded Assets") shall be retained by DM.

1.4 Assumed Liabilities. At the Closing, as partial consideration for the Assets and Shares, Purchaser shall assume all of the obligations and liabilities (both direct and contingent) relating to the Business set forth on Schedule 1.4 (the "Assumed Liabilities") and DM shall retain, and hereby undertakes to perform and satisfy, all other obligations and liabilities of DM (whether direct, contingent or unknown) relating to the Business (the "Excluded Liabilities"). Other than the Assumed Liabilities and as otherwise explicitly set forth in this Agreement, Purchaser does not assume or agree to be responsible for any obligations or liabilities of DM of any nature whatsoever, whether past, current or future and whether accrued, contingent, unknown or otherwise. Purchaser shall use its best efforts promptly to relieve DM of as many of the Assumed Liabilities as is possible, including substituting Purchaser or its ultimate parent entity as the direct or contingent obligor or guarantor of Assumed Liabilities in place of DM, it being understood and agreed that Purchaser shall in no event be obligated to prepay any of the Assumed Liabilities.

1.5 Consent of Third Parties. This Agreement shall not constitute an agreement to assign any interest in any instrument, contract, lease, permit or other agreement or arrangement or any claim, right or benefit, if an assignment without the consent of a third party would constitute a breach or violation thereof and adversely affect DM's ability to convey the interest or impair the interest as conveyed to Purchaser or Subsidiary. If the consent of a third party which is required in order to assign any such interest is not obtained before the Closing, or if an attempted assignment would be ineffective or would affect DM's ability to convey the interest unimpaired, DM and Purchaser shall cooperate in any lawful and commercially reasonable arrangement, including performance by Purchaser, DM or the Subsidiary, as the case may be, as agent for the other, in order to cause Purchaser (or a subsidiary of Purchaser) to receive the benefits of DM's interest, and to accept the burdens and perform the

obligations, under any such instrument, contract, lease, permit or other

agreement or arrangement or any such claim, right or benefit. Any transfer or assignment to Purchaser or Subsidiary by DM of any interest under any such instrument, contract, lease, permit or other agreement or arrangement or any such claim, right or benefit that requires the consent of a third party shall be made subject to such consent or approval being obtained.

1.6 Effective Time. If the transactions contemplated by this Agreement are consummated, they shall be deemed to be effective at 11:59 p.m. California time on the date immediately preceding the Closing Date (the "Effective Time").

ARTICLE II
PURCHASE PRICE

2.1 Purchase Price. The purchase price to be paid by Purchaser to DM for the Shares and the DM Assets (the "Purchase Price") shall equal: (a) $45,000,000 plus (b) the Net Working Capital as shown on the Final Closing Date Balance Sheet plus (c) the Three Hundred Can Conversion Costs as shown on the Final Closing Date Balance Sheet minus (d) any Underfunding Adjustment as shown on the Final Closing Date Balance Sheet.

2.2 Closing Payment. At the Closing, Purchaser shall pay an amount equal to an estimate of the Purchase Price (the "Estimated Purchase Price"). That payment shall be made in immediately available U.S. funds transferred by wire to such account or accounts, and in such manner, as DM may direct. The amount of the Estimated Purchase Price shall equal: (a) $45,000,000 plus (b) the Net Working Capital as shown on the Estimated Closing Balance Sheet plus (c) the Three Hundred Can Conversion Costs shown in the footnote respecting those costs included in the Estimated Closing Balance Sheet minus (d) any Underfunding Adjustment shown in the footnote respecting that adjustment included in the Estimated Closing Balance Sheet.

2.3 Closing Date Balance Sheet. Within 75 days after the Closing, DM shall prepare and EY shall audit the Closing Date Balance Sheet and deliver it

to Purchaser along with a draft report from EY with respect to its audit. DM shall provide Purchaser with access to DM's and EY's working papers relating to the Closing Date Balance Sheet and the books and records that underlie those working papers. Purchaser shall complete its review within 45 days after its receipt of the Closing Date Balance Sheet. If, as a result of its review, Purchaser objects in writing to any aspect of the Closing Date Balance Sheet within those 45 days, DM and Purchaser shall attempt in good faith to resolve the points of disagreement. If they do not resolve those disagreements within 30 days after Purchaser communicates its objections, DM and Purchaser shall retain AA to resolve those disagreements and to prepare a revised Closing Date Balance Sheet reflecting its resolution of the points of disagreement. AA s fees shall be shared equally by DM and Purchaser, and the decision of that firm shall bind both DM and Purchaser. The "Final closing Date Balance Sheet" shall be the balance sheet meeting the definition of Closing Date Balance Sheet and with respect to which one of the following has occurred: (a) Purchaser has not objected to the Closing Date Balance Sheet within the requisite 45 days, (b) DM and Purchaser have agreed on the Closing Date Balance Sheet or (c) AA has delivered a revised Closing Date Balance Sheet reflecting the resolution of points of disagreement between the parties. After the Closing Date, Purchaser shall provide DM and its representatives with such access to the books and records of the Business that are included in the Assets and such assistance by personnel of the Business that are employed by Purchaser as DM may reasonably require in order to carry out the provisions of this Section 2.3.

2.4 Adjustments. If "A" (see below) is greater than "B" (see below), on the Adjustment Date, DM shall pay Purchaser an amount in cash equal to that difference, plus interest on that difference at the rate of six percent per year from and including the Closing Date to and including the Adjustment Date. If "B" is greater than "A", on the Adjustment Date, Purchaser shall pay DM an amount in cash equal to that difference, plus interest on that difference at the rate of six percent per year from and including the Closing Date to and

including the Adjustment Date. For purposes of the first two sentences of this Section 2.4, "A" shall mean: (a) the Net Working Capital shown on the Estimated

Closing Balance Sheet plus (b) the Three Hundred Can Conversion Costs shown in the footnote respecting those costs included in the Estimated Closing Balance Sheet minus (c) any Underfunding Adjustment shown in the footnote respecting that adjustment Included in the Estimated Closing Balance Sheet. For purposes of the first two sentences of this Section 2.4, "B" shall mean: (a) the Net Working Capital shown on the Final Closing Date Balance Sheet plus (b) the Three Hundred Can Conversion Costs shown in the footnote respecting those costs included in the Final Closing Date Balance Sheet minus (c) any Underfunding Adjustment shown in the footnote respecting that adjustment included in the Final Closing Date Balance Sheet.

2.5 Allocation. At the Closing the parties shall agree to an allocation of the Purchase Price among the Shares and classes of DM Assets. The parties shall file all applicable tax returns in accordance with that allocation. If the Purchase Price is adjusted pursuant to Section 2.4, the parties shall also agree to an appropriate adjustment to the allocation at the time the Final Closing Date Balance Sheet is delivered or, failing such agreement, shall employ the procedures set forth in Section 2.3 to effect such an adjustment.

ARTICLE III
CLOSING

The closing of the purchase and sale of the DM Assets and the Shares (the "Closing") shall take place (with effect as of the Effective Time) at 11:00 am., California time, on the fifth Business Day after completion of the required waiting period pursuant to the Antitrust Improvements Act ("Closing Date") at the offices of Heller, Ehrman, White & McAuliffe, 333 Bush Street, San Francisco, California, or such other time and place as may be mutually agreed upon by the parties. At the Closing, Purchaser shall pay the Estimated Purchase Price provided for in Section 2.2, and deliver the documents required to be delivered pursuant to Article XIII, and DM shall deliver the documents required

to be delivered pursuant to Article XII and, simultaneously therewith, shall take all steps as may be reasonably requIred to put Purchaser and Subsidiary, as

the case may be, in possession and exclusive operating control of the Assets.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF DM

DM hereby makes the representations and warranties to Purchaser set forth in this Article IV, as of the date of this Agreement, but subject to the information contained in, and the exceptions noted or referred to in, the Disclosure Schedule. The disclosure of any matters in one part of the Disclosure Schedule or any document delivered pursuant to any provision of this Article IV shall be deemed to be a disclosure of such matters in response to any other provision of this Article IV to which such matter may be applicable.

4.1 Organization of DM and Subsidiary. DM is a corporation duly organized, validly existing and in good standing under the laws of the State of New York. As of the Closing, the Subsidiary will be a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation. DM has all requisite corporate power and authority to execute and deliver this Agreement and the DM Closing Documents, to perform its obligations under this Agreement and the DM Closing Documents and to consummate the transactions contemplated by this Agreement and the DM Closing Documents. As of the Closing, the Subsidiary will have all requisite corporate power to own or lease, and to operate, its properties, and to carry on the Business. DM is, and by the Closing the Subsidiary will be, duly qualified or licensed to do business as foreign corporations in good standing in the jurisdictions set forth on Schedule 4.1. DM has made available to Purchaser complete and correct copies of the Certificate of Incorporation and the Bylaws of DM as presently in effect.

4.2 Corporate Authorization; No Violation. DM has duly authorized the execution and delivery of this Agreement and the DM Closing Documents, the performance of its obligations under this Agreement and the DM Closing Documents and the consummation of the transactions contemplated by this Agreement and the DM Closing Documents. This Agreement constitutes, and each of the DM Closing Documents to be executed and delivered by DM at the Closing shall, when so

executed and delivered, constitute, the valid and binding obligation of DM, enforceable against DM in accordance with their respective terms (subject, as to enforcement, to bankruptcy, reorganization, insolvency, moratorium, and other laws relating to or affecting creditors' rights generally and to the availability of equitable remedies). Except as shown on Schedule 4.2, neither the execution and delivery of this Agreement or any of the DM Closing Documents by DM nor the performance by DM of its obligations under this Agreement or any of the DM Closing Documents nor the consummation by DM of the transactions contemplated by this Agreement or any of the DM Closing Documents will conflict with or result in a material breach of the terms, conditions or provisions of, constitute a default under, result in any violation of, or result in the creation of any lien or encumbrance upon any of the Shares or Assets pursuant to, the Certificate of Incorporation or the Bylaws of DM or any agreement or instrument to which DM is a party or by which it or any of the Assets or Shares is bound or any statute, law, ordinance, rule or regulation of, or judgment, order, writ, injunction or decree of any court of, administrative or governmental agency or body applicable to DM, any of the Assets or any of the Shares.

4.3 Compliance with Law. To the Knowledge of DM, DM and the Subsidiary each holds all material licenses, permits and authorizations, and has made all material filings and registrations, necessary for the lawful operation of the Business as conducted by it or any of the Assets or Facilities pursuant to all applicable statutes, laws, ordinances, rules and regulations of all governmental bodies, agencies and subdivisions having jurisdiction over any part of the Business or any of the Assets. To the Knowledge of DM, neither DM nor the Subsidiary is in violation of any laws or regulations concerning the Business or any of the Assets or Facilities or any material licenses, permits, authorizations, filings or registrations referred to above, which violations, individually or in the aggregate, would have a Material Adverse Effect.

4.4 The Subsidiary. The Subsidiary will be incorporated by DM as close to the Closing Date as practicable and will carry on no activities and incur no obligations or liabilities of any kind whatsoever prior to the Closing.

As of the Closing: (a) all the Shares will have been validly issued and be fully

paid and non-assessable; (b) DM will own all of the Shares beneficially and of record, free and clear of adverse claims and any encumbrance, pledge or other restriction; (c) there will be no outstanding securities convertible into or exchangeable or exercisable for any shares of the capital stock or any other securities of the Subsidiary, nor will the Subsidiary have outstanding any rights to subscribe for or to purchase, or any options to purchase, or any agreements providing for the issuance of, any shares of its capital stock, any securities convertible into or exchangeable or exercisable for any shares of its capital stock or any other securities. Prior to the Closing, DM will make available to Purchaser complete and correct copies of the Articles of Incorporation and the Bylaws of the Subsidiary.

4.5 Unaudited Balance Sheet and Statements of Cost.

(a) Schedule 4.5(a) sets forth the unaudited "June 30 Balance Sheet". The June 30 Balance Sheet sets forth DM's good faith estimate of the balance sheet of the Business as of June 30, 1993 prepared in accordance with GAAP, except that the Excluded Assets and the Excluded Liabilities have been deleted from the June 30 Balance Sheet. The footnotes included in the June 30 Balance Sheet set forth DM's good faith estimate of the Three Hundred Can Conversion Costs and the Underfunding Adjustment as of June 30, 1993.

(b) Schedule 4.5(b) includes unaudited statements of costs relating to the Business for the fiscal years ended June 30, 1991 and 1992 and for the nine months ended March 31, 1993 (the "Statements of Costs"). The Statements of Costs (a) have been prepared from and are in accordance with the books and records of DM and (b) present fully and fairly the total production costs, purchased can costs, freight costs, and certain corporate allocations less revenue related to sales of cans to third parties for the periods indicated all as consistently accounted for by DM. EY has performed certain procedures with respect to the Statements of Costs as set forth on Schedule 4.5(b).

(c) Within 30 days after the date of this Agreement, DM shall deliver to Purchaser a Statement of Costs for the fiscal year ended June 30,

1993 (the "FY 93 Statement of Costs") which shall reflect costs consistent with those set forth in the Statement of Costs for the nine months ended March 31, 1993. The FY 93 Statement of Costs will (a) have been prepared from and be in accordance with the books and records of DM and (b) present fully and fairly the total production costs, purchased can costs, freight costs, and certain corporate allocations less revenue related to sales of cans to third parties for the period indicated all as consistently accounted for by DM. EY will perform certain procedures with respect to the FY 93 Statement of Costs as set forth on Schedule 4.5(b).

