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May 19, 2020

VIA EMAIL

Andrea Leshak, Esq.
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Ms. Zolymar Luna
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Re: PROTECO Site: Paddock Enterprises, LLC's Section 104(e) Response

Dear Ms. Leshak and Ms. Luna:

Enclosed are Paddock Enterprises, LLC's ("Paddock") responses to the United States Environmental Protection Agency's ("EPA") supplemental Section 104(e) request for information concerning the PROTECO Site in Peñuelas, Puerto Rico (the "Site"). As EPA knows, Paddock is the successor-by-merger to Owens-Illinois, Inc.

Paddock has conducted a good faith investigation but has not been able to locate information and/or documents responsive to every request, as, based on the documents and information available, the successor to Owens Illinois de Puerto Rico ("Old OIPR") is Owens-Illinois de Puerto Rico, LLC ("New OIPR"), not Paddock. Therefore, Paddock's access to information is limited.

New OIPR is responsible for any liabilities of Old OIPR, including any liabilities under the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"). Therefore, Paddock requests that EPA withdraw the Special Notice Letter for the Site issued to Paddock, dated June 28, 2019, and reissue the Special Notice Letter to the proper responsible party, New OIPR, which appears to still exist as a Delaware limited liability company.

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In addition, as EPA is aware, on January 6, 2020, Paddock filed for voluntary protection under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Delaware. Pursuant to section 362 of the Bankruptcy Code, Paddock is now entitled to the protections of the automatic stay, which prohibits the commencement or continuation of judicial, administrative or other actions or proceedings against Paddock in accordance with the terms thereunder. Nevertheless, Paddock is responding to EPA's supplemental Section 104(e) request in the interest of promoting the resolution of this matter as to Paddock as stated in the preceding paragraph. Paddock reserves any and all rights and defenses it may have at law or in equity, including any and all rights and defenses under CERCLA and any and all rights and entitlements to the protections of the automatic stay, including the right to seek enforcement of the automatic stay as needed.

If you have any questions regarding this response, please do not hesitate to contact me at (212) 906-1224.

Sincerely,

Kegan A. Brown
of LATHAM & WATKINS LLP

Enclosures

LATHAM&WATKINS LLP

PADDOCK RESPONSE TO PROTECO SITE 104(e) REQUEST DATED APRIL 10, 2013

General Objections

Paddock objects to EPA's Section 104(e) request (the "Request") to the extent that the Request (i) seeks to impose obligations upon Paddock beyond those required by CERCLA, (ii) is vague or ambiguous, (ii) is overly broad or unduly burdensome, including seeking information or documents that are not relevant to the environmental conditions at the PROTECO Site in Peñuelas, Puerto Rico (the "Site"), (iii) seeks information or documents protected from disclosure pursuant to the attorney-client privilege, attorney work product doctrine, or any other applicable privilege or immunity, or (iv) seeks to impose upon Paddock a duty to gather information not in its possession, custody, or control.

In providing its responses, Paddock does not in any waive or intend to waive, but rather intends to preserve and is preserving (i) all rights to object on any ground to the use of any documents in any subsequent proceedings concerning the Site, (ii) all privileges, immunities, rights, or defenses available to Paddock under applicable law, and (iii) the right to revise, correct, supplement, and/or clarify any of its responses. The foregoing General Objections are incorporated into each and every one of the following responses and shall be deemed continuing as to each response. These objections are not waived, or in any way limited, by the following responses.

Requests for Information

1. Answer the following questions regarding the entity known as Owens-Illinois de Puerto Rico ("OIPR"), which we believe commenced operations at the Facility in the mid-1970s and arranged for the disposal of hazardous substances at the Site in or around 1985:

a. State the correct legal name and mailing address for OIPR;

Response No. 1.a

The correct legal name for OIPR is Owens-Illinois de Puerto Rico ("Old OIPR"). This entity was formed as an Ohio partnership in 1973 and existed until August 28, 2002, at which time Owens-Illinois de Puerto Rico, LLC ("New OIPR") became the successor to Old OIPR. Paddock does not have a current mailing address for New OIPR.

b. State the name(s) and address(es) of the President, Chief Executive Officer, and the Chairman of the Board (or other presiding officer) of OIPR;

Response No. 1.b

After conducting a good faith search, Paddock has been unable to locate any information on the President, Chief Executive Officer, or Chairman for either Old OIPR or New OIPR.

c. Identify the state/commonwealth and date of incorporation of OIPR and the name of its agents for service of process in the state/commonwealth of incorporation and in Puerto Rico, if different; and

Response No. 1.c

Old OIPR was formed as an Ohio partnership on November 14, 1973. [Partnership Agreement at 1 (Nov. 14, 1973), enclosed as Ex. A.] New OIPR was formed as a Delaware limited liability company on July 2, 2001 under the name "OI TTS, LLC." [Certificate of Formation of OI TTS, LLC (July 2, 2001), enclosed as Ex. D.] Based on the information available, it appears that New OIPR's registered agent in Delaware is National Registered Agents, Inc. [*See* Owens-Illinois de Puerto Rico, LLC DE Division of Corporations (last accessed May 7, 2020), enclosed as Ex. C.] After conducting a good faith search, Paddock has been unable to locate any information concerning New OIPR's registered agents in Puerto Rico, if any.

d. Identify any successor corporations, predecessor corporations, or other entities related to OIPR. If OIPR is or was a subsidiary or affiliate of another corporation or other entity, identify each of those other entities' Chief Executive Officers, Presidents, and Chairpersons of the Board. Identify the state/commonwealth of incorporation and agents for service of process in the state/commonwealth of incorporation and in Puerto Rico, if different, for each entity identified in your response to this question.

Response No. 1.d

Paddock objects to this request to the extent it seeks the names of the Chief Executive Officers, Presidents, or Chairpersons, and the state of incorporation and agents, for any other entity related to Old OIPR, as this request is overly broad and unduly burdensome. Old OIPR previously was held, at least in part, by Owens-Illinois, Inc.. Owens-Illinois, Inc.'s previous subsidiaries and affiliates can be ascertained by reviewing 10-K reports for Owens-Illinois, Inc. filed with the U.S. Securities and Exchange Commission.

2. State the corporate history of OIPR, including all name changes and mergers. List all names under which OIPR has operated and has been incorporated.

Response No. 2

Old OIPR was formed on November 14, 1973. [Ex. A at 10] Its partners were Owens-Illinois, Inc. and Inland Container Corporation. [*Id*. at 1] On November 14, 1978, Inland Paperboard and Packaging, Inc. ("IPP") acquired Inland Container Corporation's interest in, and became a partner of, Old OIPR, with Inland Container Corporation withdrawing as a partner. [First Amendment to Partnership Agreement at 1, ¶ 3(b), ¶ 4 (Aug. 28, 2002), enclosed as Ex. B.] On April 15, 1987, OI Puerto Rico STS Inc. ("STS") acquired Owens-Illinois, Inc.'s interest in, and became a partner of, Old OIPR, with Owens-Illinois, Inc. withdrawing as a partner. [*Id.*] By acquiring Owens-Illinois, Inc.'s ownership interest in Old OIPR, STS assumed Owens-Illinois, Inc.'s obligations as a partner of Old OIPR. [Ex. A ¶ 11.] Thus, by November 14, 1978

and April 15, 1987 respectively, IPP owned 20% of Old OIPR and STS owned 80% of Old OIPR. [Ex. B at 1.]

On July 2, 2001, OI TTS, LLC was formed as a Delaware limited liability company. [Ex. D.] The sole member of OI TTS, LLC was STS. [Limited Liability Company Agreement of OI TTS, LLC ¶ 1 (July 2, 2001), enclosed as Ex. E.] On July 22, 2002, OI TTS, LLC changed its name to Owens-Illinois de Puerto Rico, LLC (*i.e.*, New OIPR). [First Amendment to Limited Liability Company Agreement of OI TTS, LLC ¶ 2(a) (July 22, 2002), enclosed as Ex. F.]

On August 28, 2002, New OIPR became the successor to Old OIPR through three separate transactions.

First, STS transferred its 80% ownership interest in Old OIPR to New OIPR. [Assignment and Assumption of Partnership Interest at 1, ¶ 4 (Aug. 28, 2002), enclosed as Ex. G.] The transfer of STS's ownership interest to New OIPR was retroactive to May 31, 2002. [*Id.* ¶ 1.] By acquiring STS's ownership interest, New OIPR succeeded STS as a partner in Old OIPR. [*Id.* ¶ 5.]

Second, New OIPR acquired IPP's 20% ownership interest in Old OIPR. [Partnership Interest Purchase and Sale Agreement at 1, ¶ 4 (Aug. 28, 2002), enclosed as Ex. H.] The transfer of IPP's ownership interest to New OIPR also was retroactive to May 31, 2002. [*Id.* ¶ 1.]

Third, with New OIPR now owning 100% of Old OIPR's interests, Old OIPR was dissolved as a partnership under Ohio law. As part of the dissolution, all assets and liabilities of Old OIPR were transferred to New OIPR. [Assignment and Assumption of Assets and Liabilities at 1 (Aug. 28, 2002) ("the sole remaining partner of [Old OIPR] is [New OIPR], and by operation of law pursuant to the laws of the State of Ohio, [Old OIPR] is considered dissolved, and all assets and liabilities of [Old OIPR] shall be deemed distributed to [New OIPR] as the sole remaining partner[.]"), enclosed as Ex. I.] In addition to accepting all of Old OIPR's assets and liabilities, New OIPR expressly acknowledged that it was the successor to Old OIPR. [*Id*. ¶ 5 ("Pursuant to the dissolution of [Old OIPR] by operation of law in accordance with the laws of the State of Ohio and the execution of this Agreement, [New OIPR] hereby succeeds [Old OIPR] in all interests, title and rights in and to the Transferred Properties.").] The "Transferred Properties" was defined to include, among other things, all liabilities of Old OIPR.

Consistent with the above-referenced transactions, a certificate of cancellation for Old OIPR was filed with the Lucas County, Ohio Recorder's Office on September 27, 2002. [Amended and Restated Certificate of Cancellation for OIPR (Sept. 27, 2002), enclosed as Ex. J] The certificate of cancellation confirmed that, as of August 28, 2002, (i) all assets and liabilities of Old OIPR were distributed to New OIPR, and (ii) Old OIPR was dissolved. [*Id.* at 1.]

The August 28, 2002 transactions resulted in New OIPR becoming the successor to Old OIPR by law, as the United States District Court for the District of Puerto Rico already has determined. [*See Seagate Inc. v. Owens-Illinois de Puerto Rico, LLC*, No. 3:08-cv-01627, Judgment (ECF #18) at 2 (Aug. 26, 2008) ("The mortgage constituted by [Old OIPR] (an Ohio general partnership, *succeeded in all of its rights and obligations by [New OIPR]*)"), enclosed as

Ex. L (emphasis added).] New OIPR expressly agreed to assume all of Old OIPR's liabilities. [Ex. I ¶ 5; Ex. J at 1]. New OIPR acted as a continuation of Old OIPR, as New OIPR continued operating the Vega Alta, Puerto Rico facility previously operated by Old OIPR. [*See* Ltr. from J.J. Forastieri (New OIPR) to E. Horta (Puerto Rico Dep't of Treasury) at 1, enclosed as Ex. K.]

For each other name, provide the following information:

a. Whether that other company or business continues to exist, and if it is no longer in business indicate the date and means by which it ceased operations (e.g., dissolution, bankruptcy, sale);

Response No. 2.a

Paddock refers EPA to Response No. 2.

b. Names, addresses, and telephone numbers of all registered agents, officers, and operations management personnel; and

Response No. 2b

Paddock refers EPA to Response No. 1.c.

c. Names, addresses, and telephone numbers of all subsidiaries, unincorporated divisions or operating units, affiliates, and parent corporations, if any, of each other company.

Response No. 2.c

After conducting a good faith search, Paddock has been unable to locate any information concerning New OIPR's subsidiaries, unincorporated divisions, or operating units, if any. With respect to New OIPR's affiliates and parent corporation, Paddock refers EPA to Response No. 12.

3. Identify all changes in ownership relating to OIPR from its date of incorporation to the present, including the date of any ownership change. If any owner was/is a corporation, identify if the corporation was a subsidiary or division of another corporation. In your identification of any corporation, it is requested that you provide the full corporate name, the state/commonwealth of incorporation, and all fictitious names used/held by that corporation.

Response No. 3

Paddock refers EPA to Responses No. 1.d and No. 2.

4. Provide copies of OIPR's authorization to do business in Puerto Rico. Include all authorizations, withdrawals, suspensions, and reinstatements.