4.6 Assets.

(a) Schedule 4.6 identifies the Facilities. DM owns all of the Facilities and has good, marketable and insurable title to the Facilities shown on Schedule 4.6 and as of the Closing the Subsidiary will own and have good, marketable and insurable title to the Facilities shown on Schedule 4.6 which are to be Subsidiary Assets, in each case free and clear of all liens, covenants, conditions, restrictions, easements, encroachments, charges and encumbrances or other adverse claims or interests of any nature, other than:

(i) the lien of current taxes not yet due and payable;

(ii) the lien of installments for special assessments not yet due and payable;

(iii) such other matters set forth on Schedule 4.6 listed separately for each Facility;

(iv) such other encroachments, easements, overlaps, gaps, boundary line disputes or claims and any matter which would be disclosed by an accurate survey and inspection, and exceptions and reservations of record which, individually and in the aggregate, do not interfere with the operation of the Business or the operation of a Facility as presently operated in any material

respect;

(v) laws, ordinances and governmental regulations(including, but not limited to, building and zoning ordinances and environmental laws, statutes and ordinances) restricting, regulating or prohibiting the occupancy, use or enjoyment of the Facilities or the water, public ways or private ways adjoining or appurtenant to the Facilities or regulating the character, dimensions or location of any improvement now or hereafter erected on the Facilities, or prohibiting a separation in ownership or a reduction in the dimensions or area of the Facilities, if the effect of any violation of any such law, ordinance, statute or governmental regulation, individually or in the aggregate, would not interfere in any material respect with the operation of the Business or the operation of a Facility as presently operated; and

(vi) such other imperfections of title, encumbrances, covenants, conditions and restrictions which, individually or in the aggregate, do not interfere with the operation of the Business or the operation of a Facility as presently operated in any way which, individually or in the aggregate, would have a Material Adverse Effect.

(b) DM has good and marketable title to all of the DM Assets that are not leased (excluding for purposes of this subparagraph (b) only the Facilities included in the DM Assets), free and clear of all mortgages, deeds of trust, liens, pledges, charges, security interests, claims or encumbrances of any kind or character (collectively, "Encumbrances"), except for those Encumbrances set forth on Schedule 4.6 and liens for taxes not yet due and payable.

(c) At the Closing, the Subsidiary will have good and marketable title to all of the Subsidiary Assets that are not leased (excluding for purposes of this subparagraph (c) only the Facilities included in the Subsidiary Assets), free and clear of all mortgages, deeds of trust, liens, pledges,

charges, security interests, claims or encumbrances of any kind or character (collectively, "Encumbrances"), except for those Encumbrances set forth on Schedule 4.6 and liens for taxes not yet due and payable.

4.7 Operating and Trade Contracts and Agreements .Schedule 4.7 sets forth the ten largest suppliers to the Business in terms of annual dollar volume and all customers of the Business in the 12-month period ended March 31, 1993. Except for the labor, retirement and similar plans and agreements referred to in Sections 4.8 and 4.9, and the supply and joint venture agreements and equipment leases identified on Schedule 4.7 (copies of which have been supplied to Purchaser), there are no agreements to which DM is a party which relate to the Business and which are material to the operation of the Business. To the Knowledge of DM, DM has performed all obligations required to be performed by it under all agreements to which DM is a party relating to the Business or any of the Assets or Facilities and which, individually or in the aggregate, if not performed by DM, would have a Material Adverse Effect.

4.8 Personnel Contracts and Collective BarGaining Agreements. DM is not obligated with respect to the Business under any (a) executory or partially executory contracts with any officer or employee, other than contracts which by their terms are cancelable by DM on notice of not more than 30 days without any liability or obligation on the part of DM or (b) collective bargaining agreements or contracts with any labor union or other representative of employees, in each case except for those contracts and agreements that are identified on Schedule 4.8 (copies of which have been supplied to Purchaser).

4.9 Employee Benefit Plans.

With respect to employee benefits currently provided to employees of the Business:

(a) Schedule 4.9 comprises a complete and correct list of all "employee pension benefit plans" (as defined in Section 3(2) of ERISA), "employee welfare benefit plans" (as defined in Section 3(1) of ERISA), bonus and incentive compensation plans, stock purchase and stock option plans,

deferred compensation plans, severance plans or practices and other material fringe benefit plans or practices which DM maintains, or to which DM presently contributes, and which relate to any employees of the Business (collectively, the "Plans"). DM has made available to Purchaser complete and correct copies of relevant documents related to the Plans, including, as applicable, plan texts and trust agreements and amendments thereto, summary plan descriptions, actuarial reports for the most recent valuation period, the IRS Form 5500 (together with all schedules and attachments thereto) filed for the 1990 and 1991 plan years (and for the Plans that are employee welfare benefit plans for the 1992 plan year), the most recent determination letters issued by the IRS (and, if there has been no determination letter, all relevant correspondence with the IRS), insurance contracts and employee handbooks.

(b) To the Knowledge of DM, each of the Plans is in compliance with, and has been administered in accordance with, all material requirements of ERISA, the Code and other applicable law and the material terms of such Plan. Each Plan purported to be qualified under Code Section 401(a) has received a favorable determination letter from the IRS (or, if no such determination letter has been received for a Plan, to the Knowledge of DM, such Plan is so qualified) and, to the Knowledge of DM, no event has occurred which would cause the loss of such qualification.

(c) To the Knowledge of DM, none of the Plans that is an "employee pension benefit plan" (as defined in Section 3(2) of ERISA), and no fiduciary thereof or trust created thereunder, has engaged in any transaction that has subjected, or may reasonably be expected to subject, DM, directly or indirectly, to any material tax on prohibited transactions imposed by Section 4975 of the Code or to any material civil penalty imposed under Section 502 of ERISA.

(d) DM has not, since September 26, 1980, incurred a complete or partial withdrawal from any Plan that constitutes a "multiemployer plan" (as defined in Section 3(37) of ERISA) which resulted in the imposition of withdrawal liability under the Multiemployer Pension Plan Amendments Act of 1980, as amended, or which could result in the imposition of withdrawal

liability under that Act.

(e) To the Knowledge of DM, there are no pending or threatened investigations or enforcement actions against DM with respect to any of the Plans.

(f) To the Knowledge of DM, there are no pending or threatened actions, suits or claims (other than routine claims for benefits) by present or former employees of DM (or their beneficiaries) with respect to any of the Plans or any of their assets or fiduciaries.

(g) Schedule 4.9 sets forth, for each of the Plans that is a "multiemployer plan" (as defined in Section 3(37) of ERISA), the estimated withdrawal liability, if any, that would be incurred by DM if DM engaged in a complete or partial withdrawal from such Plan during the most recent year for which such information has been made available by the trustees or administrator of such Plan.

(h) Schedule 4.9 sets forth: (i) DM's good faith estimate of the unfunded liability at September 1, 1993 attributable to employees of the Business on June 30, 1993 under the DM Salary and Benefit Continuation Program and any applicable collective bargaining agreements (by work location); and (ii) DM's good faith estimate of the Accumulated Postretirement Benefit Obligation (for postretirement benefits other than pensions) as of June 30, 1993 for employees of the Business on such date, computed in accordance with Statement of Financial Accounting Standards No. 106. DM's unfunded liability for accrued but unpaid vacation is set forth as a current liability on the June 30 Balance Sheet

and will be set forth as a current liability on both the Estimated Closing Balance Sheet and the closing Date Balance Sheet.

4.10 Environmental Matters. To the Knowledge of DM, with respect to the Assets, the Facilities and the operations of the Business:

(a) Except to the extent that failure to comply, either individually or in the aggregate, would not result in an Material Adverse Effect, each of DM, the Subsidiary, the Facilities and the Assets is in compliance with all Environmental Laws;

(b) There is no Environmental Claim pending or threatened against DM, the Subsidiary, any of the Facilities or any of the Assets which, either individually or in the aggregate, would have a Material Adverse Effect; and

(c) Except as shown on Schedule 4.10, there are at the Facilities no (i) underground storage tanks, (ii) asbestos, (iii) equipment using PCBs, (iv) underground injection wells, or (v) septic tanks in which process waste water or any Materials of Environmental Concern have been disposed.

4.11 Litigation.

(a) There is no claim, action, suit, proceeding or governmental investigation pending or, to the Knowledge of DM, threatened, against or involving DM or the Subsidiary which questions the validity of this Agreement or seeks to prohibit, enjoin or otherwise challenge any of the transactions contemplated by this Agreement or any of the DM Closing Documents.

(b) There is no claim, action, suit, proceeding or governmental investigation pending or, to the Knowledge of DM, threatened against DM or the Subsidiary which, either individually or in the aggregate, would have a Material Adverse Effect.

(c) Neither DM nor the Subsidiary is subject to any judgment, order, writ, injunction or decree which, either individually or in the aggregate, would have a Material Adverse Effect, nor is DM or the Subsidiary in

default under any judgment, order, writ, injunction or decree to which it is subject, the consequences of which default, individually or in the aggregate, would have a Material Adverse Effect.

4.12 Taxes.

(a) DM has filed all returns respecting Taxes required by law to be filed by it and has paid all Taxes required to be paid by it.

(b) DM shall be responsible for all Taxes imposed upon or measured by the taxable income of DM allocable to any period ending on or before the Closing Date and shall indemnify Purchaser and any other person with which Purchaser files, has filed or will file a consolidated or combined tax return and shall hold them harmless from any and all Taxes for any taxable year or taxable period ending on or before the Closing.

(c) Purchaser and DM shall make an election under Code Sections 338(g) and 338(h) (10) with respect to the sale of the Shares. DM shall pay any tax attributable to the making of such election and shall indemnify Purchaser and any other person with which Purchaser files, has filed or will file a consolidated or combined tax return and shall hold them harmless from any and all Taxes resulting from the filing of an election under Code Sections 338(g) and 338(h) (10) with respect to the purchase of the Shares by Purchaser.

(d) Within 60 days after the Closing Date, Purchaser shall prepare or cause to be prepared and delivered to DM such information as DM shall reasonably request to enable DM to prepare its tax returns. Purchaser and DM

agree to furnish or cause to be furnished to each other, upon request, as promptly as is practical, such additional information (including by means of access to books and records) and assistance relating to the Business as is reasonably necessary for the filing of any returns, preparation for any audit and prosecution or defense of any claim, suit or proceeding relating to any taxes or proposed adjustment to taxes. Purchaser and DM shall reasonably

cooperate with each other in the conduct of any tax audit or other tax proceedings involving DM or Purchaser or any entity with which DM or Purchaser is consolidated or combined for any tax purpose, and each shall execute and deliver such powers of attorney and other documents as may be reasonably necessary or useful to carry out the intent of this Subsection 4.12(d).

(e) Purchaser shall keep or cause to be preserved and kept the records of the Business included in the Assets for a period of seven years after the Closing Date, or for any longer period as may be required by any statute, regulation, government agency or ongoing litigation, and to make such records available to DM or its representatives as may be reasonably requested by DM in connection with any legal proceedings against, or any governmental investigations or tax examination of, DM. If Purchaser wishes to destroy such records after that time, it shall first give DM 60 days' prior written notice, and DM shall have the right, at its option, upon prior written notice to Purchaser within that 60-day period, to take possession of those records within 90 days after the date of DM's notice to Purchaser.

4.13 Intellectual Property. Schedule 4.13 lists all trademarks, trade names, patents, registered designs and copyrights owned by DM that are used in the Business (the "Intellectual Property"), all of which are included in the Assets except as shown on Schedule 4.13. Except as disclosed on Schedule 4.13, DM is the sole and exclusive beneficial owner of such Intellectual Property, free and clear of any claims, encumbrances, charges or rights of others. Except as disclosed on Schedule 4.13, to the Knowledge of DM, there has been no infringement or violation of DM's rights in or to any Intellectual Property, nor to the Knowledge of DM any claim of adverse ownership, invalidity or other opposition to or conflict with any Intellectual Property which in any such case, either individually or in the aggregate, would have a Material Adverse Effect. To the Knowledge of DM, there has been no activity in which DM is engaged in carrying on the Business that violates or infringes any intellectual property rights of any third party.

4.14 Consents. Except for the requirements of the Antitrust

Improvements Act or as shown on Schedule 4.14, to the Knowledge of DM, no consent, approval or authorization of, or declaration, filing (other than filings with tax authorities) or registration with, any governmental or regulatory authority or any other third party is required to be made or obtained by DM in order to consummate the transactions contemplated by this Agreement and the DM Closing Documents.

4.15 Absence of Certain Changes and Undisclosed Liabilities. Except as contemplated or permitted by this Agreement, since March 31, 1993: (a) DM has not entered into any material commitment or transaction relating to the Business, other than in the ordinary course of business, including, without limitation, any borrowing or capital expenditure material to the Business, and there has not been (b) any material change by DM in accounting methods or principles applicable to any portion of the Business (other than adoption of FASB 106 and FASB 109), (c) any labor trouble or work stoppage at any Facility having, either individually or in the aggregate, a Material Adverse Effect, (d) any material change in the practices of DM with respect to the manner and timing of payment of trade or other payables of the Business, (e) any material change in the practices of DM relating to the collection of receivables of the Business, (f) any mortgage, pledge or imposition of a lien or other encumbrance on any of the assets or properties of the Business, other than in the ordinary course of business, (g) any damage, destruction or loss (whether or not covered by insurance) affecting the Assets or the Business which has had or is likely to have, either individually or in the aggregate, a Material Adverse Effect, (h) any sale, transfer or other disposition of any tangible or intangible assets of the Business (except in the ordinary course of business) having an aggregate

book value of $50,000 or more, (i) any write-down or write-up of the value of any of the Assets, except for any LIFO inventory adjustments made in the ordinary course of the Business and in no event in excess of $250,000, (j) any general uniform increase in the compensation of employees of DM relating to the Business (including, without limitation, any increase pursuant to any Plan, but excluding any increase pursuant to any collective bargaining agreement), or (k) any material increase in inventory levels in excess of historical levels for

comparable periods.