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Response No. 4

After conducting a good faith search, Paddock has been unable to locate any information responsive to this request.

5. State the dates during which OIPR owned, operated, or leased any portion of the Facility, and provide copies of all documents evidencing or relating to such ownership, operation, or lease, including but not limited to purchase and sale agreements, deeds, leases, etc.

Response No. 5

Old OIPR owned and operated the Facility from the mid 1970's until its dissolution on August 28, 2002. After conducting a good faith search, Paddock has been unable to locate any documents responsive to this request, other than Ex. A and Ex. L.

6. Describe in detail Owens-Illinois, Inc.'s (now Paddock Enterprises, LLC) relationship with OIPR and the Facility. Indicate whether the corporate relationship between OIPR and Owens-Illinois, Inc. changed over the years, and, if so, explain how the relationship changed. Respond to each of the following requests regarding the relationship:

a. State the date on which Owens-Illinois, Inc. acquired ownership or an interest in OIPR and the Facility. State the prior owners, if any, of OIPR and the Facility. Submit a copy of all documents relating to Owens-Illinois, Inc.'s purchase of OIPR and the Facility.

Response No. 6.a

Paddock refers EPA to Response No. 2.

b. Indicate whether Owens-Illinois, Inc. sold or otherwise divested itself of any stock, assets, or other interest in OIPR or any other company that operated the Facility. Fully describe the nature of the sale and/or transaction. State if the transaction consisted of a merger, consolidation, sale or transfer of assets, and provide all documents relating to such transaction, including all documents pertaining to any agreements, express or implied, for the purchasing corporation to assume the liabilities of the selling corporation.

Response No. 6.b.

Paddock refers EPA to Response No. 2.

c. Indicate whether Owens-Illinois, Inc. retained the liabilities of OIPR for events prior to the sale.

Response No. 6.c.

Paddock did not retain any liabilities of Old OIPR. Paddock refers EPA to Response No. 2.

7. According to court records, OIPR was a commercial partnership, and Owens-Illinois, Inc. was a principal partner and parent company of OIPR. Please confirm this arrangement and/or provide the partnership agreement governing OIPR and any relevant records concerning the OIPR partnership and the corporate relationship between OIPR and Owens-Illinois, Inc. (now Paddock Enterprises, LLC).

Response No. 7.

Paddock refers EPA to Response No. 2.

8. Describe all other corporate transactions that apply to OIPR. This is to include all transactions between OIPR and any and all of the following:

a. Affiliated business entities, affiliated partnerships, or other business entities that although not owned by this partnership may have the same owner/investor;

Response No. 8.a.

Paddock refers EPA to Response No. 2.

b. The parent corporate entity, all subsidiary entities of the parent corporation, and all subsidiaries of this corporation; and

Response No. 8.b.

Paddock refers EPA to Response No. 2.

c. The stockholders of this corporation.

Response No. 8.c.

Paddock refers EPA to Response No. 2.

9. Indicate whether Owens-Illinois, Inc. (now Paddock Enterprises, LLC) is the successor to any liabilities, including those under CERCLA, of OIPR, and provide an explanation for your answer.

Response No. 9.

Paddock is not the successor to any Old OIPR liabilities. New OIPR is the successor to Old OIPR, including any Old OIPR CERCLA liabilities. Paddock refers EPA to Response No. 2.

10. Describe the corporate relationship between OIPR and Owens-Illinois de Puerto Rico, LLC ("OIPR, LLC"). Indicate whether OIPR, LLC is the successor to OIPR.

Response No. 10.

Paddock refers EPA to Response No. 2.

11. Answer the following questions regarding OIPR, LLC:

a. State the correct legal name and mailing address for OIPR, LLC;

Response No. 11.a.

New OIPR's correct legal name is Owens-Illinois de Puerto Rico, LLC. After conducting a good faith search, Paddock has been unable to locate any information on New OIPR's mailing address.

b. State the name(s) and address(es) of the President, Chief Executive Officer, and the Chairman of the Board (or other presiding officer) of OIPR, LLC;

Response No. 11.b.

After conducting a good faith search, Paddock has been unable to locate any information responsive to this request.

c. Identify the state/commonwealth and date of incorporation of OIPR, LLC and the name of its agents for service of process in the state/commonwealth of incorporation and in Puerto Rico, if different; and

Response No. 11.c.

Paddock refers EPA to Responses No. 1.c and No. 2.

d. Identify any successor corporations, predecessor corporations, or other entities related to OIPR, LLC. If OIPR, LLC is or was a subsidiary or affiliate of another corporation or other entity, identify each of those other entities' Chief Executive Officers, Presidents, and Chairpersons of the Board. Identify the state/commonwealth of incorporation and agents for service of process in the state/commonwealth of incorporation and in Puerto Rico, if different, for each entity identified in your response to this question.

Response No. 11.d.

Paddock refers EPA to Responses No. 2 and No. 12.

12. State the corporate history of OIPR, LLC, including all name changes and mergers. List all names under which OIPR, LLC has operated and has been incorporated.

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Response No. 12.

On July 2, 2001, OI TTS, LLC was formed as a Delaware limited liability company. [Ex. D.] The sole member of OI TTS, LLC was STS. [Ex. E.] On July 22, 2002, OI TTS, LLC changed its name to Owens-Illinois de Puerto Rico, LLC (*i.e.*, New OIPR). [Ex. F.]

On August 13, 2001, STS, the sole member of New OIPR entered into a joint venture agreement with Antillian Holding Corp ("Zanzibar") whereby STS and Zanzibar each agreed to acquire 50% of the issued and outstanding common shares of United Caribbean Containers Limited ("UCC"), a company formed under the laws of the Cayman Islands on February 1, 2001. [United Caribbean Containers Limited Registration Information, enclosed as Ex. R.] As part of the transaction, STS agreed that it would contribute New OIPR to UCC and Zanzibar agreed that it would contribute 99.9% of the capital stock of Industrias Zanzibar, S.A. to UCC. [Joint Venture Agreement (August 12, 2001), enclosed as Ex. S.]

The transaction contemplated in the 2001 Joint Venture Agreement between STS and Zanzibar materialized in a Share Purchase Agreement on January 31, 2003. STS contributed 100% of New OIPR to UCC and Zanzibar contributed 99.9% of Industrias Zanzibar, S.A. to UCC, each in exchange for 50% of UCC's stock. [Share Purchase Agreement (Jan. 31, 2003), enclosed as Ex. T.] While both STS and Zanzibar held 50% of UCC and both appointed two Board members each, a panel of arbitrators has held that UCC's General Manager, who controlled the day-to-day operations of UCC, was selected by Zanzibar. [*Antillian Holding Corp. v. OI Puerto Rico STS Inc.*, Partial Final Award (Dec. 22, 2010) at 9, enclosed as Ex. U.] This fact, the arbitrators found, gave Zanzibar "the exclusive ability to control the day-to-day operations of UCC and the manufacturing facilities controlled by the two UCC subsidiaries, OIPR and ZDR." [Ex. U at 9-10].

Upon information and belief, the plant at Vega Alta ceased operating in 2007. [Vega Alta Plant Ownership Memo (March 30, 2010), enclosed as Ex. N.] After failing to file reports and pay dues for several years starting in 2008, the Department of State in Puerto Rico cancelled New OIPR's ability to operate in Puerto Rico in 2014. [Owens-Illinois de Puerto Rico, LLC Cancellation Letter (Feb. 14, 2014), enclosed as Ex. O; Puerto Rico Registry of Corporations and Entities, enclosed as Ex. P.] However, New OIPR is still a registered Delaware limited liability company and has a registered agent in Delaware. [Delaware Division of Corporations, enclosed as Ex. Q.]

For each other name, provide the following information:

a. Whether that other company or business continues to exist, and if it is no longer in business indicate the date and means by which it ceased operations (e.g., dissolution, bankruptcy, sale);

Response No. 12.a.

After conducting a good faith search, Paddock has been unable to locate any information responsive to this request.

b. Names, addresses, and telephone numbers of all registered agents, officers, and operations management personnel; and

Response No. 12.b.

Paddock refers EPA to Response No. 12. After conducting a good faith search, Paddock has been unable to locate any further information responsive to this request.

c. Names, addresses, and telephone numbers of all subsidiaries, unincorporated divisions or operating units, affiliates, and parent corporations, if any, of each other company.

Response No. 12.c.

Paddock refers EPA to Response No. 12. After conducting a good faith search, Paddock has been unable to locate any further information responsive to this request.

13. Identify all changes in ownership relating to OIPR, LLC from its date of incorporation to the present, including the date of any ownership change. If any owner was/is a corporation, identify if the corporation was a subsidiary or division of another corporation. In your identification of any corporation, it is requested that you provide the full corporate name, the state/commonwealth of incorporation, and all fictitious names used/held by that corporation.

Response No. 13.

Paddock refers EPA to Response No. 12. After conducting a good faith search, Paddock has been unable to locate any further information responsive to this request.

14. Provide copies of OIPR, LLC's authorization to do business in Puerto Rico. Include all authorizations, withdrawals, suspensions, and reinstatements.

Response No. 14.

Paddock refers EPA to Response No. 12. After conducting a good faith search, Paddock has been unable to locate any further information responsive to this request.

15. State the dates during which OIPR, LLC owned, operated, or leased any portion of the Facility, and provide copies of all documents evidencing or relating to such ownership, operation, or lease, including but not limited to purchase and sale agreements, deeds, leases, etc.

Response No. 15

New OIPR operated the Facility from August 28, 2002, when it succeeded Old OIPR, until at least the late-2000s. New OIPR acquired title to the property on which the Facility sits on September 18, 2003. [*See* Ex. L at 3-4.] New OIPR had a mortgage on the property, which it defaulted on in 2008. [*Id.*] The Facility was sold at public auction on January 20, 2009. [Deed of Judicial Sale (Jan. 20, 2009), enclosed as Ex. V]

16. Describe in detail Owens-Illinois, Inc.'s (now Paddock Enterprises, LLC) relationship with OIPR, LLC and the Facility. Indicate whether the corporate relationship between OIPR and Owens-Illinois, Inc. changed over the years, and, if so, explain how the relationship changed. Respond to each of the following requests regarding the relationship:

a. State the date on which Owens-Illinois, Inc. acquired ownership or an interest in OIPR, LLC and the Facility. State the prior owners, if any, of OIPR, LLC and the Facility. Submit a copy of all documents relating to Owens-Illinois, Inc.'s purchase of OIPR, LLC and the Facility.

Response No. 16.a.

Paddock refers EPA to Response No. 12.

b. Indicate whether Owens-Illinois, Inc. sold or otherwise divested itself of any stock, assets, or other interest in OIPR, LLC or any other company that operated the Facility. Fully describe the nature of the sale and/or transaction. State if the transaction consisted of a merger, consolidation, sale or transfer of assets, and provide all documents relating to such transaction, including all documents pertaining to any agreements, express or implied, for the purchasing corporation to assume the liabilities of the selling corporation.

Response No. 16.b.

Paddock refers EPA to Response No. 12.

c. Indicate whether Owens-Illinois, Inc. retained the liabilities of OIPR, LLC for events prior to the sale.

Response No. 16.c.

Paddock never acquired, and consequently has not retained, any liabilities of New OIPR, including any CERCLA liabilities. Paddock refers EPA to Responses No. 2 and No. 12.

17. Describe all other corporate transactions that apply to OIPR, LLC. This is to include all transactions between OIPR, LLC and any and all of the following:

a. Affiliated business entities, affiliated partnerships, or other business entities that although not owned by this partnership may have the same owner/investor;

Response No. 17.a.

Paddock refers EPA to Responses No. 2 and No. 12.

b. The parent corporate entity, all subsidiary entities of the parent corporation, and all subsidiaries of this corporation; and

Response No. 17.b.

Paddock refers EPA to Responses No. 2 and No. 12.

c. The stockholders of this corporation.

Response No. 17.c.

Paddock refers EPA to Responses No. 2 and No. 12.

18. Indicate whether Owens-Illinois, Inc. (now Paddock Enterprises, LLC) is the successor to any liabilities, including those under CERCLA, of OIPR, LLC, and provide an explanation for your answer.

Response No. 18.

Paddock is not the successor to any liabilities of New OIPR, including any New OIPR CERCLA liabilities. Paddock refers EPA to Responses No. 2 and No. 12.

19. According to Owens-Illinois, Inc.'s June 3, 2019 Response to EPA's March 28, 2019 Request for Information, on or about August 2001, United Caribbean Container, Ltd, a Cayman Islands corporation, took 100% ownership of OIPR, LLC. Please respond to the following requests regarding this transaction:

a. Provide a copy of the agreement of sale as well as all attachments and amendments to this agreement of sale, including related agreements such as exclusive service contracts, non-compete agreements or consulting agreements, that document each asset sold as well as the consideration paid for each and every asset.