4.16 Powers of Attorney. Neither DM nor the Subsidiary has given any irrevocable powers of attorney relating to the Business to any person, firm or corporation for any purpose whatsoever.

4.17 Effect of Agreements. This Agreement and the other agreements and documents to be delivered at Closing by DM, taken together, will convey ownership of, a license to, or access to, all assets used in the Business except for the Excluded Assets and except as provided in Section 1.5.

4.18 DM Fiscal 1994 Annual Operating Plan. DM has delivered to Purchaser the Del Monte Fiscal 1994 Annual Operating Plan as presented to DM's board of directors on June 30, 1993 and will promptly deliver to Purchaser any amendment to such Operating Plan relating to the Business which DM provides to its board of directors prior to Closing.

4.19 Amendments to Disclosure Schedule. DM delivered the Disclosure Schedule to Purchaser as of the date of this Agreement. DM may amend the Disclosure Schedule at any time before the Closing to reflect developments that have come to the attention of DM. DM's liability, if any, under Article XIV of this Agreement for breach of any representation or warranty set forth in this Agreement shall be determined with reference to the Disclosure Schedule as most recently amended and delivered to Purchaser before the Closing. Purchaser shall have the right to terminate this Agreement based on any amendment to the

Disclosure Schedule that, individually or in the aggregate, reflects a Material Adverse Effect.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser hereby makes the representations and warranties to DM set

forth in this Article V, as of the date of this Agreement:

5.1 Organization of Purchaser. Purchaser is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation and has all requisite corporate power and authority to execute and deliver this Agreement and the Purchaser Closing Documents, to perform its obligations under this Agreement and the Purchaser Closing Documents and to consummate the transactions contemplated by this Agreement and the Purchaser Closing Documents. Purchaser has all requisite corporate power to own or lease and operate its properties, and to carry on the Business.

5.2 Corporate Authorization; No Violation. Purchaser has duly authorized the execution and delivery of this Agreement and the Purchaser Closing Documents, the performance by Purchaser of its obligations under this Agreement and the Purchaser Closing Documents and the consummation of the transactions contemplated by this Agreement and the Purchaser Closing Documents.

This Agreement constitutes, and each of the Purchaser Closing Documents to be executed and delivered by Purchaser at the Closing shall, when so executed and delivered, constitute, the legal, valid and binding obligation of Purchaser enforceable against Purchaser in accordance with its terms (subject, as to enforcement, to bankruptcy, reorganization, insolvency, moratorium and other laws relating to or affecting creditors' rights generally and subject to the availability of equitable remedies). Except as shown in Schedule 5.2, neither the execution and delivery of this Agreement or any of the Purchaser Closing Documents by Purchaser or the performance by Purchaser of its obligations under this Agreement or any of the Purchaser Closing Documents nor the consummation by Purchaser of the transactions contemplated by this Agreement or any of the Purchaser Closing Documents will conflict with or result in a breach of the terms, conditions or provisions of, constitute a default under, result in the violation of or the creation of a lien or encumbrance upon, any of the assets of Purchaser pursuant to the Certificate of Incorporation or Bylaws of Purchaser or any agreement or instrument to which Purchaser is a party or by which Purchaser

or any of its assets is bound or any judgment, order, writ, injunction or decree of any court, administrative or governmental agency or body applicable to Purchaser.

5.3 Litigation. There is no claim, action, suit, proceeding or governmental investigation pending or, to the Knowledge of Purchaser, threatened against or involving Purchaser or any Affiliate of Purchaser which questions the validity of this Agreement or seeks to prohibit, enjoin or otherwise challenge any of the transactions contemplated by this Agreement or any of the Purchaser Closing Documents.

5.4 Consents. Except for the requirements of the Antitrust Improvements Act and the consummation of the transaction contemplated by the letter dated June 28, 1993 from Bankers Trust Company referred to in Section 5.6, no consent, approval or authorization of, or declaration, filing (other than filings with tax authorities, foreign companies registries, food regulatory agencies and the like) or registration with, any governmental or regulatory authority or any third party is required to be made or obtained by Purchaser or any Affiliate of Purchaser before the consummation of the transactions contemplated by this Agreement and the Purchaser Closing Documents.

5.5 Investment Intent. Purchaser is an "accredited investor" within the meaning of Regulation D adopted by the United States Securities and Exchange Commission under the Securities Act of 1933, as amended. Purchaser is acquiring the Shares for investment purposes only and not with a view to any public distribution of any of the Shares. Purchaser shall not sell or otherwise dispose of any of the Shares in violation of the Securities Act of 1933, as

amended, the rules and regulations adopted by the United States Securities and Exchange Commission under that Act or any other applicable securities laws.

5.6 Financing. Silgan Holdings Inc., the ultimate parent corporation of Purchaser, has received a commitment letter dated June 24, 1993 from General Motors Investment Management Corporation on behalf of the General Motors Pension

Trusts and a commitment letter dated September 2, 1993 from Bankers Trust Company for equity and debt financing to enable Purchaser to acquire the DM Assets and Shares. Neither commitment letter has been withdrawn and, to the Knowledge of Purchaser, neither commitment letter is likely to be withdrawn. To the Knowledge of Purchaser, there is no reason to believe that the financing contemplated by either of the commitment letters will not be completed.

ARTICLE VI
OTHER AGREEMENTS

6.1 Best Efforts. DM shall use its best efforts to cause the conditions set forth in Article X to be satisfied by the scheduled Closing Date.

Purchaser shall use its best efforts to cause the conditions set forth in Article XI (and Section 10.10) to be satisfied by the scheduled Closing Date. Purchaser and DM shall each file, with the United States Department of Justice and Federal Trade Commission, as soon as practical and no later than the close of business on the tenth Business Day after execution of this Agreement, a completed notification and report form under the Antitrust Improvements Act in connection with the transactions contemplated by this Agreement and will promptly and completely respond to any request for further documents or information under that Act. Purchaser and DM shall cooperate with each other and use their best efforts to obtain all other governmental and third party consents and approvals necessary to complete the transactions contemplated by this Agreement and to obtain all appropriate deferred consents after completion of the transactions contemplated by this Agreement. The obligation to use best efforts to cause the conditions set forth in Articles x and XI to be satisfied and to obtain consents shall not require either party to pay any monies or other value to any third party, except for filing fees imposed by law.

6.2 Pacific Coast Producers.

(a) DM has an option (the "PCP Option") to purchase substantially all of the assets of PCP and its affiliates pursuant to an Option Agreement between DM and PCP dated as of May 4, 1992 (the "PCP Option

Agreement"). DM shall not consummate the exercise of the PCP Option during the term of the Supply Agreement unless, no later than the November 15 last preceding the January during which DM notifies PCP that DM is exercising the PCP Option (see Section 1.3 of the PCP Option Agreement), DM has given Purchaser written notice of DM's interest or intention to exercise the PCP Option. The purpose of that notice shall be to afford Purchaser an opportunity to determine whether Purchaser wishes to purchase the container manufacturing assets and properties (the "PCP CanMan Assets") that are included in the assets and properties covered by the PCP Option. Subject to the terms of any applicable confidentiality agreement with PCP, DM shall provide Purchaser at the time of delivery of such notice the most current balance sheet and PCP CanMan Asset list then available to DM and shall thereafter use its reasonable best efforts to provide Purchaser such financial information relating to PCP and the PCP CanMan Assets as Purchaser shall reasonably require. In order to be entitled to purchase the PCP CanMan Assets, Purchaser, after receiving DM's notice, shall give DM an irrevocable written notice, no later than the December 15 next following that November 15, that Purchaser will purchase the PCP CanMan Assets if DM consummates the exercise of the PCP Option. Purchaser's notice to DM shall be accompanied by evidence reasonably satisfactory to DM that Purchaser is fully capable of financing its purchase of the PCP CanMan Assets. If Purchaser gives DM such a notice accompanied by such evidence, DM shall give PCP a timely notice that DM is exercising the PCP Option, it being understood, however, that DM shall not be obligated to consummate the exercise of the PCP Option if any of the conditions to DM's obligation to do so set forth in the PCP Option Agreement is not timely satisfied and DM chooses not to waive any such condition or if DM has any reasonable basis for believing that Purchaser will not timely consummate the purchase of the PCP CanMan Assets as required by the next sentence. DM will not waive any condition to DM's obligation to consummate the exercise of the PCP

Option which in any way relates to the PCP CanMan Assets without Purchaser's consent, which consent will not be unreasonably withheld. If DM consummates an exercise of the PCP Option, then, within one business day after that closing, Purchaser shall purchase the PCP CanMan Assets from DM. The purchase price Purchaser shall pay DM for the PCP CanMan Assets shall equal a percentage

premium over book value of such PCP CanMan Assets equal to that premium percentage paid by DM for all of the PCP assets. The purchase price shall be payable in cash. Purchaser shall purchase the PCP CanMan Assets from DM "as is" without any DM warranty of any nature whatsoever other than that DM has not itself encumbered title to any of the PCP CanMan Assets. DM and Purchaser shall endeavor in good faith to allocate fairly, as between DM and Purchaser, the various benefits running to DM under the PCP Option Agreement (including DM's indemnification rights against PCP) and the burdens imposed by the PCP Option Agreement on DM (including the assumption by DM of PCP liabilities and obligations, but with Purchaser then indemnifying DM with respect to all such liabilities and obligations thus allocated to Purchaser), in each case as such benefits and burdens relate to the PCP CanMan Assets. If PCP has not consented to the assignment of such benefits and burdens, that allocation shall be made with due consideration to the fact that PCP has not consented to the assignment by DM to Purchaser of such benefits that redound to DM's benefits under the PCP Option Agreement upon DM's exercise of the PCP Option or has not relieved DM of such burdens that DM must assume upon its exercise of the PCP Option.

(b) If DM gives Purchaser a notice of DM's interest or intention to exercise the PCP Option but Purchaser does not purchase the PCP CanMan Assets pursuant to this Section 6.2, DM shall be entitled, at its election: (i) not to purchase the PCP CanMan Assets or (ii) to purchase the PCP CanMan Assets and either retain and operate them or sell or lease them to any third party and enter into a supply agreement with the purchaser or lessee thereof for the requirements of the PCP canneries purchased by DM pursuant to the PCP Option free and clear of any rights of Purchaser.

(c) If DM exercises the PCP Option, the parties will negotiate in good faith an appropriate amendment to the Supply Agreement to reflect the fact that DM, Purchaser or another party operates the PCP CanMan Assets. If DM or another party operates the PCP CanMan Assets, the Supply Agreement shall be amended to provide that DM or such other party, as the case may be, may

manufacture Containers (as defined in the Supply Agreement) for the requirements of the former PCP food processing operation and for up to 100 million Containers (as adjusted in Sections 3.6 and 7.5 and Article X of the Supply Agreement) per Supply Year (as defined in the Supply Agreement) to be provided to DM. If Purchaser owns or operates the PCP CanMan Assets, the Supply Agreement shall be amended to provide that the Container requirements of the former PCP food processing operation shall be provided by Purchaser subject to the terms and conditions of the Supply Agreement.

6.3 Real Property Issues.

(a) Prior to the Closing Date, DM and Purchaser shall cooperate in good faith to (i) fix the legal description for each of the Facilities based upon historical usage by the Business and the reasonable needs of Purchaser pursuant to the Supply Agreement and (ii) create a separate lease or (sublease) for each of the Facilities to be leased by Purchaser, each of which shall be adapted from the form lease attached hereto as Exhibit 10.8, but each modified to (A) be adapted to the law of the state in which the relevant Facility is located, (B) address particular common or shared facilities or services for the relevant Facility, (C) set forth the Base Monthly Rent, (D) address the specific rules and regulations and sign criteria for the relevant Facility and (E) make any other specific modifications reasonably required because of the particular aspects of the relevant Facility (for example, the term of the Oakland lease shall expire on April 30, 1995, after which time the tenant thereunder may extend the term thereof for up to six months on a month to month basis (so long as such tenant is not then in default under such lease) and, notwithstanding the foregoing, the landlord under such lease, may, at any time terminate such lease on twelve month's written notice). The Base Monthly Rent for each such Facility
shall be the fair market rental for the then existing use of the relevant Facility in its specific location, as mutually agreed to by the parties. Schedule 4.6 hereto includes drawings indicating the parties' intent as to the legal description of each Facility to be purchased by Purchaser, however, these drawings do not necessarily account for title matters (such as necessary

easements and necessary appurtenant rights) or subdivision, planning or zoning matters.