Response No. 19.a.

Paddock refers EPA to the Joint Venture Agreement (Aug. 12, 2001), enclosed as Ex. S and the Share Purchase Agreement (Jan. 31, 2003), enclosed as Ex. T.

b. In addition to the documentation requested in Request #19.a., above, identify all consideration paid for the assets. In identifying the consideration, provide the amount paid in cash, the amount paid in promissory notes or other form of debenture payable to the entity and/or officers, directors and/or shareholders of the entity selling the assets, the value associated with the assumption of liabilities (if assumption of liabilities are involved, you are also to identify the types of liabilities assumed), the value associated with the performance of services, the value associated with shares of stock exchanged as part of the sale, and the type and value associated with any other form of consideration not identified above.

Response No. 19.b.

Paddock refers EPA to Responses No. 12 and No. 19.a.

20. Please provide all documents, if not already requested above, that support your responses to Requests #1 - #19, above.

Response No. 20.

Paddock has enclosed all documents cited in its responses.

21. If you have reason to believe that there may be persons able to provide a more detailed or complete response to any question contained herein or who may be able to provide additional responsive documents, identify such persons and the additional information or documents that they may have.

Response No. 21.

Notwithstanding the foregoing, and without any waiver of its objections, Paddock has located no other persons, other than those identified in the attached documents and listed below, who may be able to provide a more detailed or complete response to any question contained herein or who may be able to provide additional responsive documents.

Carlos Bermudez Sr. of Antillian Holding Corp.

Carlos Bermudez Jr. of Antillian Holding Corp.

Anquiles Bermudez of Antillian Holding Corp.

Monica Bermudez of Antillian Holding Corp.

Pastora Bermudez of Antillian Holding Corp.

Manuel Mena of Antillian Holding Corp.

Adriana Mena of Antillian Holding Corp.

22. State the name, title, and address of each individual who assisted or was consulted in the preparation of the response to this Supplemental Request for Information. In addition, state whether this person has personal knowledge of the information in the answers provided.

Response No. 22.

Kegan Brown (Latham & Watkins LLP, 885 Third Avenue, New York, NY) principally prepared these responses, with assistance from others at Latham & Watkins LLP. All responses were derived from the documents provided to EPA.

EXHIBIT A

PARTNERSHIP AGREEMENT

The undersigned, Inland Container Corporation ("Inland"), an Indiana corporation with its principal office in Indianapolis, Indiana, and Owens-Illinois, Inc. ("Owens"), an Ohio corporation with its principal office in Toledo, Ohio, being desirous of forming a partnership pursuant to the laws of the State of Ohio, do hereby agree as follows:

1. The name of the Partnership is Owens-Illinois de Puerto Rico.

2. The purpose of the Partnership business is to engage in the manufacture and sale of glass containers for profit.

3. The principal office of the Partnership is at the principal executive offices of Owens in Toledo, Ohio.

4. The term of the Partnership shall commence on the date this instrument is signed and shall continue for fifty (50) years unless sooner dissolved by agreement of both partners. The transfer, sale, assignment, or other disposition of all or any part of the interest of either or both of the partners in this Partnership shall not cause the termination of the Partnership. The transferee or assignee shall be obligated to assume in writing the responsibilities and obligations of the transferor or assignor under the Agreement.

5. Owens shall contribute eighty percent (80%) and Inland shall contribute twenty percent (20%) of the capital as hereinafter provided and each shall be entitled to share in the profits, losses and distributions in proportion to their respective interests in the capital of the Partnership. Each party hereby indemnifies and agrees to hold harmless the other against

any loss or liability exceeding the proportions hereinabove stated by reason of: any liability incurred or loss sustained in carrying out the business of the Partnership, the execution of any surety company bond or indemnity agreements executed in connection therewith, or any guarantees or suretyship arrangements incurred on any loans or other financial arrangements for the Partnership.

Inland, as a contribution in property to the capital of the Partnership, shall cause to be contributed the land described in Exhibit A hereto, at an agreed value of $10,000 per acre, being a total of $301,000.00, a portion of such land being subject to a mortgage in the principal amount of $133,683.35 payable in four (4) equal annual installments commencing September 11, 1974, with interest at the rate of 8.5% per annum payable quarterly, which mortgage Inland agrees to discharge in accordance with its terms. Inland, as an additional contribution in property to the capital of the Partnership, shall cause to be contributed the assets described in Exhibit B hereto, at an agreed value of $60,000. Owens shall contribute $1,204.000.00 (including amounts properly charged by Owens to the Partnership for expenses paid directly by Owens) before further contributions shall be required from Inland. Thereafter, all capital contributions shall be made pro rata in proportion to the partners respective interests in the capital of the Partnership Owens shall have sole discretion to determine the amount of capital required, but shall give Inland reasonable notice of amounts required and intended use. Inland shall have no obligation to advance any capital, guarantee

any loans, or subject itself to any liability which in the aggregate exceeds $3,000,000, provided that if Inland refuses to contribute capital after the notice specified above, Owens may do so and Inland's interest in the Partnership capital shall be proportionately reduced.

6. Owens shall determine the amount of the distributions to be made to the partners after discussion with Inland taking into account that the maximum distribution shall be made to the partners in cash consistent with the ability of the Partnership to conduct its business, to pay its debts as they mature, to maintain adequate working capital, to keep its properties in first class operating condition, and to provide for reasonably anticipated capital expenditures and expansion of facilities.

7. The business of the Partnership will be managed exclusively by Owens who will have the power and duty, exercisable in its sole discretion, to make all decisions concerning the business and affairs of the Partnership, including the:

(a) construction of one or more glass plants in Puerto Rico, the first of which will include four I.S. forming machines, including all required engineering and the letting and supervision of all contracts and subcontracts necessary or desirable to effect such construction;

(b) obtaining of all necessary equipment and facilities for the operation of the Partnership's business and maintaining such facilities

and equipment in first class operating condition;

(c) securing of all necessary financing to complete such construction, to obtain such equipment and facilities and to have adequate working capital on the best terms obtainable and on a nonrecourse basis to the extent practicable provided that Inland, shall not be obligated for more than the amount specified in paragraph 5 without its prior written consent;

(d) maintenance of insurance in good and responsible insurers against such risks and in such amounts as are usually insured against by persons operating like properties, as are required by law, or as mutually agreed by the partners; and

(e) all other action necessary or advisable for operation in the ordinary course of business of the business of the Partnership consistent with experienced and prudent glass plant management.

In managing the business of the Partnership, Owens may, on behalf of the Partnership, deal with itself or its affiliates, but only on the following basis:

(a) all transactions shall be on terms and conditions no less favorable than the most favorable afforded by Owens to its other affiliates or licensees;

(b) Owens will furnish all technical assistance for one percent (1%) of net sales plus charges as set forth in a form of technical assistance agreement heretofore approved by Inland in writing; and

(c) Owens will furnish all engineering required by the Partnership at Owens' cost as computed for all similar projects.

Owens, in the management of the Partnership, shall not, without the written consent of Inland:

(a) amend this Agreement or admit another as a partner except as permitted by this Agreement;

(b) alter the nature of the Partnership's business or invest in any other person, company or corporation except investments that would not affect the taxable status of a Section 931 corporation under the Internal Revenue Code;

(c) engage in transactions out of the usual and ordinary course of business, such as the sale of substantially all the assets of the Partnership, the incorporation of the Partnership, dissolution of the Partnership, or long-term employment agreements;

(d) engage, on behalf of the Partnership, in transactions with Owens or its affiliates except as permitted by this Agreement; and

(e) make any guarantics or otherwise become obligated to pay the debts of another person except endorsements of checks and other drafts in the ordinary course of business.

Owens, in its management of the Partnership business, shall have no liability to Inland for acts or omissions in good faith which it reasonably believed to be in the best interests of the Partnership and in accordance with this Agreement.

8. Full and accurate books of account will be kept by the Partnership in Puerto Rico in accordance with generally accepted accounting principles and a certified report shall be made at the end of each financial year by a firm of independent certified public accountants to be selected by Owens from the eight largest of such firms in the United States, which will include all matters that are necessary for each partner to determine its possible tax responsibility. Unless the partners otherwise agree, the fiscal year of the Partnership shall end November 30 in each year. Both partners shall be furnished monthly financial statements of the Partnership.

9. If at any time either partner receives from a third party a bona fide written offer which it desires to accept to purchase any or all of su partner's interest in the Partnership, the partner receiving such offer will th offer to sell its partnership interest to the other partner at the price and on the terms contained in such third party offer. If the partner to whom the offe is made (or its designee) does not agree in writing to meet the third party offer within thirty (30) days, the other partner may accept such third party offer within six (6) months thereafter. In no event shall either

transfer, sell, assign or otherwise dispose of its interest in the Partnership to any person or organization engaged in the manufacture and/or sale of glass containers without the consent of the other.

10. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in accordance with the Commercial Rules of the American Arbitration Association. The arbitration shall be held in a place to be agreed upon at the time by the parties to the arbitration or, failing such agreement, by the arbitrator. The expenses of the arbitration, including any fee of the arbitrator in respect thereof, shall be borne as among the parties to the arbitration as determined by the arbitrator; provided each party shall pay for and bear the cost of its own experts and legal counsel.

11. Either party may substitute in its place as a partner a wholly-owned subsidiary provided that the parent corporation shall remain responsible to the other partner for performance of this Agreement and the subsidiary assumes and agrees to be bound by the terms of this Agreement and assumes its parent's obligations as a partner of this Partnership.

12. The partners shall make such filings and recordings as may be required by the State of Ohio or other jurisdictions in which the Partnership engages in business.

13. Except when ordered by court decree, the Partnership shall be dissolved and its affairs wound up only upon occurrence of one of the following events:

(a) The sale of all or substantially all of the Partnership assets;

(b) The expiration of the term of the Partnership as set forth herein;

(c) The express written agreement of all of the partners herein;

(d) The death of any partner; or

(e) The bankruptcy, either voluntary or involuntary, insolvency, receivership, or assignment for the benefit of creditors of any partner hereto, or the partnership.

Upon dissolution the affairs of the Partnership shall be wound up under the supervision of Owens, as Liquidating Partner, unless the Partnership is being dissolved by virtue of the provisions of subparagraph (e) above as applied to Owens, in which event Inland, or any substituted Partner, shall be the Liquidating Partner. For purposes of liquidation of the Partnership assets, the discharge of its liabilities, and the distribution of the remaining funds, if any, the Liquidating Partner shall have the authority to sell and convey the assets of the Partnership for such consideration, to such persons (including itself upon notice to the other partner and with an opportunity to the other partner to offer a greater consideration), and upon such reasonable terms and conditions as it determines appropriate. A reasonable time shall be allowed for orderly liquidation of the assets of the Partnership and the discharge of liabi

to all creditors to enable the Partnership to minimize the normal losses of a liquidation period.

14. Upon dissolution and liquidation, the proceeds thereof, if any, shall be distributed and applied in the following order:

(a) Payment of all expenses of liquidation and debts and liabilities of the Partnership, including any liabilities to a partner, and establishment of any reserves that may be deemed by the Liquidating Partner reasonably necessary for any contingent or unforeseen liabilities or obligations of the Partnership;

(b) Return of the capital contributions of the partners;

(c) Payment of any balance credited to the capital accounts of the partners; and

(d) All funds then remaining shall be distributed among the partners in accordance with the provisions of paragraph 5 hereof.

Any return of all or any portion of the capital contributions referred to in paragraph 5 hereof shall be made solely from the Partnership assets, and the Liquidating Partner shall not be personally liable for any such return.

DATED this 14th day of November, 1973.

INLAND CONTAINER CORPORATION

By _____
President

"Inland"

Attest:

_____
~~Secretary~~ Assistant Secretary

OWENS-ILLINOIS, INC.

By _____
Vice President

"Owens"

Attest:

_____
Assistant Secretary

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

Before me, a Notary Public in and for such County and State, personally appeared Henry C. Goodrich and ~~F. F. Hirschman~~ known to me to be the President and ~~Secretary~~ Assistant Secretary, respectively, of Inland Container Corporation, and acknowledged their execution for and on behalf of such corporation as its duly authorized officers to the foregoing Partnership Agreement this 14th day of November, 1973.