(b) Prior to the Closing Date, DM and Purchaser shall use commercially reasonable efforts with respect to the Facilities to be sold to Purchaser to cause final legal descriptions to be fixed for each such Facility based upon the aforesaid, and in doing so, if required, DM shall cause such Facilities to be surveyed (at Purchaser's cost) and subdivided in accordance with applicable legal requirements to permit its transfer to Purchaser as a separate and distinct parcel under applicable law. As to each Facility (to be leased or purchased by Purchaser), DM and Purchaser shall cooperate in good faith with the appropriate title insurance company to identify all exceptions to title that such title insurance company will show (and those which it may not show or which it will affirmatively insure against) on an ALTA Extended Coverage Title Insurance Policy to be issued to Purchaser at standard premium rates on the Closing Date, and it shall be a condition to Purchaser's obligation to purchase or lease, as the case may be, each of such Facilities that the insurance provided and any exceptions to be shown on such policies with respect to each such Facility is reasonably acceptable to Purchaser considering the criteria set forth in Section 4.6(a) (excluding Section 4.6(a) (iii)) and Purchaser's contemplated use of the Facilities. All exceptions to title will be subject to the approval standards set forth in this Section 6.3.

(c) DM agrees that, with respect to each of the Facilities to be leased by Purchaser, in addition to all other matters provided for herein and in each Lease, DM shall, at its sole cost (not to be passed back to the tenant under any applicable lease), take any commercially reasonable steps necessary to comply with any applicable statutes, laws, ordinances, rules and regulations of all governmental bodies, agencies and subdivisions having jurisdiction over such Facility, but only to the extent that such need to comply arises solely as a result of such Facility's being converted from single user to dual tenant use.

6.4 Accounting Matters. Purchaser will require certain audited annual and unaudited interim financial statements with respect to the Business

to satisfy applicable Securities and Exchange Commission reporting requirements.

DM will take all steps reasonably necessary and appropriate to provide Purchaser with such financial statements in a timely manner after the Closing and shall provide such financial statements not more than 45 days after the Closing. DM shall direct EY (San Francisco) to perform preliminary auditing work for the preparation of such financial statements prior to the Closing; provided that EY (San Francisco) shall not be authorized to incur more than $100,000 of fees and costs in such efforts prior to the Closing without the prior consent of Purchaser. Subject to Section 18.1, Purchaser shall reimburse DM for all EY (San Francisco) fees relating to preparation of such financial statements (with DM insuring that an equitable adjustment has been made to reflect savings which DM will receive on the preparation of the Closing Date Balance Sheet as a result of this preliminary auditing work) within 10 Business Days after submission of EY's invoice by DM to Purchaser. Purchaser shall be responsible for and shall pay any and all fees and costs of any EY personnel other than EY personnel in the San Francisco office.

ARTICLE VII
COVENANTS AND REPRESENTATIONS RELATING TO PERSONNEL ARRANGEMENTS

7.1 Retention of Employees; WARN Act Obligations; Assumption of Collective Bargaining Agreements.

(a) Schedule 7.1 sets forth all employees employed by the Business on June 30, 1993, including employees on leave of absence, layoff, jury duty, vacation, workers' compensation, short-term disability or other approved absence (other than long-term disability). Purchaser shall continue to employ all such employees who are employed by the Business on the Closing Date, plus any employees hired by the Business in the ordinary course of business between June 30, 1993 and the Closing Date who remain employed by the Business on the Closing Date, including any employees of the Business on the Closing Date who may be absent from work on the Closing Date for any of the reasons set forth in the preceding sentence (the "Affected Employees"). Except as provided in the

following sentence, such continued employment shall be for a minimum period ending one year after the Closing Date (and in all events shall be in accordance with the terms of any applicable collective bargaining agreements relating to any Affected Employees). For Affected Employees who are employed at DM's plant in Oakland, California, such continued employment shall be for a minimum period beginning the earlier of one year after the Closing Date or the end of the initial term of the lease between DM and Purchaser for the Oakland plant. For at least the applicable minimum period of continued employment, Purchaser shall provide each Affected Employee with compensation at least equal to (and, with respect to salaried employees, responsibilities at least comparable to) those provided by DM during the period immediately preceding the Closing. Notwithstanding the foregoing: (i) any Affected Employee's compensation may be reduced or employment terminated sooner for cause as determined in good faith by Purchaser; and (ii) Purchaser shall not be obligated to provide continued employment to, and the term "Affected Employees" shall not include, any employee of the Business who, on the Closing Date, is receiving (or has qualified to receive) long-term disability benefits under any Plan providing such benefits on such Date; provided that, if any employee described in clause (ii) is able to return to work after the Closing Date (as determined in good faith by Purchaser) and applies to do so, Purchaser shall employ such individual and shall thereafter treat such individual as an Affected Employee hereunder if either (x) Purchaser is required to employ such individual by any DM collective bargaining agreement assumed by Purchaser or (y) DM is precluded from employing such individual in an hourly position in its canneries as a result of applicable DM collective bargaining agreements.

(b) DM shall be responsible for any notifications to Affected Employees or governmental agencies that may be required under WARN, and for any

payments or penalties that may be required or imposed under WARN, with respect to the sale of the DM Assets and Shares contemplated by this Agreement and any other action taken by DM before the Closing. Purchaser shall be responsible for any notifications, payments or penalties that may be required or imposed under WARN with respect to actions taken by Purchaser affecting Affected Employees

after the Closing.

(c) Purchaser shall assume all obligations of DM under, and shall be bound by the terms of, each collective bargaining agreement covering any Affected Employee until the expiration of the term of that agreement, as that agreement may be duly amended after the Closing. DM agrees that, with DM's prior consent (which consent shall not be unreasonably withheld), Purchaser may, between the date of this Agreement and the Closing Date, negotiate with any of the unions that represent employees of the Business on the date of this Agreement with respect to changes in the provisions of any applicable collective bargaining agreement relating to employee benefits for Affected Employees; provided that any such change so negotiated shall not be effective prior to the Closing Date.

(d) DM shall retain and satisfy all obligations to make all, and administer all claims for, workers' compensation payments to those Affected Employees who are eligible to receive workers' compensation benefits prior to the Closing Date in accordance with DM's policies in effect as of the Closing Date and shall make such payments in accordance With DM's policies in effect as of the Closing Date. DM shall also retain all obligations for short-term disability payments due to Affected Employees for all events occurring prior to the Closing Date, including all medical and related payments incurred prior to the Closing Date.

7.2 Employee Benefits After Closing.

(a) Benefit accruals for Affected Employees under the Plans shall cease as of the Closing Date. Purchaser agrees that, from and after the

Closing Date, Purchaser shall be responsible for all compensation and employee benefits earned or accrued by Affected Employees with respect to service after the Closing Date and DM shall have no liability therefor.

(b) As of the Closing Date, and for at least the applicable minimum period of continued employment described in Section 7.1(a), Purchaser shall provide or cause to be provided to all Affected Employees as a group, a combination of direct compensation and employee benefits that are, on an aggregate basis, at least of equivalent value to the sum of the Affected Employees' direct compensation immediately before the Closing and the employee benefits provided to the Affected Employees under the Plans in effect as of the Closing (and in all events in accordance with the terms of any applicable collective bargaining agreements relating to any Affected Employees). Such employee benefits shall be provided through the continuation of such Plans, without change, throughout such minimum period of continued employment, or through the use of new or existing plans of Purchaser.

(c) As of the Closing, Purchaser shall assume all rights and liabilities of DM with respect to Affected Employees under the vacation policies applicable to Affected Employees as in effect on the Closing Date. Subject to Purchaser's review and consent (which consent shall not be unreasonably withheld), DM shall amend such policies after the date of this Agreement and before the Closing so that the benefits provided or to be provided under such policies will not be modified, delayed or accelerated as a result of any change in employment status that is solely the result of the completion of the transactions contemplated by this Agreement. Purchaser further agrees that, subject to the terms of any applicable collective bargaining agreement, if at any time after the Closing Date Purchaser changes the vacation policy applicable to any Affected Employee on the Closing Date, Purchaser shall allow each such Affected Employee to take any vacation that such Affected Employee had accrued but not taken on the date of such change (or shall provide the employee with pay in lieu of such accrued but unused vacation).

(d) As of the Closing, Purchaser shall assume all rights and liabilities of DM with respect to Affected Employees under the DM Salary and Benefit Continuation Program as in effect on the Closing Date. Subject to Purchaser's review and consent (which consent shall not be unreasonably withheld), DM shall amend such Program after the date of this Agreement and

before the Closing so that the benefits provided or to be provided under such Program will not be modified, delayed or accelerated as a result of any change in employment status that is solely the result of the completion of the transactions contemplated by this Agreement. Purchaser further agrees that, subject to the terms of any applicable collective bargaining agreement: (i) notwithstanding any other provision of this Agreement to the contrary, with respect to all Affected Employees who are eligible to participate at Closing, Purchaser will maintain the DM Salary and Benefit Continuation Program, without change, for a period of at least one year after the Closing Date; (ii) if Purchaser modifies or terminates the DM Salary and Benefit Continuation Program with respect to any Affected Employee more than one year after the Closing Date, such modification or termination will not affect Purchaser's liability to any former Affected Employee who is receiving (or who has qualified to receive) benefits under such Program on the date of such modification or termination, and Purchaser shall make reasonable arrangements with any such former Affected Employee for the satisfaction of such liability; and (iii) if the employment of any Affected Employee is terminated more than one year after the Closing Date under circumstances that would have entitled such Affected Employee to benefits under the terms of the DM Salary and Benefit Continuation Program as in effect on the Closing Date, Purchaser shall provide such Affected Employee with severance benefits that are at least equal to the benefits that would have been provided to such Affected Employee under the terms of the DM Salary and Benefit Continuation of Program as in effect on the Closing Date, based on employee's pay and length of service (with DM and Purchaser) through the date one year after the Closing Date.

(e) (i) With respect to Plans that are funded and qualified under the Code, or funded and qualified or otherwise approved under other

applicable law, other than any such Plan that is a multiemployer plan (as defined in Section 3(37) of ERISA), Purchaser shall designate, establish or cause to be established as soon as practicable after the Closing a similarly qualified, registered or approved plan to which all liabilities of the relevant Plan with respect to the Affected Employees, and the assets related thereto (as

further defined below), shall be transferred. Any liabilities so transferred shall be assumed by, and shall be the sole responsibility of, the transferee plan, and DM shall not have any further liability therefor. Purchaser shall establish such plans as soon as practical, and no more than 180 days, after the Closing. If the approval of any such transferee plan by the IRS or any other governmental authority is not obtained within that 180-day period, Purchaser shall, within such period, provide an opinion of counsel reasonably satisfactory to DM that such transferee plan meets all the applicable requirements in order to be so qualified, registered or otherwise approved. In addition, DM shall provide to Purchaser the most recent IRS determination letter or other applicable evidence of governmental approval, or an opinion of counsel reasonably satisfactory to Purchaser, that the transferor Plan meets all the applicable requirements in order to be so qualified, registered or otherwise approved.

(ii) With respect to the transfer of assets and liabilities from any Plan that is a defined benefit pension plan, Purchaser agrees that DM shall not have any obligation to transfer assets in an amount that exceeds the "accumulated benefit obligation" for the Affected Employees under such Plan as of the Closing Date, as such term is defined in Statement of Financial Accounting Standards No. 87, minus the amount of any benefit payments for Affected Employees made from the Plan during the period from the Closing Date to the actual date the transfer is made; provided, however, that in no event shall the amount of assets transferred be less than the amount required to be transferred, or more than the amount allowed to be transferred, under Code Section 414(l) and the regulations thereunder. The accumulated benefit obligation for Affected Employees under any such Plan shall be computed, based

on the actuarial assumptions set forth in Schedule 7.2 and further assuming that all Affected Employees are fully vested on the Closing Date.

(iii) The transfer of assets with respect to any Plan described in subparagraph (ii) of this Section 7.2(e) shall include an amount of earnings for the period beginning on the Closing Date and ending on the actual

date of transfer, computed by applying to the balance of the amount of assets to be transferred outstanding from time to time the interest rate for 90-day U.S. Treasury Bills established at the auction for such bills last preceding the Closing Date, as published in Street Journal.

(iv) Before any transfer of assets or liabilities is made from a Plan, Purchaser and its actuary shall have been given the opportunity to review and shall have consented to the arithmetic calculation of the amount of assets and liabilities to be so transferred (which consent shall not be unreasonably withheld).

(v) With respect to the transfer of assets and liabilities from any Plan that is an individual account (defined contribution) plan, the liabilities of such Plan (and the corresponding amount of assets to be transferred) shall equal the account balances of the Affected Employees determined as of a valuation date which is no more than 30 days before the date of actual transfer, subject to the following paragraph with respect to assets which cannot be liquidated.

(vi) DM and Purchaser agree that any transfer of assets made pursuant to this Section 7.2(e) shall be made solely in cash, and that, to the extent any asset held by the DM Savings Plan or the DM Certain Hourly Savings Plan cannot be liquidated so as to effect a cash transfer in a timely manner, DM shall retain such asset until it can be liquidated. As soon as practicable but in no event later than 30 days after the liquidation of any such asset, DM shall transfer the full amount received on liquidation of such asset to the transferee plan designated by Purchaser.

(vii) As of the day after the Closing Date, Purchaser shall cause each Affected Employee to be fully vested in his or her accrued benefit as of such day under each Plan from which assets are to be transferred in accordance with this Section 7.2(e).

(viii) Purchaser acknowledges that any Plan with respect to

which a transfer of assets is contemplated by this Section 7.2(e) may be amended by DM, subject to Purchaser's review and consent (which consent shall not be unreasonably withheld), before the Closing so that benefits under that Plan will not be modified, delayed or accelerated as a result of any change in employment status that is solely the result of the completion of the transactions contemplated by this Agreement.

(f) As to each Plan that is identified as a pension plan and a multiemployer plan on Schedule 4.9, Purchaser shall:

(i) Continue to honor, or cause to be honored, the contribution agreement in effect with respect to that Plan on the Closing Date;

(ii) Take, or cause to be taken, such steps as may be necessary to meet the requirements of Section 4204 (a) (1) (B) of ERISA in connection with the sale of assets contemplated by this Agreement; and

(iii) Indemnify and hold harmless DM from and against any and all claims for withdrawal liability arising in connection with the sale of DM Assets and Shares contemplated by this Agreement, or as a result of any action taken or inaction occurring after the Closing (including the secondary liability described in the following sentence) and any expenses (including reasonable attorneys' fees and costs) incurred in connection therewith.

DM acknowledges that, if Purchaser withdraws from any multiemployer plan in a complete or partial withdrawal during the five plan years beginning after the Closing Date, and if Purchaser or any of its Affiliates does not pay the

withdrawal liability of Purchaser as a result of such complete or partial withdrawal, DM will be secondarily liable to that multiemployer plan for any withdrawal liability that it would have had as a result of the sale of assets contemplated by this Agreement but for Section 4204 of ERISA.

(g) Purchaser shall credit the Affected Employees with their

service with DM before the Closing (and with any predecessors of DM to the extent recognized before the date of this Agreement) for purposes of: (i) vesting, eligibility to participate in and to receive benefits (including subsidized early retirement benefits) from, and accrual of benefits under, any employee pension benefit plan (as defined in Section 3(2) of ERISA), provided that Purchaser shall not credit service for purposes of accruing benefits under a Purchaser transferee plan until the appropriate amount of assets has been transferred to the Purchaser's transferee plan in accordance with Section 7.2(e); (ii) eligibility for, and benefit computation under, any employee welfare benefit plan (as defined in Section 3(1) of ERISA); and (iii) eligibility and benefit computation for vacation benefits and severance pay plans, policies or practices. Part II of Schedule 7.2 hereto sets forth a list of the employees of the Business as of June 30, 1993, and (where available) various dates that are used by DM to determine the years of service credited by DM to each such employee for the purposes indicated therein. At the Closing, DM shall provide Purchaser with a list of employees of the Business as of a die no more than 10 Business Days prior to the Closing Date which shall identify any such employees who are receiving (or are eligible to receive) short-term disability benefits as of the date of such list. Within 30 days after the Closing Date, DM shall provide Purchaser with a list of the Affected Employees containing information about the years of service credited to each Affected Employee by DM as of the Closing Date for each of the purposes described in this Section 7.2(g) and which shall identify any Affected Employees who are receiving (or are eligible to receive) short-term disability benefits as of the Closing Date.

(h) DM and Purchaser shall give any notices required by law and shall take whatever other actions with respect to the Plans as may be necessary to carry out the arrangements described in this Section 7.2.

(i) If any of the arrangements described in this Section 7.2 is determined to be prohibited by law, by the IRS or other applicable governmental

authority, or by a court of competent jurisdiction, DM and Purchaser shall modify such arrangements to achieve, as closely as is possible, the intent and economic benefits and burdens of the parties reflected in this Section 7.2 in a manner that is not prohibited by law.

ARTICLE VIII
ACCESS TO INFORMATION

8.1 Pre-Closing.

(a) Between the date of this Agreement and the Closing Date, subject to any and all confidentiality obligations of DM to third parties, DM shall give Purchaser and its representatives (including, without limitation, its accountants, counsel and employees), upon reasonable notice and during normal business hours, reasonable access to the properties, contracts, books, records and affairs of DM relating to the Business and shall cause DM's officers and employees to furnish or otherwise make available to Purchaser all documents, records and information concerning the affairs of DM relating to the Business as Purchaser may reasonably request.

(b) Purchaser's environmental representatives shall be permitted access to each of the Facilities in order to conduct an environmental review on 24 hours' notice to DM's environmental representative and Facility manager. A representative of DM shall accompany Purchaser's environmental representatives during any Facility visit. Purchaser's and DM's environmental representatives (collectively, the "Environmental Representatives") shall coordinate their schedules and activities for any such visits. Neither Purchaser nor its representatives shall make any soil or other borings, take samples of any soil or other ground surfaces, any ground water or surface water, or any indoor or outdoor ambient air emission source, or conduct any other sampling, investigation or test, and will not undertake any investigation not indicated by DM's Phase I Environmental Report without first reaching an understanding with DM regarding the nature and scope of each such proposed activity and the rights and procedures related to the date obtained. The Environmental Representatives

shall inform each other on a prompt and regular basis concerning all aspects of Purchaser's environmental review. Unless otherwise agreed by DM, Purchaser shall conduct all interviews regarding any environmental matters, whether in person, by telephone or otherwise, with any person, including, without limitation, current or former employees of DM, neighbors of the Facilities, and representatives of any government agency, in the presence of a representative of DM. Purchaser and its environmental representatives shall treat as confidential all information acquired in the course of Purchaser's environmental review unless and to the extent otherwise required by law or in accordance with the terms and conditions of the Confidentiality Agreement dated March 18, 1993 between the parties. If the Closing does not take place by December 31, 1993, Purchaser and its representatives shall return to DM all originals and copies of all documentation containing any environmental information regarding any Facility or Asset. Before the Closing, DM shall retain the exclusive right and responsibility for notifying any governmental authority regarding any environmental condition or circumstance at or related to any of the Facilities or Assets.

(c) Purchaser's facilities representatives shall be permitted access to each of the Facilities in order to conduct a review of the structures (including roof, foundation and bearing walls) and plant and equipment at such Facilities and to clarify the legal description of the Facilities as contemplated by Section 6.3 on two business days' notice to James E. Creech.

8.2 Post-Closing by Purchaser. After the Closing Date, Purchaser shall give, or cause to be given, to DM's representatives (including, without limitation, its accountants, counsel and employees), upon reasonable notice and

during normal business hours at Purchaser's premises, such reasonable access to the personnel, properties, contracts, books, records, files, documents and affairs of the Business and copies (at the expense of DM) of contracts, books, records, files and documents that are among the Assets as are reasonably necessary to allow DM to obtain information in connection with the preparation for any audit of DM's tax returns and any claims, demands, reports (such as Form

R), other audits, suits, actions or proceedings by or against, or obligations of, DM. Purchaser shall cooperate fully with DM after the Closing with respect to any claims, demands, tax or other audits, suits, actions and proceedings by or against DM relating to the Business. After the Closing, Purchaser shall provide or cause to be provided to DM access to Purchaser's books, records and files included in the Assets or relating to the Assets or the operations of the Business before the Closing.

8.3 Post-Closing by DM. After the Closing, DM shall give, or cause to be given, to Purchaser and its representatives (including, without limitation, its accountants, counsel and employees), upon reasonable notice and during normal business hours at DM's premises, such reasonable access to the personnel, properties, contracts, books, records, files, documents and affairs of DM relating to the Business and copies (at the expense of Purchaser) of contracts, books, records, files and documents as are reasonably necessary to allow Purchaser to obtain information in connection with the preparation for and any audit of the tax returns of Purchaser and any claims, demands, other audits, suits, actions or proceedings by or against, or obligation of, Purchaser. After the Closing, DM shall cooperate fully with Purchaser with respect to any claims, demands, tax or other audits, suits, actions or proceedings by or against Purchaser as the owner and operator of the Business, and in connection therewith, shall give Purchaser reasonable access to and copies of (at the expense of Purchaser) the books, records, files and documents of DM relating to the Business that are among the Excluded Assets. Purchaser and DM shall keep each other fully informed of all matters relating to any audit or judicial or administrative proceeding, including, without limitation, any settlement

negotiations for which such party is requesting access under Section 8.2 or 8.3, as the case may be.

8.4 Elaboration. For purposes of this Article VIII: (i) wherever access to records is referred to, such access shall be at the location of the possessing party where such records are located; (ii) Purchaser and DM shall each retain all records referred to in this Article VIII for all periods

required under applicable law and (iii) references to "at the expense" of a party shall mean any reasonable and necessary payment to unrelated third parties, but shall not include reimbursement of overhead and employee costs of the other party.

ARTICLE IX
INTERIM OPERATIONS OF THE BUSINESS

Until the Closing:

9.1 In General. DM shall have complete control of the Business, except as otherwise provided in this Agreement.

9.2 Affirmative Obligations. Except as approved in writing by Purchaser (which approval shall not be unreasonably withheld), DM shall:

(a) continue to operate the Business in accordance with past practices, including, without limitation, maintenance of the Assets in accordance with past practices;

(b) maintain the books and records of the Business consistent with past practices;

(c) use reasonable efforts to assist Purchaser to employ all of the employees of the Business as of the Closing Pate other than those employees identified on Schedule ~, it being understood that DM will not actively recruit any of the employees of the Business other than those employees identified on Schedule 9.2, to remain in the employ of DM unless Purchaser gives its prior written approval; and

(d) use reasonable efforts to preserve the organization of the Business intact and to conduct its business with suppliers, customers and others having business relations with the Business in the best interest of the Business.

9.3 Limitations. Except as approved in writing by Purchaser (which approval shall not be unreasonably withheld), DM shall not:

(a) sell or lease, or agree to sell or lease, any of the Assets, except in the ordinary course of business and except for the transfer of the Subsidiary Assets to the Subsidiary as contemplated by this Agreement;

(b) except in the ordinary course of business, mortgage, pledge or subject to any lien or other encumbrance any of the Assets, tangible or intangible (it being understood that any such mortgage, pledge, lien or other encumbrance shall be released prior to the Closing), except liens of the nature described in Section 4.6;

(c) make any capital expenditures in the Business, or any commitment with respect thereto, other than capital expenditures which are included in the 1993 and 1994 fiscal year capital budget of the Business (including anticipated capital expenditures for the 300 can conversion) and set forth and described on Schedule 9.3 and additional capital expenditures not exceeding $200,000 in the aggregate;

(d) enter into any material transaction or make any material commitment with respect to the Business, except in the ordinary course of business;

(e) take, cause or agree to take or cause any of the actions set forth in Section 4.15 except for the transfer of Subsidiary Assets to the Subsidiary as contemplated by this Agreement;

(f) pursue, initiate, encourage or engage in any negotiations or discussions with, or provide any information to, any other person or entity (other than Purchaser and its representatives) regarding the sale of any of the Assets or the Shares, it being understood that this Section 9.3(f) does not

cover any transaction that would result in a sale of a majority of the outstanding capital stock of DM's parent, Del Monte Foods Company; or

(g) amend any of the Plans.

ARTICLE X
CONDITIONS PRECEDENT TO PURCHASER'S OBLIGATION

Purchaser's obligation to purchase the Shares and DM Assets is subject, at the election of Purchaser, to the fulfillment of the following conditions on or before the Closing:

10.1 Representations and Warranties. The representations and warranties of DM contained in or made pursuant to this Agreement shall have been true and correct in all material respects when made and, subject to the contents of any amendments to the Disclosure Schedule, shall be true and correct in all material respects as of and at the Closing Pate, and the facts set forth in any amendments to the Disclosure Schedule delivered to Purchaser before the Closing shall not, individually or in the aggregate, reflect a Materially Adverse Effect.

10.2 Covenants. All covenants required by this Agreement to be performed or complied with by DM on or before the Closing Date shall have been duly performed or complied with in all material respects.

10.3 Consents. The consent or approval of each person listed in Schedule 4.14 and any governmental authority required to be obtained before the consummation of any of the transactions contemplated by this Agreement (other than consents in respect of any contract, agreement or other instrument not involving the borrowing of money or the leasing of assets, the assignment of which requires the consent of any party thereto and in respect of which the failure to obtain such consent, either individually or in the aggregate, would not have a Material Adverse Effect) shall have been obtained and all necessary

filings and submissions pursuant to the Antitrust Improvements Act shall have been made and all applicable waiting periods pursuant to the Antitrust Improvements Act shall have been satisfied.

10.4 Delivery of Closing Documents. DM shall have delivered to Purchaser on the Closing Date the closing documents required to be delivered pursuant to Article XII in form and substance reasonably satisfactory to Purchaser and its counsel.

10.5 Employee Benefit Matters. All actions required to be taken by DM before the Closing pursuant to Article VII shall have been taken.

10.6 Absence of Proceedings. No suit, action, investigation or other proceeding by any governmental agency shall be pending before any court or governmental or regulatory agency or authority, and no such suit, action, investigation or other proceeding before any governmental or regulatory authority shall be threatened, which seeks to restrain or prohibit the consummation of the transactions contemplated by this Agreement or claims that consummation of those transactions would result in a violation of any applicable law, rule or regulation

10.7 Supply Agreement. The Supply Agreement shall be in full force and effect.

10.8 Leases. DM shall have executed and delivered to Purchaser leases to the Plover, Oakland, Modesto, Stockton, Kingsburg and Crystal City Facilities, in each case in substantially the form of Exhibit 10.8 to this Agreement.

10.9 Transition Agreement. DM shall have executed and delivered to Purchaser a Transition Agreement in substantially the form of Exhibit 10.9 to this Agreement.

10.10 Permits. Purchaser shall have obtained all approvals, permits, licenses and registrations from all governmental authorities which, if not obtained, either individually or in the aggregate, would have a Material Adverse Effect on Purchaser's ability to operate the Business or the Assets or Purchaser shall have obtained reasonable assurances from governmental authorities that those approvals, permits, licenses and registrations will be forthcoming within a reasonable period of time after the Closing, that Purchaser can operate the Business after the Closing consistent with DM's past practices and that Purchaser's operation of the Business after the Closing and prior to receipt of any such approval, permit, license or registration will not give rise to any material liability.