_____
Notary Public

(Notary Seal)

My Commission Expires:

_____

STATE OF OHIO)
) SS:
COUNTY OF LUCAS)

Before me, a Notary Public in and for such County and State, personally appeared W. F. Spengler and C. W. Neuhaus, known to me to be the Vice President and Assistant Secretary, respectively, of Owens-Illinois, Inc., and acknowledged the execution for and on behalf of such corporation as its duly authorized officers to the foregoing Partnership Agreement this 13th day of November, 1973.

Notary Public

(Notary Seal)

My Commission Expires:

Commission Expires May 27, 1978

EXHIBIT B

FIRST AMENDMENT
TO
THE PARTNERSHIP AGREEMENT
OF
OWENS-ILLINOIS DE PUERTO RICO

This FIRST AMENDMENT TO THE PARTNERSHIP AGREEMENT (the "Amendment") of Owens-Illinois de Puerto Rico, an Ohio partnership (the "Partnership"), is executed on August 28, 2002, by and between OI Puerto Rico STS Inc., a Delaware corporation ("OI Puerto Rico"), and Inland Paperboard and Packaging, Inc., a Delaware corporation ("Inland Paperboard"), for the purpose of amending that certain Partnership Agreement of the Partnership, dated November 14, 1973, by and between the parties listed on the signature pages thereto (the "Partnership Agreement"). Unless the context otherwise requires, capitalized terms used and not defined herein shall have the meanings ascribed thereto in the Partnership Agreement.

RECITALS

WHEREAS, Owens-Illinois, Inc., an Ohio corporation ("Owens"), and Inland Container Corporation, an Indiana corporation ("Inland"), are reflected as the parties to the Partnership Agreement;

WHEREAS, in connection with the reorganization of Owens, on March 24, 1987, Owens transferred its assets, including, among other things, a general partnership interest held by Owens in the Partnership representing eighty percent (80%) of the aggregate general partnership interests held by the partners in the Partnership (together with all benefits, obligations, liabilities and duties arising from and relating thereto) (the "Owens Interest"), to OI Merger Sub, Inc., a Delaware corporation ("Owens Merger Sub"), which in turn, on March 31, 1987, transferred the Owens Interest to OI New Holdings, Inc., a Delaware corporation ("Owens Holding Co."), which in turn, on April 15, 1987 (the "Owens Effective Date"), transferred the Owens Interest to OI Puerto Rico;

WHEREAS, in connection with the reorganization of Inland, on November 14, 1978 (the "Inland Effective Date"), Inland transferred its assets, including, among other things, a general partnership interest held by Inland in the Partnership representing twenty percent (20%) of the aggregate general partnership interests held by the partners in the Partnership (together with all benefits, obligations, liabilities and duties arising from and relating thereto) (the "Inland Interest"), to TC Holding Corporation, a Delaware corporation ("Inland Holding Co."), which in turn, on the Inland Effective Date, underwent a corporate name change to "Inland Container Corporation, a Delaware corporation" ("ICC"), which in turn, on August 22, 1996, underwent a corporate name change to "Inland Paperboard and Packaging, Inc., a Delaware corporation";

WHEREAS, following the effectiveness of the Owens Effective Date, OI Puerto Rico shall hold an eighty percent (80%) general partnership interest in the Partnership,

WHEREAS, following the effectiveness of the Inland Effective Date, Inland Paperboard shall hold a twenty percent (20%) general partnership interest in the Partnership;

WHEREAS, in accordance with Paragraph 7 of the Partnership Agreement, Owens and its successors-in-interest, in the management of the Partnership, shall not, without the written consent of Inland, amend the Partnership Agreement or admit a party as a partner of the Partnership; and

WHEREAS, in accordance with the Partnership Agreement, the parties hereto desire to approve of, consent to and ratify this Amendment of the Partnership Agreement, in order to reflect (1) the admission of each of OI Puerto Rico and Inland Paperboard as general partners of the Partnership and (2) the withdrawal of each of Owens and Inland as general partners of the Partnership, as more particularly set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, each of the parties hereto covenants and agrees as follows:

1. Consent to Owens Transfers. In accordance with Paragraph 7 of the Partnership Agreement, Inland Paperboard hereby approves of, consents to and ratifies (a) the transfers of the Owens Interest from Owens to Owens Merger Sub to Owens Holding Co. to OI Puerto Rico (the "Owens Transfers"), whereby OI Puerto Rico ultimately shall acquire the Owens Interest, (b) the admission of OI Puerto Rico as a general partner of the Partnership with respect to the Owens Interest and (c) the withdrawal of Owens as a general partner of the Partnership.

2. Consent to Inland Transfers. In accordance with Paragraph 7 of the Partnership Agreement, OI Puerto Rico hereby approves of, consents to and ratifies (a) the transfers of the Inland Interest from Inland to Inland Holding Co. (the "Inland Transfers"), whereby Inland Paperboard ultimately shall acquire the Inland Interest, (b) the corporate name changes from Inland Holding Co. to ICC to Inland Paperboard, (c) the admission of Inland Paperboard as a general partner of the Partnership with respect to the Inland Interest and (d) the withdrawal of Inland as a general partner of the Partnership.

3. Admission of New General Partners.

(a) Each of the parties hereto agrees and ratifies that (i) the Owens Transfers of the Owens Interest to OI Puerto Rico are valid and enforceable and that OI Puerto Rico has good and valid title in the Owens Interest and (ii) the Inland Transfers of the Inland Interest to Inland Paperboard are valid and enforceable and that Inland Paperboard has good and valid title to the Inland Interest.

(b) Each of the parties hereto agrees to and ratifies the admission of (i) OI Puerto Rico as a general partner of the Partnership as of the Owens Effective Date and (ii) Inland Paperboard as a general partner of the Partnership as of the Inland Effective Date. Accordingly, (A) as of the Owens Effective Date, OI Puerto Rico assumes and agrees to be

bound by the terms and conditions of the Partnership Agreement, as amended by this Amendment, and assumes the duties, liabilities and obligations of Owens as a general partner of the Partnership and (B) as of the Inland Effective Date, Inland Paperboard assumes and agrees to be bound by the terms and conditions of the Partnership Agreement, as amended by this Amendment, and assumes the duties, liabilities and obligations of Inland as a general partner of the Partnership.

4. Withdrawal of General Partners. Each of the parties hereto agrees and ratifies that (a) upon the admission of OI Puerto Rico as a general partner of the Partnership as of the Owens Effective Date, Owens shall withdraw as a general partner of the Partnership and shall no longer have any right or interest in or to the Partnership and (b) upon the admission of Inland Paperboard as a general partner of the Partnership as of the Inland Effective Date, Inland shall withdraw as a general partner of the Partnership and shall no longer have any right or interest in or to the Partnership.

5. Amendments to the Partnership Agreement. Each of the parties hereto agrees to and ratifies the following amendments to the Partnership Agreement:

(a) The preamble of the Partnership Agreement shall be amended by deleting it in its entirety and restating it as follows:

> "The undersigned, Inland Paperboard and Packaging, Inc., a Delaware corporation with its principal office at 4030 Vincennes Road, Indianapolis, Indiana 46268 ("Inland Paperboard"), and OI Puerto Rico STS Inc., a Delaware corporation with its principal office at One SeaGate, Toledo, Ohio 43666 ("OI Puerto Rico"), being desirous of forming and maintaining a partnership pursuant to the laws of the State of Ohio, do hereby agree as follows:"

(b) The first sentence of the first paragraph of Paragraph 5 of the Partnership Agreement shall be amended by deleting it in its entirety and restating it as follows:

> "OI Puerto Rico, as of April 15, 1987, will hold an eighty percent (80%) general partnership interest in the Partnership, Inland Paperboard, as of November 14, 1978, will hold a twenty percent (20%) general partnership interest in the Partnership, and each partner shall be entitled to share in the profits, losses and distributions in proportion to their respective general partnership interests in the Partnership."

(c) Any and all references in the Partnership Agreement to "Owens" shall be deleted in their entirety and replaced with "OI Puerto Rico."

(d) Any and all references in the Partnership Agreement to "Inland" shall be deleted in their entirety and replaced with "Inland Paperboard."

(e) Any and all references in the Partnership Agreement to "partner" or "partners" shall also refer to OI Puerto Rico and Inland Paperboard, individually and collectively, as applicable.

(f) Each reference in the Partnership Agreement to this "Agreement," "hereunder," "hereof," "hereto" or words of like import referring to such Partnership Agreement shall mean and be a reference to the Partnership Agreement as amended by this Amendment.

6. Effectiveness of the Partnership Agreement. Each of the parties hereby confirms, agrees and ratifies that, except as hereby amended by this Amendment, all terms and provisions of the Partnership Agreement are, and shall continue to be, in full force and effect and are hereby ratified and confirmed in all respects.

7. Miscellaneous.

(a) Governing Law. This Amendment, including its existence, validity, construction, and operating effect shall be governed by and construed in accordance with the laws of the State of Ohio without regard to otherwise governing principles of conflicts of law.

(b) Further Assurances. Each of the parties hereto does hereby covenant and agree on behalf of itself, its successors, and its assigns, without further consideration, to prepare, execute, acknowledge, file, record, publish, and deliver such other instruments, documents and statements, and to take such other action as may be required by law or reasonably necessary to effectively carry out the purposes of this Amendment, including, without limitation, the execution, delivery and filing of a Certificate of Partnership in the Recorder's Office of Lucas County, Ohio.

(c) Counterparts. This Amendment may be executed in any number of counterparts, and each such counterpart shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same Amendment. Delivery of an executed counterparts of a signature page to this Amendment by telecopier shall be effective as delivery of a manually executed counterpart of this Amendment.

(d) Entire Agreement. This Amendment constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and fully supersedes any and all prior or contemporaneous agreements or understandings between the parties hereto pertaining to the subject matter hereof.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties hereto have executed this Amendment to the Partnership Agreement as of the date first written above.

OI PUERTO RICO STS INC.

By: _____
Name: James W. Baehren
Title: Vice President & Secretary

INLAND PAPERBOARD AND PACKAGING, INC.

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have executed this Amendment to the Partnership Agreement as of the date first written above.

OI PUERTO RICO STS INC.

By:_____
Name:
Title:

INLAND PAPERBOARD AND PACKAGING, INC.

By: S Householder
Name: Steven L. Householder
Title: Vice President and General Counsel

EXHIBIT C

Department of State: Division of Corporations

Allowable Characters

HOME
About Agency
Secretary's Letter
Newsroom
Frequent Questions
Related Links
Contact Us
Office Location

SERVICES
Pay Taxes
File UCC's
Delaware Laws Online
Name Reservation
Entity Search
Status
Validate Certificate
Customer Service Survey

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Entity Details

THIS IS NOT A STATEMENT OF GOOD STANDING

File Number:	**3405446**	Incorporation Date / Formation Date:	**7/2/2001** (mm/dd/yyyy)
Entity Name:	**OWENS-ILLINOIS DE PUERTO RICO, LLC**		
Entity Kind:	**Limited Liability Company**	Entity Type:	**General**
Residency:	**Domestic**	State:	**DELAWARE**

REGISTERED AGENT INFORMATION

Name:	**NATIONAL REGISTERED AGENTS, INC.**		
Address:	**1209 ORANGE STREET**		
City:	**WILMINGTON**	County:	**New Castle**
State:	**DE**	Postal Code:	**19801**
Phone:	**302-674-4089**		

Additional Information is available for a fee. You can retrieve Status for a fee of $10.00 or more detailed information including current franchise tax assessment, current filing history and more for a fee of $20.00.

Would you like ○ Status ○ Status,Tax & History Information

Submit

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For help on a particular field click on the Field Tag to take you to the help area.

EXHIBIT D

Delaware

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "OI TTS, LLC", FILED IN THIS OFFICE ON THE SECOND DAY OF JULY, A.D. 2001, AT 9 O'CLOCK A.M.

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

3405446 8100

020482676

AUTHENTICATION: 1908805

DATE: 07-29-02

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 09:00 AM 07/02/2001
010319031 - 3405446

CERTIFICATE OF FORMATION
OF
OI TTS, LLC

The undersigned, being an authorized corporate person, for the purpose of forming a limited liability company under the provisions and subject to the requirements of the Delaware Limited Liability Company Act, hereby certifies that:

FIRST: The name of the limited liability company is OI TTS, LLC.

SECOND: The address of the registered office of the limited liability company in the State of Delaware, required to be maintained by Section 18-104 of the Delaware Limited Liability Company Act, is National Registered Agents, Inc., 9 East Loockerman Street, Suite 1B, Dover, Delaware 19901 of the County of Kent. The name of the registered agent at such address is National Registered Agents, Inc.

THIRD: The effective date of the formation of the limited liability company shall be the date on which this Certificate of Formation is filed in the Office of the Secretary of State of the State of Delaware.

Executed as of July 2, 2001.

OI PUERTO RICO STS, INC.,
a Delaware corporation

By: J. W. Bach
Name: James W. Bachren
Title: Vice President

LA_DOCS\695925.1 [W97]

Hill-Yonis, Jeannette (LA)

Subject: FW: PR update

-----Original Message-----
From: Tom.Blythe@us.o-i.com [mailto:Tom.Blythe@us.o-i.com]
Sent: Saturday, January 10, 2004 8:33 AM
To: Hill-Yonis, Jeannette (LA)
Subject: RE: PR update

We did not file a form 8832 as we subsequently determined that one was not required for the LLC. However, I wouldn't mind putting a statement to that effect in the package as it is a good question and someone in the future may go looking for something that is not there.

Regards,

tom.blythe@us.o-i.com
419-247-1821
fax -247-1308

EXHIBIT E

LIMITED LIABILITY COMPANY AGREEMENT

OF

OI TTS, LLC

A Delaware Limited Liability Company

LIMITED LIABILITY COMPANY AGREEMENT
OF
OI TTS, LLC

This LIMITED LIABILITY COMPANY AGREEMENT (the "Agreement") of OI TTS, LLC (the "Company") is effective as of July 2, 2001.

1. **Formation of Limited Liability Company.** OI Puerto Rico STS Inc., a Delaware corporation (the "Member"), hereby forms the Company as a limited liability company pursuant to the provisions of the Delaware Limited Liability Company Act, 6 Del. C §18-101, *et seq.*, as it may be amended from time to time, and any successor to such statute (the "Act"). The rights and obligations of the Member and the administration and termination of the Company shall be governed by the Act, except as otherwise provided herein. The Agreement shall be considered the "Limited Liability Company Agreement" of the Company within the meaning of Section 18-101(7) of the Act. In the event of any inconsistency between the Agreement and any waivable provisions of the Act, this Agreement shall govern.

2. **Member.** The Member is the sole and managing member of the Company.

3. **Name.** The name of the Company shall be "OI TTS, LLC." The Member may change the name of the Company, from time to time, in accordance with applicable law.

4. **Business Purpose.** The purpose of the Company is to engage in any and all lawful businesses or activities in which a limited liability company may be engaged under applicable law (including, without limitation, the Act).

5. **Principal Place of Business; Designated Agent.** The principal place of business of the Company is located at c/o Owens-Illinois, Inc., One SeaGate, Toledo, Ohio 43666, or as otherwise designated by the Member. The registered office and registered agent of the Company in the State of Delaware shall be as the Member may designate from time to time.

6. **Term.** The Company shall commence on the date a Certificate of Formation (the "Certificate") first is properly filed with the Secretary of State of the State of Delaware and shall continue in existence in perpetuity, unless earlier terminated pursuant to this Agreement.

7. **Capital Contributions.** The Member, in its discretion, shall determine the capital contributions to the Company, if any, from time to time.

8. **Distributions; Allocations.** Each distribution of cash or other property by the Company shall be made 100% to the Member. Each item of income, gain, loss, deduction and credit of the Company shall be allocated 100% to the Member.

9. **General Allocation of Net Profits and Losses.** Unless otherwise provided herein or permitted or required under the Internal Revenue Code of 1986, as amended (the "Code"), or the Treasury Regulations promulgated thereunder, Net Profits and Net Losses

shall be determined and allocated with respect to each fiscal year of the Company as of the end of such fiscal year. "Net Profits" or "Net Losses" mean, for each fiscal year or other period, an amount equal to the Company's taxable income or loss for such year or period determined in accordance with Code Section 703(a).

10. **Management.** All decisions relating to the business, affairs and properties of the Company shall be made by the Member in its capacity as the managing member. The Member may appoint a President and one or more Vice Presidents and such other officers of the Company as the Member may deem necessary or advisable to manage the day-to-day business affairs of the Company (the "Officers"). The Officers shall serve at the pleasure of the Member. To the extent delegated by the Member, the Officers shall have the authority to act on behalf of, bind and execute and deliver documents in the name and on behalf of the Company. No such delegation shall cause the Member to cease to be a Member. Such Officers shall have such authority and responsibility as is generally attributable to the holders of such offices in corporations incorporated under the laws of Delaware.

11. **Other Activities.** The Member may engage or invest in, and devote its time to, any other business venture or activity of any nature and description (independently or with others), whether or not such other activity may be deemed or construed to be in competition with the Company. The Company shall not have any right by virtue of this Agreement or the relationship created hereby in or to such other venture or activity of the Member (or the income or proceeds derived therefrom), and the pursuit thereof, even if competitive with the business of the Company, shall not be deemed wrongful or improper.

12. **Assignment of Membership Interest.** The Member may assign, sell or otherwise transfer its Membership Interest hereunder to another person or entity which shall thereafter be deemed the "Member" for the purposes of this Agreement. "Membership Interest" means the entire ownership interest of the Member in the Company at any particular time, including, without limitation, the Member's economic interest (including the Member's right to share in the Net Profits, Net Losses, or similar items of, and to receive distributions from, the Company), any and all rights to vote and otherwise participate in the Company's affairs, and the rights to any and all benefits to which the Member may be entitled as provided in this Agreement, together with the obligations of the Member to comply with all of the terms and provisions of this Agreement.

13. **Dissolution and Winding Up.** The Company shall dissolve and its business and affairs shall be wound up pursuant to a written instrument executed by the Member.

14. **Standards of Conduct.** Whenever the Member is required or permitted to make a decision, take or approve an action, or omit to do any of the foregoing, then the Member shall be entitled to consider only such interests and factors, including its own, as it desires, and shall have no duty or obligation to consider any other interests or factors whatsoever. To the extent that the Member has, at law or in equity, duties (including, without limitation, fiduciary duties) to the Company or other person bound by the terms of this Agreement, the Member acting in accordance with this Agreement shall not be liable to the Company or any such other person for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they restrict the duties of the

Member otherwise existing at law or in equity, replace such other duties to the fullest extent permitted under applicable law.

15. **Limited Liability.** Except as otherwise required by any non-waivable provision of the Act or other applicable law, neither the Member nor any Officer shall be personally liable in any manner whatsoever for any debt, liability, or other obligation of the Company, whether such debt, liability, or other obligation arises in contract, tort, or otherwise.

16. **Indemnification.** The Company shall indemnify and hold harmless the Member and each Officer to the fullest extent permitted by law from and against any and all losses, claims, demands, costs, damages, liabilities, expenses of any nature (including attorneys' fees and disbursements), judgments, fines, settlements, and other amounts (collectively, "Costs") arising from any and all claims, demands, actions, suits, or proceedings (civil, criminal, administrative, or investigative) (collectively, "Actions") in which the Member or any such Officer may be involved, or threatened to be involved as a party or otherwise, relating to the performance or nonperformance of any act concerning the activities of the Company. Notwithstanding the foregoing, any and all indemnification obligations of the Company shall be satisfied only from the assets of the Company, and neither the Member nor any Officer shall be liable or responsible therefor.

17. **Amendments.** This Agreement may be amended or modified from time to time only by a written instrument executed by the Member.

18. **Governing Law.** The validity and enforceability of this Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to otherwise governing principles of conflicts of law.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first written above.

MEMBER:

OI Puerto Rico STS Inc.,
a Delaware corporation

By: _____
Name: James W. Baehren
Its: Vice President & Secretary

COMPANY:

OI TTS, LLC,
a Delaware limited liability company

By: OI Puerto Rico STS Inc.
Its: Member

By: _____
Name: James W. Baehren
Its: Vice President & Secretary

EXHIBIT F

FIRST AMENDMENT

TO

LIMITED LIABILITY COMPANY AGREEMENT

OF

OI TTS, LLC

A Delaware Limited Liability Company

FIRST AMENDMENT
TO
LIMITED LIABILITY COMPANY AGREEMENT
OF
OI TTS, LLC

This FIRST AMENDMENT TO LIMITED LIABILITY COMPANY AGREEMENT (the "Amendment") of OI TTS, LLC, a Delaware limited liability company (the "Company"), is made and entered into as of July 22, 2002, by OI Puerto Rico STS Inc., a Delaware corporation, as the sole and managing member (the "Member"), for the purpose of amending that certain Limited Liability Company Agreement of the Company, dated July 2, 2001 (the "Agreement"). Unless the context otherwise requires, capitalized terms used and not defined herein shall have the meanings ascribed thereto in the Agreement.

RECITALS

WHEREAS, the Member desires to continue the Company as a limited liability company in accordance with the Delaware Limited Liability Company Act, 6 Del. C. § 18-101, *et seq.*, as it may be amended from time to time, and any successor to such statute (the "Act");

WHEREAS, in accordance with Paragraph 17 of the Agreement, the Member, acting as the sole and the managing member of the Company, has the authority to amend the Agreement from time to time; and

WHEREAS, in accordance with the Agreement, the Member has approved the Amendment of the Agreement, as more particularly set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1. Continuation. The Member agrees to continue the Company as a single member limited liability company under the Act for the purposes and upon the terms and conditions set forth in the Agreement, as amended by this Amendment. The rights and liabilities of the Member of the Company shall be as provided in the Act, except as otherwise expressly provided in the Agreement, as amended by this Amendment. In the event of any inconsistency between any terms and conditions contained in the Agreement, as amended by this Amendment, and any non-mandatory provisions of the Act, the terms and conditions contained in the Agreement, as amended by this Amendment, shall govern.

2. Amendments to the Agreement. The Member agrees to and ratifies the following amendments to the Agreement:

(a) Paragraph 3 of the Agreement shall be amended by deleting it in its entirety and restating it as follows:

> "3. **Name.** The name of the Company shall be "OWENS-ILLINOIS DE PUERTO RICO, LLC." The Member may change the name of the Company, from time to time, in accordance with applicable law."

(b) Each reference in the Agreement to this "Agreement," "hereunder," "hereof," "hereto" or words of like import referring to such Agreement shall mean and be a reference to the Agreement as amended by this Amendment.

3. Effectiveness of the Agreement. Except as otherwise expressly amended by this Amendment, the Agreement shall remain in full force and effect.

4. Miscellaneous.

(a) Governing Law. This Amendment, including its existence, validity, construction, and operating effect shall be governed by and construed in accordance with the laws of the State of Delaware without regard to otherwise governing principles of conflicts of law.

(b) Further Assurances. The Member does hereby covenant and agree on behalf of itself, its successors, and its assigns, without further consideration, to prepare, execute, acknowledge, file, record, publish, and deliver such other instruments, documents and statements, and to take such other action as may be required by law or reasonably necessary to effectively carry out the purposes of this Amendment.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment as of the date first written above.

MEMBER:

OI Puerto Rico STS Inc.,
a Delaware corporation

By: _____
Name: **James W. Baehren**
Its: **Vice President & Secretary**

COMPANY:

OI TTS, LLC,
a Delaware limited liability company

By: OI Puerto Rico STS Inc.
Its: Member

By: _____
Name: James W. Baehren
Title: Vice President & Secretary

EXHIBIT G

ASSIGNMENT AND ASSUMPTION OF PARTNERSHIP INTEREST

This Assignment and Assumption of Partnership Interest (the "Agreement") is executed on August 28, 2002, by and between OI Puerto Rico STS Inc., a Delaware corporation ("Assignor"), and Owens-Illinois de Puerto Rico, LLC, a Delaware limited liability company ("Assignee"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in that certain Partnership Agreement of Owens-Illinois de Puerto Rico, an Ohio general partnership, dated as of November 14, 1973, as amended (the "Partnership Agreement").

RECITALS

WHEREAS, Assignor is a general partner of Owens-Illinois de Puerto Rico, an Ohio general partnership (the "Partnership"), and holds a general partnership interest in the Partnership representing eighty percent (80%) of the aggregate partnership interests held by the partners in the Partnership (the "Assignor's Interest"); and

WHEREAS, Assignor hereby desires to assign to Assignee, and Assignee desires to accept an assignment from Assignor, the Assignor's Interest representing eighty percent (80%) of the aggregate partnership interests held by the partners in the Partnership, together with all benefits, obligations, liabilities and duties arising from or relating thereto (the "Transferred Interest"), and each of them intends concurrently therewith that Assignee shall become a general partner of the Partnership with respect to the Transferred Interest, subject to the terms of the Partnership Agreement and this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

1. Retroactive Effect to Effective Date. This Agreement shall have retroactive effect to May 31, 2002 (the "Effective Date"); *provided, however,* that each representation and warranty herein is deemed made as of the date of execution of this Agreement.