10.11 Financing. The conditions to be satisfied in order that Purchaser obtain the financing needed to consummate the transactions contemplated by this Agreement that are listed on Schedule 10.11 to this Agreement shall have been satisfied.

10.12 Plover Items. At DM's cost, DM shall have completed the relining of the trenches and removal of or decommissioning in place of the underground storage tanks at plant 106 in Plover, Wisconsin as described in the letter dated August 31, 1993 from DM to Purchaser.

10.13 Removal of Unacceptable Exceptions. Those exceptions to title designated in Schedule 4.2 or 4.6 as unacceptable to Purchaser shall have been removed.

10.14 Title Policies. DM shall have caused title policies for each of the Facilities to be delivered by First American Title Insurance Company (such policies to be paid for by Purchaser at standard premium rates) in the forms agreed to by the parties in accordance with Section 6.3.

10.15 Description of Facilities. The parties shall have agreed upon the legal descriptions of each of the Facilities included in the DM Assets or Subsidiary Assets and each of the Facilities to be leased to Purchaser as contemplated under this Agreement, all in accordance with Section 6.3. DM shall deliver to Purchaser all such Facilities as so described and all such Facilities shall comply with the requirements of Section 6.3. As to the Facilities included as DM Assets or Subsidiary Assets, DM shall have obtained any required subdivision approvals in a manner reasonably acceptable to Purchaser.

ARTICLE XI
CONDITIONS PRECEDENT TO DM'S OBLIGATIONS

DM's obligation to sell the Shares and DM Assets to Purchaser is subject, at the election of DM, to the fulfillment of the following conditions on or before the closing:

11.1 Representations and Warranties. The representations and warranties of Purchaser contained in or made pursuant to this Agreement shall have been true and correct in all material respects when made and shall be true and correct in all material respects as of and at the Closing Pate.

11.2 Covenants. All covenants required by this Agreement to be performed or complied with by Purchaser on or before the Closing Pate shall have been duly performed or complied with in all material respects.

11.3 Consents. The consent or approval of each person listed on Schedule 5.2 to this Agreement and governmental authority required to be obtained before the consummation of any of the transactions contemplated hereby (other than consents in respect of any contract, agreement or other instrument not involving the borrowing of money or the leasing of real property, the assignment of which requires the consent of any party thereto and in respect of which the failure to obtain such consent, either individually or in the aggregate, would not have a Material Adverse Effect) shall have been duly obtained and all necessary filings and submissions pursuant to the Antitrust

Improvements Act shall have been made and all applicable waiting periods pursuant to the Antitrust Improvements Act shall have been satisfied.

11.4 Delivery of Closing Documents. Purchaser shall have delivered to DM on the Closing Pate the closing documents required to be delivered pursuant to Article XIII in form and substance reasonably satisfactory to DM and its counsel.

11.5 Supply Agreement. The Supply Agreement shall be in full force and effect, and Purchaser shall have satisfied its obligations (to be satisfied prior to the effective date of the Supply Agreement) under Section 2.5 of the Supply Agreement.

11.6 Leases. Purchaser shall have executed and delivered to DM leases to the Plover, Oakland, Modesto, Stockton, Kingsburg and Crystal City Facilities, in each case in substantially the form of Exhibit 10.8 to this Agreement.

11.7 Transition Agreement. Purchaser shall have executed and delivered to DM a Transition Agreement in substantially the form of Exhibit 10.9 to this Agreement.

11.8 Employee Benefit Matters. All actions required to be taken by Purchaser before the Closing pursuant to Article VII shall have been taken, and the forms of any instruments and documents attendant thereto shall be reasonably acceptable to DM and its counsel.

11.9 Absence of Proceedings. No suit, action, investigation or other proceeding by any governmental agency shall be pending before any court or governmental or regulatory agency or authority, and no such suit, action, investigation or other proceedings before any governmental or regulatory authority shall be threatened, which seeks to restrain or prohibit the consummation of the transactions contemplated by this Agreement or claims that consummation of those transactions would result in a violation of any applicable

law, rule or regulation.

ARTICLE XII
CLOSING DOCUMENTS TO BE DELIVERED BY DM

The documents referred to in Section 10.4 are:

12.1 Opinion of Counsel. An opinion of DM's General Counsel, dated the Closing Pate, to the effect set forth in Exhibit to this Agreement.

12.2 Certificates for Shares. Certificates representing the Shares, together with duly executed stock powers covering the Shares.

12.3 Officer's Certificate. A certificate signed by the Chief Financial Officer of DM to the effect that the conditions set forth in Sections 10.1 and 10.2 of this Agreement have been satisfied.

12.4 Consents. Copies of the written consents required by Section 10.3 of this Agreement.

12.5 Bill of Sale. A Bill of Sale in the form of Exhibit 12.5 to this Agreement.

12.6 Secretary's Certificate. A certificate of the Secretary or an Assistant Secretary of DM dated the Closing Pate and certifying (i) that attached thereto is a true, complete and correct copy of the By-laws of DM as in effect on the date of such certification, (ii) that attached thereto is a true, complete and correct copy of the Certificate of Incorporation, as amended, of DM as certified as of a recent date by the Secretary of State of the State of New York, (iii) that attached thereto are true, complete and correct copies of the resolutions duly adopted by the Board of Directors of DM approving the transactions contemplated hereby and authorizing the execution, delivery and performance by DM of this Agreement and the DM Closing Documents, as in effect

on the date of such certification, and (iv) as to the incumbency and signatures of certain officers of DM executing any instrument or other document delivered in connection with such transactions.

12.7 Further Instruments. Such further instruments of assignment, conveyance or transfer or other documents of further assurance (subject to Section 1.5) as Purchaser may reasonably request relating to the Shares and Assets, including, without limitation, special warranty deeds (providing warranties against grantor's acts) and easements with respect to the Facilities to be sold and memoranda of leases for each of the Facilities to be leased, each in the customary form for the state in which such Facility is located (it being understood, however, that the special warranty deeds shall not expand the liability of DM for defects in title beyond that provided in this Agreement).

ARTICLE XIII
CLOSING DOCUMENTS TO BE DELIVERED BY PURCHASER

The documents referred to in Section 11.4 are:

13.1 Opinion of Counsel. An opinion of Winthrop, Stimson, Putnam & Roberts, dated the Closing Pate, to the effect set forth in Exhibit 13.1 to this Agreement.

13.2 Officer's Certificate. A certificate signed by the Chief Executive Officer of Purchaser to the effect that the conditions set forth in Sections 11.1 and 11.2 of this Agreement have been satisfied.

13.3 Consents. Copies of the written consents required by Section 11.3 of this Agreement.

13.4 Assumption of Liabilities. An Assumption of Liabilities in the form of Exhibit 13.4 to this Agreement.

13.5 Secretary's Certificate. A certificate of the Secretary or an Assistant Secretary of Purchaser dated the Closing Date and certifying (i) that attached thereto is a true, complete and correct copy of the By-laws of Purchaser as in effect on the date of such certification, (ii) that attached thereto is a true, complete and correct copy of the Certificate of Incorporation, as amended, of Purchaser as certified as of a recent date by the Secretary of State of Delaware (iii) that attached thereto are true, complete and correct copies of the resolutions duly adopted by the Board of Directors of Purchaser approving the transactions contemplated hereby and authorizing the execution, delivery and performance by Purchaser of this Agreement and the Purchaser Closing Documents, as in effect on the date of such certification, and (iv) as to the incumbency and signatures of certain officers of Purchaser executing any instrument or other document delivered in connection with such transactions.

13.6 Further Instruments. Such further instruments of assumption or other documents of further assurance with respect to the transactions contemplated by this Agreement as DM may reasonably request.

ARTICLE XIV
INDEMNIFICATION

14.1 By DM

(a) Subject to the limitations set forth in the balance of Article XIV and in Section 18.4, DM shall protect, defend, indemnify and hold harmless Purchaser and its Affiliates, and their respective officers, directors and employees (collectively, the "Purchaser Indemnitees") from and against any and all losses, damages and expenses, (including, without limitation, reasonable attorneys' fees, costs and expenses incurred in investigating and defending against the assertion of such liabilities) (collectively, "Damages") which may be sustained, suffered or incurred by any Purchaser Indemnitee: (i) as a result of any Excluded Liability which is not discharged in full by DM, (ii) which arise from any breach by DM of any of its representations, warranties or

covenants in this Agreement (it being understood that, for purposes of this Article XIV but not for purposes of Section 10.1 of this Agreement, the representations and warranties set forth in Sections 4.9(b) and (c) of this Agreement shall be read as though they did not contain the phrase "To the Knowledge of DM") or (iii) which arise out of the conduct of the Business prior to the Effective Time, except for the Assumed Liabilities.

(b) DM shall protect, defend, indemnify and hold harmless all Purchaser Indemnitees from and against any and all claims, demands, judgments, damages, actions, causes of action, encumbrances, injuries, liabilities, losses, fines, penalties, obligations, responsibilities, costs and expenses of any kind whatsoever (including, without limitation, reasonable attorneys' fees, costs and expenses, reasonable expert and consulting fees and costs of investigation and feasibility studies incurred in investigating and defending against the assertion of any of the foregoing) which may be suffered, sustained, incurred or required to be paid by any Purchaser Indemnitee arising out of, in connection with or as a result of:

(i) with respect to the Oakland Facility:

(A) the Cleanup of any Materials of Environmental Concern Released on, beneath or adjacent to the Oakland Facility prior to the Closing;

(B) any noncompliance with any Environmental Law at the Oakland Facility that occurred prior to the Closing; and

(C) the loss of life, injury to property or person or damage to natural resources caused by the actual, alleged or threatened Release, storage, transportation, treatment or generation of Materials of Environmental Concern by DM prior to the Closing;

(ii) with respect to the Plover Items:

(A) DM's failure to perform its obligations as described in the letter dated August 31, 1993 from DM to Purchaser, a copy of which is attached hereto as Exhibit 14.1 (the "Plover Letter");

(B) the Cleanup of any Materials of Environmental Concern Released on, beneath or adjacent to the Plover Facility prior to Closing, which occurred as a result of any Release of Materials of Environmental Concern prior to the Closing (i) into any of the all below surface trenches, sumps or pits at the Plover Facility or (ii) from the underground process flow-through storage tanks at the Plover Facility, in each case as referenced to in the Plover Letter;

(C) any noncompliance with any Environmental Law at the Plover Facility that occurred prior to the Closing and related to any of the all below surface trenches, sumps or pits at the Plover Facility or the underground process flow-through storage tanks at the Plover Facility, in each case as referred to in the Plover Letter; and

(D) the loss of life, injury to property or person or damage to natural resources caused by the actual, alleged or threatened Release, storage, transportation, treatment or generation of Materials of Environmental Concern by DM prior to the Closing, which occurred as a result of any Release of Materials of Environmental Concern prior to the Closing (i) into any of the all

below surface trenches, sumps or pits at the Plover Facility or (ii) from the underground process flow-through storage tanks at the Plover Facility, in each case as referred to in the Plover Letter.

(c) For purposes of this Agreement, the following terms shall have the meanings set forth below:

(i) "Cleanup" - means all actions required to: (I) cleanup, remove, treat or remediate Materials of Environmental Concern in the indoor or outdoor environment; (2) prevent the Release of Materials of Environmental

Concern so that they do not migrate, endanger or threaten to endanger public health or welfare or the indoor or outdoor environment; (3) perform pre-remedial studies and investigations and post-remedial studies and investigations and post-remedial monitoring and care; or (4) respond to any government requests for information or documents in any way relating to cleanup, removal, treatment or remediation of Materials of Environmental Concern in the indoor or outdoor environment.

(ii) "Release" - means any release, spill, omission, discharge, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration into the indoor or outdoor environment (including, without limitation, ambient air, surface water, groundwater and surface or subsurface strata) or into or out of any property, including the movement of Materials of Environmental Concern through or in the air, soil, surface water, groundwater or property.

14.1 By Purchaser. Subject to the limitation set forth in the balance of Article XIV, Purchaser (and its ultimate parent entity) shall protect, defend, indemnify and hold harmless DM and its Affiliates, and their respective officers, directors and employees (collectively, the "Dm Indemnitees") from and against any and all Damages which may be sustained, suffered or incurred by any DM Indemnitee: (i) as a result of any Assumed Liability which is not discharged in full by Purchaser (ii) which arise from any breach by Purchaser of any of its representations, warranties or covenants in this Agreement or (iii) which arise out of the conduct of the Business after the Effective Time.