2. Covenants, Representations and Warranties of Assignor. Assignor hereby represents and warrants that:

a. Assignor is a general partner of the Partnership, is not in default under the Partnership Agreement and owns of record the Transferred Interest free and clear of any lien, claim, security interest or other encumbrance (other than those imposed by the Partnership Agreement or this Agreement);

b. Assignor is duly organized, validly existing and in good standing under the laws of the State of Delaware, and has the requisite power to execute and deliver

this Agreement and perform all obligations and transactions contemplated hereby. All action necessary to authorize the execution, delivery and performance of this Agreement by Assignor has been taken;

c. The Transferred Interest has the rights set forth in, and is subject to the provisions of, the Partnership Agreement, and that, except as set forth in the Partnership Agreement, this Agreement or restrictions imposed by applicable law, there are no restrictions on or other agreements relating to the Transferred Interest or the ownership thereof, or the sale, transfer or other disposition or hypothecation of the Transferred Interest;

d. Assignor hereby covenants to execute such other instruments, and to take such other actions, as the Partnership may deem necessary or desirable to effect the assignment of the Transferred Interest to Assignee, the assumption by Assignee of the duties and obligations relating thereto, and the admission of the Assignee as a general partner of the Partnership with respect to the Transferred Interest;

e. The execution, delivery and performance by such Assignor of its obligations hereunder will not contravene any provision of applicable law, charter, articles of organization, articles of incorporation, bylaws, declaration of trust or other constituent document of any entity in which the Assignor holds an interest, or any agreement or other instrument binding upon such Assignor or any judgment, order or decree of any governmental body, agency or court having jurisdiction over such Assignor, and no consent, approval, authorization or order of or qualification with any governmental body or agency is required for the performance by such Assignor of its obligations hereunder; and

f. This Agreement and all other documents required by this Agreement to be executed by Assignor shall constitute when so executed, the valid and binding obligation of Assignor, enforceable against Assignor in accordance with their respective terms, except to the extent that enforcement may be limited by applicable bankruptcy, insolvency, moratorium and other equitable principles relating to or limiting the rights of contracting parties generally.

3. Covenants, Representations and Warranties of Assignee. Assignee hereby represents and warrants that:

a. Assignee is duly organized, validly existing and in good standing under the laws of the State of Delaware, and has the requisite power to execute and deliver this Agreement and perform all obligations and transactions contemplated hereby. All action necessary to authorize the execution, delivery and performance of this Agreement by Assignee has been taken;

b. Assignee hereby agrees, as a condition to the assignment of the Transferred Interest to Assignee pursuant to this Agreement, to succeed to all of the duties

and obligations of Assignor with respect to the Transferred Interest and hereby further agrees and consents to be bound, to the extent of the Transferred Interest, by the terms and conditions of the Partnership Agreement;

c. Assignee hereby covenants to execute such other instruments, and to take such other actions, as the Partnership may deem necessary or desirable to effect the assignment of the Transferred Interest to Assignee, the assumption by Assignee of the duties and obligations relating thereto, and the admission of the Assignee as a general partner of the Partnership with respect to the Transferred Interest;

d. The execution, delivery and performance by the Assignee of its obligations hereunder will not contravene any provision of applicable law, charter, articles of organization, articles of incorporation, bylaws, declaration of trust or other constituent document of any entity in which the Assignee holds an interest, or any agreement or other instrument binding upon the Assignee or any judgment, order or decree of any governmental body, agency or court having jurisdiction over such Assignee, and no consent, approval, authorization or order of or qualification with any governmental body or agency is required for the performance by such Assignee of its obligations hereunder; and

e. This Agreement and all other documents required by this Agreement to be executed by Assignee shall constitute when so executed, the valid and binding obligation of Assignee, enforceable against Assignee in accordance with their respective terms, except to the extent that enforcement may be limited by applicable bankruptcy, insolvency, moratorium and other equitable principles relating to or limiting the rights of contracting parties generally.

4. Agreement to Assign and Accept Transferred Interest. Effective as of the Effective Date:

a. Assignor hereby (i) assigns and transfers to Assignee all right, title and interest in and to the Transferred Interest, free and clear of all liens, encumbrances, claims, security interests and other rights of third parties, together with all benefits, obligations, liabilities and duties arising from or relating to actions taken or events occurring after the date hereof, as provided herein, in the Partnership Agreement and under applicable law and (ii) consents to the admission of Assignee as a general partner of the Partnership with respect to the Transferred Interest.

b. Assignee hereby (i) accepts the assignment and transfer from Assignor of said Transferred Interest, together with all benefits, obligations, liabilities and duties, including, without limitation, all obligations under the Partnership Agreement, arising from or relating to actions taken or events occurring after the date hereof, and (ii) assumes and agrees to discharge all of the duties and obligations of Assignor with respect to the Transferred Interest.

c. In consideration for the assignment contemplated hereby, Assignor shall receive a capital account in Assignee which shall reflect an initial capital contribution in an amount equal to the book value, as of the Effective Date, of the Transferred Interest as set forth in that certain Limited Liability Company Agreement of Assignee, dated as of July 2, 2001 and as amended.

5. Successor General Partner. Upon (a) consummation of the transfer of the Transferred Interest and (b) satisfaction of the conditions set forth in the Partnership Agreement, Assignee shall succeed Assignor as a general partner of the Partnership. Assignee and Assignor hereby agree to execute such other instruments, and take such other actions, as may be deemed necessary to admit Assignee as a general partner, including, without limitation, an amendment to the Partnership Agreement.

6. Specific Performance. Assignor and Assignee hereby agree that, in the event of a breach of this Agreement by either party hereto, damages would not be an adequate remedy, and the parties therefore agree that the covenants and agreements herein shall be specifically enforceable.

7. Governing Law. The validity and enforceability of this Agreement shall be governed by and construed in accordance with the laws of the State of Ohio without regard to otherwise governing principles of conflicts of law.

8. Counterparts. This Agreement may be executed in any number of counterparts, and each such counterpart shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same Agreement. Delivery of an executed counterparts of a signature page to this Agreement by telecopier shall be effective as delivery of a manually executed counterpart of this Agreement.

9. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and fully supersedes any and all prior or contemporaneous agreements or understandings between the parties hereto pertaining to the subject matter hereof.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

ASSIGNOR:

OI PUERTO RICO STS INC.

By: _____
Name: James W. Baehren
Title: Vice President & Secretary

ASSIGNEE:

OWENS-ILLINOIS DE PUERTO RICO, LLC

By: OI Puerto Rico STS Inc.
Its: Managing Member

By: _____
Name: James W. Baehren
Title: Vice President & Secretary

EXHIBIT H

PARTNERSHIP INTEREST PURCHASE AND SALE AGREEMENT

This Partnership Interest Purchase and Sale Agreement (the "Agreement") is executed on August 28, 2002, by and between Inland Paperboard and Packaging, Inc., a Delaware corporation ("Seller"), Owens-Illinois de Puerto Rico, LLC, a Delaware limited liability company ("Buyer"), and Owens-Brockway Glass Container Inc., a Delaware corporation ("Parent"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in that certain Partnership Agreement of Owens-Illinois de Puerto Rico, an Ohio general partnership, dated as of November 14, 1973, as amended (the "Partnership Agreement").

RECITALS

WHEREAS, Seller is a general partner of Owens-Illinois de Puerto Rico, an Ohio general partnership (the "Partnership"), and holds a general partnership interest in the Partnership representing twenty percent (20%) of the aggregate partnership interests held by the partners in the Partnership (the "Seller's Interest");

WHEREAS, Seller hereby desires to sell to Buyer, and Buyer desires to purchase from Seller, the Seller's Interest representing twenty percent (20%) of the aggregate partnership interests held by the partners in the Partnership, together with all benefits, obligations, liabilities and duties arising from or relating thereto (the "Transferred Interest"), subject to the terms of the Partnership Agreement and this Agreement, for an aggregate amount equal to one million one hundred ninety-five thousand two hundred and thirty-five U.S. dollars (U.S.$1,195,235.00) which such amount represents the book value of such Transferred Interest as of May 31, 2002;

WHEREAS, Parent owns, indirectly or directly, all of the membership interests of Buyer;

WHEREAS, Parent will receive benefits from the consummation of the transactions contemplated hereby and, in order to induce Seller to enter into this Agreement, desires to make the agreements set forth herein; and

WHEREAS, upon the effectiveness of the sale and purchase of the Transferred Interest hereunder, Seller shall withdraw as a general partner of the Partnership, the Partnership Agreement shall be terminated and the Partnership shall dissolve in accordance with the laws of the State of Ohio.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

1. Retroactive Effect to Effective Date. This Agreement shall have retroactive effect to May 31, 2002 (the "Effective Date"); *provided, however,* that each representation and

warranty herein is deemed made as of the date of execution of this Agreement.

2. Covenants, Representations and Warranties of Seller. Seller hereby represents and warrants that:

a. Seller is a general partner of the Partnership, is not in default under the Partnership Agreement, has not pledged or hypothecated the Transferred Interest and owns of record the Transferred Interest free and clear of any lien, claim, security interest or other encumbrance (other than those imposed by the Partnership Agreement, this Agreement or arising from Seller's guaranty of any indebtedness or obligations of the Partnership, if any);

b. Seller is duly organized, validly existing and in good standing under the laws of the State of Delaware, and has the requisite power to execute and deliver this Agreement and perform all obligations and transactions contemplated hereby. All action necessary to authorize the execution, delivery and performance of this Agreement by Seller has been taken;

c. The Transferred Interest has the rights set forth in, and is subject to the provisions of, the Partnership Agreement; and except as set forth in the Partnership Agreement, that certain Contract dated November 14, 1973 by and between Inland Container Corporation, an Indiana corporation and Owens-Illinois, Inc., an Ohio corporation (the "Contract"), this Agreement or restrictions imposed by applicable law, there are no restrictions on or other agreements relating to the Transferred Interest or the ownership thereof, or the sale, transfer or other disposition or hypothecation of the Transferred Interest;

d. There are no outstanding options or other agreements concerning any third party's rights or ability to purchase the Transferred Interest. Other than this Agreement and the Contract, Seller has not entered into any agreements pursuant to which it is obligated to sell any of the Transferred Interest;

e. Seller hereby covenants to execute such other instruments, and to take such other actions, as the Partnership may deem necessary or desirable to effect the assignment of the Transferred Interest to Buyer, the withdrawal of Seller as a general partner of the Partnership and the subsequent dissolution of the Partnership in accordance with the laws of the State of Ohio;

f. The execution, delivery and performance by such Seller of its obligations hereunder will not contravene any provision of applicable law, charter, articles of organization, articles of incorporation, bylaws, declaration of trust or other constituent document of any entity in which the Seller holds an interest, or any agreement or other instrument binding upon such Seller or any judgment, order or decree of any governmental body, agency or court having jurisdiction over such Seller, and no consent, approval,

authorization or order of or qualification with any governmental body or agency is required for the performance by such Seller of its obligations hereunder; and

g. This Agreement and all other documents required by this Agreement to be executed by Seller shall constitute when so executed, the valid and binding obligation of Seller, enforceable against Seller in accordance with their respective terms, except to the extent that enforcement may be limited by applicable bankruptcy, insolvency, moratorium and other equitable principles relating to or limiting the rights of contracting parties generally.

3. Covenants, Representations and Warranties of Buyer. Buyer and Parent, jointly and severally, hereby represent and warrant that:

a. Buyer is duly organized, validly existing and in good standing under the laws of the State of Delaware, and has the requisite power to execute and deliver this Agreement and perform all obligations and transactions contemplated hereby. All action necessary to authorize the execution, delivery and performance of this Agreement by Buyer has been taken;

b. Parent is duly organized, validly existing and in good standing under the laws of the State of Delaware, and has the requisite power to execute and deliver this Agreement and perform all obligations and transactions contemplated hereby. All action necessary to authorize the execution, delivery and performance of this Agreement by Parent has been taken;

c. Buyer hereby agrees, as of the Effective Date, as a condition to the assignment of the Transferred Interest to Buyer pursuant to this Agreement, to succeed to and assume all of the duties, liabilities and obligations of Seller with respect to the Transferred Interest and hereby further agrees and consents to be bound, to the extent of the Transferred Interest, by the terms and conditions of the Partnership Agreement;

d. Buyer understands and agrees that the offering and sale of the Transferred Interest is not required to be registered under the Securities Act, or under any state securities law and that the Transferred Interest will not be so registered. The Transferred Interest is being acquired in a transaction not involving a public offering.

e. Buyer hereby covenants to execute such other instruments, and to take such other actions, as the Partnership may deem necessary or desirable to effect the assignment of the Transferred Interest to Buyer and the assumption by Buyer of the duties and obligations relating thereto;

f. The execution and delivery of this Agreement by the Buyer and Parent, and the performance by Buyer and Parent of their obligations hereunder, will not contravene any provision of applicable law, charter, articles of organization, articles of

incorporation, bylaws, limited liability company operating agreement, declaration of trust or other constituent document applicable to Buyer or Parent or any entity in which either Buyer or Parent holds an interest, or any agreement or other instrument binding upon either Buyer or Parent or any judgment, order or decree of any governmental body, agency or court having jurisdiction over either Buyer or Parent, and no consent, approval, authorization or order of or qualification with any governmental body or agency is required for the performance by either Buyer or Parent of their respective obligations hereunder;

g. This Agreement and all other documents required by this Agreement to be executed by Buyer or Parent shall constitute when so executed, the valid and binding obligation of Buyer or Parent, as applicable, enforceable against Buyer or Parent, as applicable, in accordance with their respective terms, except to the extent that enforcement may be limited by applicable bankruptcy, insolvency, moratorium and other equitable principles relating to or limiting the rights of contracting parties generally; and

h. The Transferred Interest has the rights set forth in, and is subject to the provisions of, the Partnership Agreement; and except as set forth in the Partnership Agreement, the Contract, this Agreement or restrictions imposed by applicable law, to the best of Buyer's and Parent's knowledge, there are no restrictions on or other agreements relating to the Transferred Interest or the ownership thereof, or the sale, transfer or other disposition or hypothecation of the Transferred Interest (other than such restrictions or other agreements that Seller has imposed upon or entered into with respect to the Transferred Interest or the ownership thereof, or the sale, transfer or other disposition or hypothecation of the Transferred Interest, if any).

4. Agreement to Sell and Purchase the Transferred Interest. Effective as of the Effective Date:

a. Subject to the receipt of the Purchase Price pursuant to subsection (c) below, Seller hereby sells, transfers and assigns to Buyer all right, title and interest in and to the Transferred Interest, free and clear of all liens, encumbrances, claims, security interests and other rights of third parties (other than those imposed by the Partnership Agreement, this Agreement or arising from Seller's guaranty of any indebtedness or obligations of the Partnership, if any), together with all benefits, obligations, liabilities and duties related to the Transferred Interest whether arising from or relating to actions taken or events occurring before or after the Effective Date.

b. Buyer hereby (i) purchases and accepts and the sale, transfer and assignment from Seller of said Transferred Interest, together with all benefits, obligations, liabilities and duties related to the Transferred Interest, and (ii) assumes and agrees to discharge all of the duties, liabilities and obligations of Seller with respect to the Transferred Interest whether arising from or relating to actions taken or events occurring before or after the Effective Date.

c. In consideration for the sale and assignment of the Transferred Interest contemplated hereby, Seller shall receive an amount equal to one million one hundred ninety-five thousand two hundred and thirty-five U.S. dollars (U.S.$1,195,235.00) (the "Purchase Price"), which amount represents the book value of such Transferred Interest as of the Effective Date, by wire transfer of immediately available funds from Buyer upon full execution of this Agreement.

d. Buyer shall cause Seller to be released from any and all guaranties that guaranty any indebtedness or other obligations of the Partnership.

5. Withdrawal of General Partner. Each of the parties hereto agrees that, as of the Effective Date, Seller shall withdraw as a general partner of the Partnership and shall no longer have any right or interest in or to the Partnership.

6. Dissolution of the Partnership. Immediately after the sale of the Transferred Interest hereunder, (a) Buyer and Seller hereby agree to terminate the Contract and any and all agreements, duties and obligations contemplated thereunder, and (b) Buyer shall (i) terminate the Partnership Agreement in its entirety and cease transacting business as a partnership, i.e., as a partner in the Partnership, (ii) dissolve the Partnership, including, without limitation, the filing of the Certificate of Cancellation in the State of Ohio, and (iii) execute such other instruments and take such other actions, as may be deemed necessary to consummate the transactions contemplated in this Agreement. Seller hereby covenants and agrees to cooperate with Buyer in connection with the dissolution and liquidation of the Partnership, including, without limitation, the execution, delivery and filing of the Certificate of Cancellation in the State of Ohio.

7. Final Tax Returns and Notice to the Tax Authorities. Buyer shall cause the Partnership's accountants to prepare and file final income tax information returns of the Partnership when due; and in connection therewith, the parties shall give to the Internal Revenue Service, the Ohio Department of Taxation and other tax authorities such notice of the matters set forth in this Agreement as may be required by the Code or other applicable law, which notice may be given in such final tax returns. Buyer shall provide Seller with a draft of all final income tax information returns of the Partnership at least thirty (30) days prior to the filing of such returns for purposes of review and comment by Seller, which such comments (if any) of Seller Buyer, in its sole discretion, may or may not include in such returns. Buyer and Seller covenant and agree to cooperate with one another in the preparation, execution and filing of such tax returns of the Partnership, including, without limitation, providing books and records necessary for the preparation of such tax returns. Without limiting the foregoing, the taxable year of the Partnership shall close with respect to Seller as of the Effective Date and any income or loss of the Partnership shall be allocated among Buyer and Seller for income tax purposes by closing the books of the Partnership as of the Effective Date, as required by Section 706(c) of the Internal Revenue Code of 1986, as amended.

8. Indemnification by Buyer and Parent. Buyer and Parent, jointly and severally, shall indemnify and hold Seller harmless from and against any liability, loss, damage,

obligation or expense (including, without limitation, expenses of defense and reasonable fees of counsel) incurred by Seller and arising out of or based upon (a) any breach by Buyer or Parent of their respective representations, warranties, covenants or agreements set forth in this Agreement, or (b) any claim, action, suit or proceeding arising from or related to the Partnership or Seller's ownership of the Transferred Interest, whether arising from or relating to actions taken or events occurring before or after the Effective Date; *provided, however,* that Buyer and Parent shall not be required to indemnify and hold Seller harmless from and against any liability, loss, damage, obligation or expense (including, without limitation, expenses of defense and reasonable fees of counsel) arising out of or based upon (i) any breach by Seller of its representations, warranties, covenants or agreements set forth in this Agreement or (ii) any action taken by Seller with respect to the Transferred Interest if, and only if, such action was taken by Seller (Y) without the knowledge of Buyer (or any of Buyer's affiliates or predecessors-in-interest) or (Z) other than at the request or direction of Buyer (or any of Buyer's affiliates or predecessors-in-interest).

9. Specific Performance. Seller and Buyer hereby agree that, in the event of a breach of this Agreement by either party hereto, damages would not be an adequate remedy, and the parties therefore agree that the covenants and agreements herein shall be specifically enforceable.

10. Governing Law. The validity and enforceability of this Agreement shall be governed by and construed in accordance with the laws of the State of Ohio without regard to otherwise governing principles of conflicts of law.

11. Counterparts. This Agreement may be executed in any number of counterparts, and each such counterpart shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same Agreement. Delivery of an executed counterparts of a signature page to this Agreement by telecopier shall be effective as delivery of a manually executed counterpart of this Agreement.

12. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and fully supersedes any and all prior or contemporaneous agreements or understandings between the parties hereto pertaining to the subject matter hereof.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

SELLER:

INLAND PAPERBOARD AND PACKAGING, INC.

By: SHouseholder
Name: Steven L. Householder
Title: Vice President and General Counsel

BUYER:

OWENS-ILLINOIS DE PUERTO RICO, LLC

By: OI Puerto Rico STS Inc.
Its: Member

By:_____
Name:
Title:

PARENT:

OWENS-BROCKWAY GLASS CONTAINER INC.

By:_____
Name:
Title:

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

SELLER:

INLAND PAPERBOARD AND PACKAGING, INC.

By:_____
Name:
Title:

BUYER:

OWENS-ILLINOIS DE PUERTO RICO, LLC

By: OI Puerto Rico STS Inc.
Its: Member

By: J. W. B.
Name: James W. Baehren
Title: Vice President & Secretary

PARENT:

OWENS-BROCKWAY GLASS CONTAINER INC.

By: J. W. B.
Name: James W. Baehren
Title: Vice President & Secretary

EXHIBIT I

ASSIGNMENT AND ASSUMPTION OF ASSETS AND LIABILITIES

This Assignment and Assumption of Partnership Interest (the "Agreement") is entered into as of August 28, 2002 (the "Effective Date"), by and between Owens-Illinois de Puerto Rico, an Ohio general partnership (the "Partnership"), and Owens-Illinois de Puerto Rico, LLC, a Delaware limited liability company (the "Assignee").

RECITALS

WHEREAS, on August 28, 2002 and effective as of May 31, 2002, OI Puerto Rico STS Inc., a Delaware corporation, assigned its eighty percent (80%) general partnership interest in the Partnership to the Assignee.

WHEREAS, on August 28, 2002 and effective as of May 31, 2002, the Assignee purchased a twenty percent (20%) general partnership interest in the Partnership from its legal owner, Inland Paperboard and Packaging, Inc., a Delaware corporation.

WHEREAS, as a result of said assignment and purchase transactions, the sole remaining partner of the Partnership is the Assignee, and by operation of law pursuant to the laws of the State of Ohio, the Partnership is considered dissolved, and all assets and liabilities of the Partnership shall be deemed distributed to the Assignee as the sole remaining partner of the Partnership; *provided, however,* that pursuant to the laws of the State of Ohio, the Assignee has continued to act on behalf of the Partnership for the purpose of winding up the affairs of the Partnership and effecting the deemed distribution of the assets and liabilities of the Partnership.

WHEREAS, in order to carry out such winding up and deemed distribution, the Partnership will hereby assign to the Assignee, and the Assignee will hereby accept the assignment from the Partnership of all of the assets and liabilities of the Partnership, including, without limitation, all rights to any licenses, grants, permits, franchises, real estate, movable, immovable, tangible or personal property, as well as all benefits, obligations, liabilities and duties arising from or relating thereto (the "Transferred Properties"), and the Partnership and the Assignee agree that the Assignee will hereby become the rightful owner of the Transferred Properties as of August 28, 2002, subject to the terms of this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

1. Covenants, Representations and Warranties of the Partnership. The Partnership hereby represents and warrants that:

(a) The Partnership is a general partnership, and as of the Effective Date, is the owner and has valid title to all of the Transferred Properties;

(b) As of the Effective Date, the Partnership was duly organized, validly existing and in good standing under the laws of the State of Ohio, and has the requisite power to execute and deliver this Agreement and perform all obligations and transactions contemplated hereby. All action necessary to authorize the execution, delivery and performance of this Agreement by the Partnership has been taken;

(c) There are no restrictions imposed by law or other agreements relating to the Transferred Properties or the ownership thereof, or the transfer or other disposition of the Transferred Properties that will prohibit the assignment hereof;

(d) The Partnership hereby covenants to execute such other instruments, and to take such other actions, as the Assignee may deem necessary or desirable to effect the assignment of the Transferred Properties to the Assignee and the assumption by the Assignee of the duties and obligations relating thereto;

(e) The execution, delivery and performance by the Partnership of its obligations hereunder will not contravene any provision of applicable law, charter, articles of organization, articles of incorporation, bylaws, declaration of trust or other constituent document of any entity in which the Partnership holds an interest, or any agreement or other instrument binding upon the Partnership or any judgment, order or decree of any governmental body, agency or court having jurisdiction over the Partnership, and no consent, approval, authorization or order of or qualification with any governmental body or agency is required for the performance by the Partnership of its obligations hereunder; and

(f) This Agreement and all other documents required by this Agreement to be executed by the Partnership shall constitute when so executed, the valid and binding obligation of the Partnership, enforceable against the Partnership in accordance with their respective terms, except to the extent that enforcement may be limited by applicable bankruptcy, insolvency, moratorium and other equitable principles relating to or limiting the rights of contracting parties generally.