14.2 Defense. If any action, suit or proceeding is commenced, or any claim or demand is asserted, in respect of which one party (the "Indemnitee") proposes to demand indemnification under Section 14.1 or 14.2 above, the party from which indemnification is sought (the "Indemnitor") shall have the right to assume the entire control thereof (including the selection of counsel), subject to the right of the Indemnitee to participate (with counsel of its choice but at the Indemnitee's expense) in the defense, compromise or settlement thereof. The

Indemnitee shall notify the Indemnitor at the earliest practical time after the Indemnitee becomes aware of the circumstance, event or activity which gives rise to the asserted obligation of indemnity. With respect to any actions, suits, proceedings, claims or demands as to which the Indemnitor shall not have exercised its right to assume the defense, the Indemnitee shall assume and control the defense of and contest such action with counsel chosen by it and approved by the Indemnitor, which approval shall not be unreasonably withheld, in which case the Indemnitor shall be entitled to participate in the defense of such action (the cost of such participation to be at its own expense) and the Indemnitor shall be obligated to pay the reasonable attorneys' fees and expenses of the Indemnitee to the extent that such fees and expenses relate to claims as to which indemnification is due under this Article XIV. Both the Indemnitor and the lndemnitee shall cooperate fully in all respects with one another in any such defense, compromise or settlement, including, without limitation, by making available to the other all pertinent information and personnel under its direct or indirect control. Neither party shall compromise or settle any such action, suit, proceeding, claim or demand (other than, after consultation with the other party, any action, suit, proceeding, claim or demand to be settled solely by the payment of money damages and/or the granting of releases, provided that no such settlement or release shall acknowledge liability for future acts or obligate any DM Indemnitee with respect to any post-Closing activities of the Business or, except for the Assumed Liabilities, obligate any Purchaser Indemnitee with respect to any pre-Closing activities of the Business) without the prior written
consent of the other party, which consent shall not be unreasonably withheld. This Section 14.3 shall not apply to direct claims of any DM Indemnitee against Purchaser or of any Purchaser Indemnitee against DM, that are not based upon claims asserted by third parties.

14.3 Taxes. Liabilities for any taxes and related liens are within the scope of this Article XIV. With respect to tax issues that an Indemnitor desires to contest where such issues must be combined with taxes that are not the responsibility of the Indemnitor, both parties shall cooperate fully. In the event of an audit or contest with taxing authorities relating to taxes as to

which one party is responsible, such party shall be solely responsible for conducting such audit or contest and shall have the right to control and make all decisions regarding such audit or contest, including the settlement and the selection of a forum for contest. Notwithstanding anything herein to the contrary, to the extent that any contest by either party of any tax issue results in a lien on any of the other party's property or assets, the contesting party shall promptly take all action to remove such lien.

14.4 Certain Other Limitations.

(a) Except as set forth in Sections 14.5(b) and (c), the rights of the Purchaser Indemnitees to indemnification by DM shall be subject to the limitations that (i) they shall not be entitled to indemnification unless the aggregate Damages with respect to all such claims exceeds $1,000,000 in which event, subject to clause (ii) below, the indemnification provided for in this Article XIV shall be effective only with respect to the amount of such Damages which exceeds $1,000,000 and (ii) the maximum amount of DM's indemnification obligation under this Agreement shall not exceed an aggregate of $6,250,000. The rights of the DM Indemnitees to indemnification by Purchaser shall be subject to the limitations that (iii) they shall not be entitled to indemnification unless the aggregate Damages with respect to all such claims exceed $1,000,000, in which event, subject to clause (iv) below, the indemnification provided for in this Article XIV shall be effective only with

respect to the amount of such Damages which exceeds $1,000,000, and (iv) the maximum amount of Purchaser's indemnification obligation under this Agreement shall not exceed $6,250,000. Any adjustment to the Purchase Price made pursuant to Section 2.4 shall not be considered Damages.

(b) The limitations set forth in Section 14.5(a) shall not apply to any breach by DM of any of its representations, warranties or covenants set forth in Section 1.4, 4.6, 4.9(h), 4.10, 4.12(c), 7.2 or 18.1. The Purchaser Indemnitees shall not be entitled to indemnification for any matter relating to any Environmental Claim or Environmental Law unless the aggregate Damages with

respect to all such matters exceeds $175,000, in which event, the indemnification provided for in this Article XIV shall be effective only with respect to the amount of Damages which exceeds $175,000; provided that this $175,000 deductible amount shall not apply to any matter relating to an Environmental Claim or Environmental Law relating to the Oakland Facility or the Plover Items. Indemnification amounts paid by DM with respect Go any of the breaches referred to in the first sentence of this Section 14.5(b) shall not (except as provided in the next sentence) reduce the $1,000,000 deductible set forth in Section 14.5(a) (i) or the $6,250,000 limitation set forth in Section 14.5(a) (ii). However, any Damages (up to $175,000) incurred by Purchaser with respect to any of the matters referred to in the second sentence of this Section 14.5(b) for which Purchaser does not receive indemnification shall reduce (dollar for dollar) the $1,000,000 deductible set forth in Section 14.5(a) (i).

(c) The limitations set forth in Section 14.5(a) shall not apply to any breach by Purchaser of any of its representations, warranties or covenants set forth in Section 1.4, 7.1, 7.2 or 18.1. The DM Indemnitees shall not be entitled to indemnification for any matter relating to any Environmental Claim or Environmental Law unless the aggregate Damages with respect to all such matters exceeds $175,000, in which event, the indemnification provided for in this Article XIV shall be effective only with respect to the amount of Damages which exceeds $175,000. Indemnification amounts paid by Purchaser with respect to any of the breaches referred to in the first sentence of this Section 14.5(c)
shall not (except as provided in the next sentence) reduce the $1,000,000 deductible set forth in Section 14.5(a) (iii) or the $6,250,000 limitation set forth in Section 14.5(a) (iv). However, any Damages (up to $175,000) incurred by DM with respect to any of the matters referred to in the second sentence of this Section 14.5(c) for which DM does not receive indemnification shall reduce (dollar for dollar) the $1,000,000 deductible set forth in Section 14.5(a) (iii).

(d) Purchaser acknowledges that DM's indemnification obligations, as described in this Article XIV, are intended to be the exclusive

remedies of Purchaser pursuant to this Agreement or otherwise in connection with the transactions covered by this Agreement and that such remedies, as so limited and as subject to the expiration periods for DM's representations, warranties and covenants set forth in Section 18.4, are intended to supersede and preempt any and all remedies (in law or equity) which Purchaser may have against DM and its affiliates pursuant to this Agreement or otherwise in connection with the transactions covered by this Agreement (whether for tort or for breach of contract or of representation, warranty, covenant or otherwise) pursuant to any applicable statute (including, without limitation, CERCLA and ERISA), regulation, case law, public policy or otherwise. Nothing contained herein shall affect or otherwise limit DM's or Purchaser's remedies under any other agreement, document or instrument delivered pursuant hereto, including, without limitation, the Supply Agreement or the leases for the Facilities. Purchaser expressly waives the benefit of any such applicable statute, regulation, case law or public policy and acknowledges that its remedies set forth in this Agreement, as so limited, provide Purchaser with a reasonable remedy. The parties acknowledge that the indemnification limits and expiration periods set forth in this Agreement are a material element of this Agreement and that the Purchase Price would have been substantially higher if any of those limits and periods were not strictly enforced.

14.5 Reduction of Indemnification. Notwithstanding any other provision of this Agreement, the amount of indemnification payable by Purchaser

to any DM Indemnitee or by DM to any Purchaser Indemnitee with respect to a claim for indemnification under this Agreement shall be reduced (dollar for dollar) by the amount of proceeds received by such DM Indemnitee or Purchaser Indemnitee, as the case may be, from title or other insurance in respect of such claim for indemnification. Indemnitees shall exercise reasonable efforts to collect any such insurance.

14.6 No Assignment. Purchaser's rights to indemnification from DM shall not be assignable to any other person or entity, whether or not an assignee of all or any portion of the Business, and shall terminate with respect

to the affairs of any portion of the Business upon the sale or transfer of such portion of the Business, except that Purchaser's rights to indemnification hereunder may be transferred or assigned to an Affiliate of Purchaser upon any merger, consolidation, sale of all or substantially all of the Assets of the Business, or other similar business combination with or to such Affiliate of Purchaser, and Purchaser's (and such Affiliate's) rights to indemnification hereunder shall not terminate in such case. DM's rights to indemnification from Purchaser shall not be assignable to any other person or entity and shall terminate upon the sale or transfer of substantially all of DM's assets (after giving effect to the transactions contemplated hereby), except that DM's rights to indemnification hereunder may be transferred or assigned to an Affiliate of DM upon any merger, consolidation, sale of all or substantially all of the assets of DM or similar business combination with or to such Affiliate of DM, and DM's (and such Affiliate's) rights to indemnification hereunder shall not terminate in such case. Neither party may delegate its obligations to indemnify.

ARTICLE XV
INSURANCE MATTERS

The parties acknowledge that after 11:59 pm. California time on the Closing Date, existing insurance policies relating to the Business shall not provide coverage to the Purchaser, and that, except as provided in Section 18.2 of this Agreement, Purchaser shall have no right to present, or receive payment

with respect to, any claims against, and no right of subrogation or similar right against, DM's insurance.

ARTICLE XVI
TERMINATION

This Agreement may be terminated before the Closing:
(a) upon the written agreement of DM and Purchaser, (b) by DM alone (i) if any of the conditions to its obligation to close has not been satisfied or waived before November 1, 1993 or (ii) any of Purchaser's representations and

warranties set forth in Section 5.6 has ceased to be true and (c) by Purchaser alone (i) if any of the conditions to its obligations to close has not been satisfied or waived before November 1, 1993, (ii) pursuant to Section 4.19 or (iii) if any of the Assets or Facilities has been lost, damaged, impaired, confiscated, condemned or taken and such loss, damage, impairment, confiscation, condemnation or taking, individually or in the aggregate, has had or is likely to have a Material Adverse Effect. Notwithstanding the foregoing, if the conditions set forth in Sections 10.6 and 11.9 of this Agreement have not been satisfied or waived or the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 relating to the transactions covered by this Agreement has not expired, neither DM nor Purchaser shall be entitled to exercise its rights under clause (b) or (c) of the preceding sentence until the earlier to occur of (x) ten Business Days after such conditions have been satisfied and such waiting period has expired and (y) December 31, 1993. Neither DM nor Purchaser shall be entitled to exercise its rights under clause (b) or (c) of the first sentence of this Article I if it is then in material breach of this Agreement. Termination of this Agreement by either party in accordance with clause (b) or (c) of the first sentence of this Article XVI shall not relieve any party of any liability for any breach of this Agreement.

ARTICLE XVII
BROKERAGE AND FINDERS' FEES

DM and Purchaser represent to, and agree with, each other that no broker or finder has been involved in any manner in the negotiation or

consummation of the transactions contemplated by this Agreement other than Merrill, Lynch & Co. ("Merrill Lynch"), on behalf of DM. DM agrees to indemnify and save the Purchaser Indemnitees harmless from and against any and all claims, liabilities and obligations with respect to brokerage or finders fees or commissions in connection with the transactions contemplated by this Agreement asserted by any person on the basis of any statement or representation made or alleged to have been made by DM or any Affiliate, including the fees due Merrill Lynch. Purchaser agrees to indemnify and save the DM Indemnitees harmless from and against any and all claims, liabilities or obligations with respect to

brokerage or finders' fees or commissions in connection with the transactions contemplated by this Agreement asserted by any person or persons on the basis of any statement or representation made or alleged to have been made by Purchaser or any Affiliate of Purchaser.

ARTICLE XVIII
MISCELLANEOUS

18.1 Expenses; Prorations. Each of the parties to this Agreement shall bear all the expenses incurred by it in connection with the negotiation and preparation of this Agreement and the consummation of the transactions contemplated by this Agreement regardless of whether this Agreement shall be terminated; provided that if this Agreement terminates as a result of DM's failure to satisfy the conditions to Purchaser's closing obligations which are within DM's reasonable control, DM shall pay one-half of EY's fees for work relating to the financial statements set forth at Section 6.4. Notwithstanding the foregoing: (a) stock transfer taxes and stamp duties, including those necessary for recording, state and local real estate transfer taxes, recording fees, and title insurance fees shall be paid by Purchaser, and (b) sales, use and value added taxes shall be shared and paid equally by Purchaser and DM. All real and personal property Taxes relating to the Assets and all utilities relating to the Facilities will be prorated as of 11:59 p.m. on the Closing Date. Not less than five days prior to the Closing Date DM shall submit to Purchaser a schedule showing the categories and estimated amounts of all

proposed prorations. The parties shall agree on a final proration schedule prior to Closing and shall deliver any amounts due at the Closing.

18.2 Risk of Loss. Subject to the balance of this Section 18.2, the risk of any loss, damage, impairment, confiscation or condemnation of the Assets or any part thereof shall be upon DM at all times before the Closing. In any such event, the proceeds of, or any claim for any loss payable under, any DM insurance policy, judgment or award with respect thereto shall be payable to DM or the Subsidiary, which at DM's election shall either (a) repair, replace or

restore any such property as soon as possible after the loss, impairment, confiscation or condemnation or (b) if insurance proceeds are insufficient to repair, replace or restore the property and assuming the Closing takes place, pay such proceeds to Purchaser. DM shall exercise reasonable efforts to maintain its insurance coverages in effect on the date hereof which insure the Assets or any part of the Assets. DM shall have no obligation with respect to any uninsured loss, damage, impairment, confiscation or condemnation or the uninsured portion of any loss, damage, impairment, confiscation or condemnation, which in the aggregate does not constitute a Material Adverse Effect.

18.3 Further Assurances. At any time and from time to time after the Closing, DM shall, upon the request of Purchaser, and Purchaser shall, upon the request of DM, perform, execute, acknowledge and deliver all such further acts, deeds, easements, assignments, transfers, conveyances, powers of attorney and assurances as may be reasonably required by Purchaser or DM, as the case may be, to effect or evidence the transfer to and possession by Purchaser of the Shares and Assets and the assumption of the Assumed Liabilities by Purchaser. Additionally, after the Closing, DM shall reasonably cooperate with Purchaser to assist Purchaser in obtaining or making all permits, approvals, authorizations, licenses, registrations and filings to enable Purchaser to operate the Business as operated by DM.

18.4 Survival.

(a) Except for the representations and warranties of Purchaser set forth in Section 5.6, the representations and warranties of DM and Purchaser in this Agreement and in the Bill of Sale and any other instruments used to effect the transfer of any Assets or the Shares to Purchaser shall survive the Closing and shall remain effective for the following periods:

(i) Until the end of the 6th month after the Closing Date: Sections 4.2, 4.5, 4.7, 4.8, 4.11, 4.13, 4.14, 4.15, 4.16, 4.17, 5.2, 5.3 and 5.4 and similar representations andwarranties in any Bill of Sale or other

instrument;

(ii) Until the end of the 12th month after the Closing Date: Sections 4.3 and 4.18 and similar representations and warranties in any Bill of Sale or other instrument;

(iii) Until the end of the 13th month after the Closing Date: Section 4.9 and similar representations and warranties in any Bill of Sale or other instrument;

(iv) Until the end of the 18th month after the Closing Date: Section 5.5 and similar representations and warranties in any Bill of Sale or other instrument;

(v) Until the end of the 36th month after the Closing Date: Section 4.10 and similar representations and warranties in any Bill of Sale or other instrument;

(v) Until the expiration of the applicable statutes of limitation: Sections 4.4, 4.6, 4.10, 4.12 and 17 and similar representations and warranties in any Bill of Sale or other instrument; and

(vi) Until the sixth anniversary of the Closing Date: Sections 4.1 and 5.1 and similar representations and warranties in any Bill of Sale or other instrument.

After the expiration of the relevant period, such representations and warranties shall expire and be of no further force and effect, and no indemnity shall be due with respect to any breach thereof unless a written notice specifying the nature and amount of the claim or claims shall have been delivered by Purchaser or DM, as the case may be, with respect thereto on or before the expiration of such relevant period.

(b) Except for the covenants of DM at Section 14.1(b) to indemnify Purchaser Indemnitees for any matters relating to any Environmental

Claim or noncompliance with any Environmental Law for events occurring or which arise prior to the Closing (i) at the Oakland Facility or (ii) relating to the Plover Items, DM's obligations to indemnify Purchaser Indemnitees for matters relating to any Environmental Claim or noncompliance with any Environmental Law for events occurring or which arise prior to the Closing shall remain effective until the end of the 36th month after the Closing Date. Thereafter, such obligation to indemnify shall expire and be of no further force and effect, and no indemnity shall be due with respect to any breach thereof unless a written notice specifying in reasonable detail the nature and specific facts or conditions giving rise to such a claim or claims (as reasonably available to Purchaser) and the amount of the claim or claims shall have been delivered by Purchaser with respect thereto on or before the expiration of such 36-month period.

18.5 Applicable Law. This Agreement shall be construed and enforced in accordance with the internal laws of the State of California.

18.6 Attorneys' Fees. If either party seeks to enforce any of its rights under this Agreement (whether by formal proceedings or otherwise) or seeks a declaration of any its rights of this Agreement, the party that substantially prevails shall be entitled to reimbursement of all of its reasonable attorneys' fees, costs and expenses by the party that does not substantially prevail.

18.7 Notices. All notices, demands, requests and other communications required or permitted to be given under this Agreement shall be deemed duly given three Business Days after mailing if mailed by certified or registered mail, postage prepaid, on the date of delivery if delivered personally, and one Business Day after the date of deposit with a nationally recognized overnight courier, but subject to the subsequent designation of another address in accordance with this Section 18.7, addressed as follows:

If to Purchaser:

Silgan Containers Corporation
3800 W. Alameda Avenue

Suite 900
Burbank, California 91505
Attention: James D. Beam

With a cony to:

Silgan Corporation
4 Landmark Square, Suite 301
Stamford, Connecticut 06901
Attention: D. Greg Horrigan

and

Winthrop, Stimson, Putnam & Roberts
Financial Centre
695 East Main Street
Post Office Box 6760
Stamford, Connecticut 06904-6760
Attention: G. William Sisley

If to DM:

Del Monte Corporation
One Market
P.O. Box 193575
San Francisco, California 94119-3575
Attention: Phyllis Kay Dryden

With a copy to:

Heller, Ehrman, White & McAuliffe
525 University Avenue
Palo Alto, California 94301
Attention: August J. Moretti

18.8 Headings And Context. The section and paragraph headings contained in this Agreement are for convenience only and do not form a part of this Agreement or in any way modify or affect the meaning of this Agreement. Unless the context requires otherwise, the use of the singular of a term in this Agreement includes the plural, and the use of the plural includes the singular.

18.9 Counterparts. This Agreement may be executed in counterparts, all of which shall be considered one and the same agreement, and shall become effective when at least one counterpart has been signed by each of the parties and delivered to the other party.

18.10 Confidentiality. DM and Purchaser have executed a Confidentiality Agreement dated March 18, 1993. They acknowledge that the terms and conditions of that agreement shall survive the execution of this Agreement

and the Closing. However, from and after the Closing, Purchaser may use and disclose all confidential information of the Business.

18.11 Benefits. This Agreement shall be binding upon and shall inure to the benefit of the parties to this Agreement and their successors and permitted assigns. Nothing in this Agreement shall be construed to create any rights in third parties as third party beneficiaries or otherwise, and nothing in this Agreement shall be construed to create any rights in Silgan with respect to PCP or the purchase by DM of PCP assets pursuant to the PCP Option and PCP Option Agreement as third party beneficiaries or otherwise, except as set forth in Section 6.2. This Agreement shall not be assigned by any party without the prior written consent of the other party, except that either party to this Agreement may transfer or assign this Agreement to any Affiliate of such party upon any merger, consolidation, sale of all or substantially all of the assets of such party (or, in the case of Purchaser, all or substantially all of the Assets of the Business) or other similar business combination with or to such Affiliate of such party without the prior written consent of the other party. No assignment of this Agreement shall relieve the assigning party of its obligations under this Agreement.

18.12 Amendment and Waiver. This Agreement may be amended, and any provision of this Agreement may be waived, provided that any such amendment or waiver will be binding on a party only if it is set forth in a writing signed by that party. The waiver by any party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other breach.

18.13 Public Announcements. Except as may be required by law and then only after prior consultation with the other party, no party shall make any public announcement or filing (other than pursuant to the Antitrust Improvements Act) with respect to the transactions provided for in this Agreement without the prior consent of the other party.

18.14 Entire Agreement. This Agreement, including its Schedules and Exhibits, contain all of the terms agreed upon by the parties with respect

to its subject matter and supersedes any and all prior and contemporaneous agreements, representations and warranties of the parties regarding that subject matter.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly signed and delivered as of the date that appears in the first paragraph of this Agreement.

DEL MONTE CORPORATION

By /s/David Meyers

Its Executive Vice President

SILGAN CONTAINERS CORPORATION

By /s/Harley Rankin, Jr.

Its Vice President

Exhibit 2

AMENDMENT TO PURCHASE AGREEMENT

THIS AMENDMENT TO PURCHASE AGREEMENT (this "Amendment") is made and entered into as of December 10, 1993, by and between DEL MONTE CORPORATION, a New York corporation ("DM"), and SILGAN CONTAINERS CORPORATION, a Delaware corporation ("Purchaser").

BACKGROUND

DM and Purchaser are parties to that Purchase Agreement made and entered into as of September 3, 1993 (the "Purchase Agreement"). DM and Purchaser hereby desire to amend the Purchase Agreement as set forth in this Amendment. Accordingly, the parties agree as follows:

ARTICLE I

DEFINITIONS

Any terms used in this Amendment without definition shall have the meanings set forth in the Purchase Agreement.

ARTICLE II

PLOVER ITEMS

2.1 Agreement re Plover Items.

The parties are considering implementation of a continuous deionization process (the "Process") to treat certain waste water at Plant 106 in Plover, Wisconsin ("Plant 106"). If the Process is implemented at Plant 106, it is estimated that it will not be operational until approximately May 1994. The parties agree to cooperate in the selection of a final specification for the Process and the selection of a contractor to construct and install the Process. The parties shall each have the right upon five days' notice to terminate the implementation of the Process if in their good faith judgment it is unlikely that the Process can be implemented in a timely or cost effective manner or in a manner so as to operate reasonably satisfactory to Purchaser. If either party so terminates the

implementation of the Process, DM shall thereafter promptly take all steps reasonably necessary to cause two aboveground storage tanks to be installed at Plant 106 in place of the underground process flow-through storage tanks described below. The aboveground storage tanks shall meet the specifications set forth in Exhibit 1 attached hereto and shall be located at Plant 106 in such location as mutually agreed by the parties. Upon implementation of the Process or installation of the aboveground storage tanks, as the case may be, DM will decommission in place the underground process flow-through storage tanks located at
Plant 106, at DM's cost as described in the Plover Letter.

2.2 Completion and Payment.

The parties agree that they will take all actions reasonably necessary and appropriate to cause the implementation of the Process or installation of the aboveground storage tanks, as the case may be, to be completed as soon as reasonably practicable and that each party shall promptly pay one-half of the purchase price and installation costs of the Process or the aboveground storage tanks, as the case may be, as set forth in invoices received from the contractor. Such payments shall be made within thirty days of receipt of such invoice.

2.3 DM Indemnity.

DM shall protect, defend, indemnify and hold harmless all Purchaser Indemnitees from and against any and all claims, demands, judgments, damages, actions, causes of action, encumbrances, injuries, liabilities, losses, fines, penalties, obligations, responsibilities, costs and expenses of any kind whatsoever (including, without limitation, reasonable attorneys' fees, costs and expenses, reasonable expert and consulting fees and costs of investigation and feasibility studies incurred in investigating and defending against the assertion of any of the foregoing) (collectively, "Losses") which may be sustained, suffered, incurred or required to be paid by any Purchaser Indemnitee which arise out of the conduct of the Business after the Closing and prior to the date on which the Process or the aboveground storage tanks,

as the case may be, become operational as a result of the utilization by Purchaser in connection with the conduct of the Business of the underground process flowthrough storage tanks during such period, including, without limitation, all Losses incurred as a result of or in connection with (i) the Cleanup of any Materials of Environmental Concern Released on, beneath or adjacent to Plant 106 during such period, which occurred as a result of any Release of Materials of Environmental Concern during such period and (ii) the loss of life, injury to property or person or damage to natural resources caused by the actual, alleged or threatened Release of Materials of Environmental Concern during such period, in each case from such underground process flow-through storage tanks.

ARTICLE III

ROCHELLE REAL PROPERTY

The parties acknowledge that DM will transfer and Purchaser will purchase at the Closing as part of the DM Assets the real property at Rochelle identified at Exhibit 2 hereto and such Exhibit 2 hereby replaces in its entirety the map of the Facility located in Rochelle, Illinois included as part of Schedule 4.6 to the Purchase Agreement.

ARTICLE IV

AMENDMENT TO SCHEDULE 1.3

The parties acknowledge that Item 1 of Schedule 1.3 to the Purchase Agreement is hereby amended in its entirety to read as follows:

1. All trade accounts receivable; other receivables; inventories of completed steel open top containers; and inventories of loose ends at stand alone DM canneries

As a result of this modification, cash and cash equivalents, inventories of loose ends at DM canneries that are located adjacent to the Facilities and inventories of aluminum open top containers will be included in Assets.

ARTICLE V

UNDERFUNDING ADJUSTMENT

The parties acknowledge that the determination of any Underfunding Adjustment shall be made on the basis of an actuarial report by Wyatt & Company and shall not be audited by E&Y.

ARTICLE VI

CLOSING DATE

The parties acknowledge that the Closing had been scheduled for December 14, 1993 and has been rescheduled for December 21, 1993 at the request of Purchaser. As a result of this delay in the Closing, DM will incur additional expenses for the salaries and benefits of Affected Employees and utilities, taxes and other charges at the Facilities in connection with the operation thereof during the period from December 14, 1993 through the Closing. Within 30 days after the Closing, DM shall submit to Purchaser a statement of the amount of such salaries, benefits, utilities, taxes and other charges incurred by DM from December 14, 1993 through the Closing (the "Expenses"). In consideration of DM's agreement to delay the Closing, Purchaser agrees to reimburse one-half of the Expenses within 15 days of receipt of DM's statement; provided that Purchaser shall not be required to reimburse more than $100,000.

ARTICLE VII

SECTION 13.2

Section 13.2 of the Purchase Agreement is hereby amended by deleting it in its entirety and replacing it with the following:

13.2 Officer's Certificate. A certificate signed by a Vice President of Purchaser to the effect that the conditions set forth in Sections Il.l and 11.2 of this Agreement have been satisfied.

ARTICLE VIII

REAFFIRMATION

The parties hereby reaffirm all of the other terms and conditions of the Purchase Agreement. This Amendment amends the Purchase Agreement only to the extent specified herein and shall not constitute an amendment to any other provision of the Purchase Agreement. From and after the date hereof, all references to the Purchase Agreement in the Purchase Agreement and other documents referred to therein shall be referenced to the Purchase Agreement as amended hereby.

IN WITNESS WHEREOF, the parties have caused this Amendment to be duly signed and delivered as of the date that appears in the first paragraph of this Amendment.

DEL MONTE CORPORATION	SILGAN CONTAINERS CORPORATION
By /s/ Thomas E. Gibbons	By /s/ Harley Rankin, Jr.
Its Vice President	Its Vice President