3. Covenants, Representations and Warranties of the Assignee. The Assignee hereby represents and warrants that:

(a) The Assignee is duly organized, validly existing and in good standing under the laws of the State of Delaware, and has the requisite power to execute and deliver this Agreement and perform all obligations and transactions contemplated hereby. All action necessary to authorize the execution, delivery and performance of this Agreement by the Assignee has been taken;

(b) The Assignee hereby agrees, as a condition to the assignment of the Transferred Properties to succeed to all of the duties and obligations of the Partnership with respect to the Transferred Properties;

(c) The Assignee hereby covenants to execute such other instruments, and to take such other actions, as the Partnership may deem necessary or desirable to effect the assignment of the Transferred Properties to the Assignee;

(d) The execution, delivery and performance by the Assignee of its obligations hereunder will not contravene any provision of applicable law, charter, articles of formation, bylaws, declaration of trust or other constituent document of any entity in which the Assignee holds an interest, or any agreement or other instrument binding upon the Assignee or any judgment, order or decree of any governmental body, agency or court having jurisdiction over the Assignee, and no consent, approval, authorization or order of or qualification with any governmental body or agency is required for the performance by the Assignee of its obligations hereunder; and

(e) This Agreement and all other documents required by this Agreement to be executed by the Assignee shall constitute when so executed, the valid and binding obligation of the Assignee, enforceable against the Assignee in accordance with their respective terms, except to the extent that enforcement may be limited by applicable bankruptcy, insolvency, moratorium and other equitable principles relating to or limiting the rights of contracting parties generally.

4. Agreement to Assign and Accept Transferred Properties. Effective as of the Effective Date:

(a) The Partnership by operation of law hereby assigns and transfers to the Assignee all rights, title and interest in and to the Transferred Properties, together with all benefits, obligations, liabilities and duties arising from or relating to the Transferred Properties and under applicable law.

(b) The Assignee hereby accepts the assignment and transfer from the Partnership of said Transferred Properties together with all benefits, obligation, liabilities and duties, arising from or relating to the Transferred Properties.

5. Successor. Pursuant to the dissolution of the Partnership by operation of law in accordance with the laws of the State of Ohio and the execution of this Agreement, the Assignee hereby succeeds the Partnership in all interests, title and rights in and to the Transferred Properties.

6. Governing Law. The validity and enforceability of this Agreement shall be governed by and construed in accordance with the laws of the State of Ohio without regard to otherwise governing principles of conflicts of law.

7. Counterparts. This Agreement may be executed in any number of counterparts, and each such counterpart shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same Agreement. Delivery of an

executed counterparts of a signature page to this Agreement by telecopier shall be effective as delivery of a manually executed counterpart of this Agreement.

8. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and fully supersedes any and all prior or contemporaneous agreements or understandings between the parties hereto pertaining to the subject matter hereof.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

THE PARTNERSHIP:

OWENS-ILLINOIS DE PUERTO RICO

By: OI Puerto Rico STS Inc.
Its: General Partner

By: _____
Name: James W. Baehren
Title: Vice President

ASSIGNEE:

OWENS-ILLINOIS DE PUERTO RICO, LLC

By: OI Puerto Rico STS Inc.
Its: Managing Member

By: _____
Name: James W. Baehren
Title: Vice President

EXHIBIT J

Filed for Record in
the Recorder's Office of
of Lucas County, Ohio

AMENDED AND RESTATED
CERTIFICATE OF CANCELLATION

of the
Previously Recorded Certificate of Partnership
of

OWENS-ILLINOIS DE PUERTO RICO

The undersigned corporate person does hereby certify, pursuant to Section 1777.02 and Section 1777.03 of the Ohio Revised Code, that it is the only interested partner in the Ohio general partnership transacting business in the State of Ohio under the name "Owens-Illinois de Puerto Rico" (hereinafter called the "Partnership"). The principal office and place of business of the Partnership is located in Lucas County, Ohio at the following address: One SeaGate, Toledo, Ohio 43666. The name and address of the sole remaining partner of the Partnership is as follows:

1. Owens-Illinois de Puerto Rico, LLC
   c/o Owens-Illinois, Inc.
   One SeaGate
   Toledo, Ohio 43666

The sole remaining partner does hereby further certify that, effective as of August 28, 2002, the Partnership has been dissolved and terminated and all assets and liabilities of the Partnership were distributed to the sole remaining partner by operation of law as of such date. Accordingly, the sole remaining partner of the Partnership does hereby cancel of record the Certificates of Partnership of the Partnership and does hereby amend and restate by this instrument the Certificate of Cancellation of the Partnership, which appear of record in the Recorder's Office of Lucas County, Ohio, at the following instrument references, respectively: Certificates of Partnership recorded in (A) Partnership Volume 11, page 90, filed on July 12, 1976, (B) Miscellaneous Records at microfiche number 02-5627B11, filed on August 29, 2002, and (C) Miscellaneous Records at microfiche number 02-5627C04, filed on August 29, 2002, and Certificate of Cancellation recorded in (D) Miscellaneous Records at microfiche number 02-5627C09, filed on August 29, 2002.

The sole remaining partner of the Partnership does hereby (i) certify, declare and give public notice of the foregoing actions, including the termination of the Partnership as of August 28, 2002, and (ii) request that the Recorder's Office of Lucas County, Ohio make a marginal notation of this Amended and Restated Certificate of Cancellation of the Partnership on the aforecited recorded instruments.

IN WITNESS WHEREOF, the undersigned has duly executed, acknowledged and delivered this Amended and Restated Certificate of Cancellation of the Partnership to be effective as of the date first above written.

OWENS-ILLINOIS DE PUERTO RICO, LLC

By: OI Puerto Rico STS Inc.
Its: Managing Member

By: _____
Name: James W. Baehren
Title: Vice President

ACKNOWLEDGMENT

State of Ohio)
) ss.
County of Lucas)

On this 27 day of September, 2002, before me, a Notary Public in and for said county and state, personally appeared James W Baehren known personally to me or proved to me on the basis of satisfactory evidence to be the same person whose name is subscribed to the foregoing instrument to be the Vice President of Owens-Illinois de Puerto Rico, LLC and acknowledged that he, as an officer of said limited liability company, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself as an officer of said limited liability.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

Marsha J. Mihalko
Notary Public

My commission expires: MARSHA J. MIHALKO
Notary Public, State of Ohio
Commission Expires 6/8/07

[NOTARIAL SEAL]

(misc) 14.00

RECEIVED & RECORDED

SEP 27 2002 12:1 pm

SUE RIOUX
RECORDER, LUCAS COUNTY, OHIO

AMENDED AND RESTATED
CERTIFICATE OF CANCELLATION

LA\943250.2

02 6422A02

NOTARY CERTIFICATE

THE STATE OF OHIO } **ss.**
COUNTY OF LUCAS

J. Bernie Quilter, Clerk of the Common Pleas Court and Court of Appeals for the County of Lucas and State of Ohio, the same being a court of record, and having by LAW a Seal, do hereby certify that

Marsha J. Mihalko

whose name is subscribed to the certificate of the proof of acknowledgment of the annexed instrument and thereon written, was, at the time of taking such proof and acknowledgment, a Notary Public, duly commissioned and sworn, and authorized by the laws of said State to take the acknowledgments and proofs of deeds or conveyances for lands, tenements or hereditaments in said State, to be recorded therein. And further, that I am well acquainted with the handwriting of such Notary Public, and verily believe that the signature to said certificate of proof or acknowledgment is genuine, that impression of seal of such officer is not required by law to be filed in my office, and the commission expires on the 8th day of June 2007.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the said Court and County, at Toledo, Ohio, September 27, 2002
(Date)

J. Bernie Quilter, Clerk of Courts

J. Bernie Quilter, Clerk

EXHIBIT K

LAW OFFICES
MUÑOZ BONETA GONZALEZ ARBONA BENITEZ & PERAL
SUITE 1800
BANCO POPULAR CENTER
208 PONCE DE LEON AVENUE
HATO REY, PUERTO RICO 00918-1009
www.munetlaw.com

TELEPHONE: (787) 751-9393
TELECOPIER: (787) 751-0910
TELECOPIER: (787) 282-0307
E-MAIL: munet@munetlaw.com
WRITER'S E-MAIL: jjforastieri@munetlaw.com

POSTAL ADDRESS:
P.O. BOX 191979
SAN JUAN, PUERTO RICO 00919-1979

September 24, 2002

02 SEP 25 AM 10:47

HAND DE LIVERED

Mr. Eddie Horta
Director
Bureau of Port Control
Identification Number Office
Puerto Rico Department of Treasury
Commonwealth of Puerto Rico
PO Box 9024140
San Juan, PR 00902-4140

Re: Application for Manufacturer Excise Tax Identification Number Owens Illinois de Puerto Rico LLC.

Dear Mr. Horta:

On behalf of our client, Owens Illinois de Puerto Rico LLC, we hereby request a manufacturers's excise tax identification number. Owens Illinois de Puerto Rico, had previously and approved excise tax identification number under its predecessor business Owes Illinois de Puerto Rico (identification number M00197). Since the requesting entity is a newly created entity and the operations of Owen Illinois in Puerto Rico have remained unaltered, some of the information requested to be included with Form AS 2147 will be submitted for the previously existing organization.

Enclosed please find the following documentation in connection with the application:

(1) Completed Form AS 2147.

(2) Certificate of Formation of LLC with Puerto Rico registry.

(3) Certified Financial Statement of predecessor business.

(4) Income Tax Return of predecessor business for the year 2001.

(5) Manufacturer's Annual Excise tax Return.

(6) Tax Exemption Grant.

(7) Municipal License of previous organization and request to transfer.

(8) Reconciliation Statement of tax.

(9) Certificate of Debt from the Puerto Rico Department of treasury.

(10) Assignment of Employer Identification number by the Internal Revenue Service.

Should you have any questions or need any further assistance in connection with this matter, please call the undersigned.

Truly yours

Juan José Forastieri

c: Mirelsa Santiago

Jun 8, 92

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE AND COLLECTIONS AREA
BUREAU OF EXCISE TAX

APPLICATION FOR MANUFACTURER EXCISE TAX IDENTIFICATION NUMBER

02 SEP 25 AM 10:47

COMPANY: Owens Illinois de Puerto Rico LLC
EMPLOYER ID NUMBER: 42-1549230
POSTAL ADDRESS: PO Box 387, Vega Alta, PR 00692
TELEPHONE NUMBER: (787) 883-5800
EXEMPTION GRANT NO.: EI-00 51 (90-8-I-49) C
PHYSICAL ADDRESS: Road 690 Km. 1.1, Vega Alta, PR 00692
S.I.C. CODE: 3221
NO. OF EMPLOYEES:

Part I. Describe your manufacturing operation:

1. OWNERSHIP: ☐ Sole Proprietor ☐ Partnership ☐ Corporation ☐ Joint Venture Limited Liability Company
2. Names and titles of owner, partners, and officers, where applicable:
   2a) OI de Puerto Rico STS Inc.
   2b)
   2c)
   2d)
3. Names and location of parent, subsidiary or affiliated companies in PR, the US or abroad:
   3a)
   3b)
   3c)
   3d)
4. Products Manufactured (Use additional sheets if required): Glass container
5. Raw Materials Imported (Use additional sheets if required.): carbocite, pyrite, soda ash, calcined alumina, saltcake, selenium, cobalt, melite

	YES	NO
6. Will any component parts or other finished products to be used in the manufacturing process be imported into PR?	☒	☐
7. Will any fully manufactured goods be imported into PR for resale?	☒	☐
8. Will any of the manufactured goods be exported from PR?	☒	☐
9. Will any of the manufactured goods be sold in PR?	☒	☐
10. Any new construction or plant expansion in the last 12 months?	☐	☒
11. How much was the cost of the expansion?	$	

Part II. Provide the following financial information: Date of Last Excise Tax Audit: August 2001

1. Gross Sales: $ 31463632
2. Net Sales: $ 31210285
3. Local Sales of Non-Taxable Goods: $ 8040501
4. Exempt Sales of Exports & Other: $ 22703406
5. Excise Tax Paid on Sales: $ 16789.47
6. Excise Tax Paid on Imports: $

Part III. Include copies of the following documents with this application:

- Certificate of Incorporation
- Certified Financial Statement
- Income Tax Return
- Annual Excise Tax Returns
- Municipal License or Exemption
- Tax Exemption Grant
- Excise Tax Payment Returns (New applicants only)
- Annual Excise Tax Return
- Reconciliation Statement of Tax Withheld and Tax Paid (Form 499-R-3)
- Certificate of Debt and written explanation of any tax debts

Part IV. Sign the following statement in the presence of a notary public:

I declare under oath, subject to the penalties for the crime of perjury specified in Article 225 of the Penal Code of the Commonwealth of Puerto Rico, to the administrative fines of Chapter IX and to the crimes and penalties of Chapter X of the Excise Tax Law of the Commonwealth of Puerto Rico, that the information provided in this document and all its attachments is complete and true; that the described raw materials or machinery and equipment (parts and accessories) imported under our assigned Excise Tax Identification Number will be used in Puerto Rico in the manufacturing or production of finished products. I understand that the use of the number is a privilege that can be cancelled at any time for failure to abide by the rules and regulations governing its use.

Mirelsa Santiago Torres	[signature]	Comptroller	9/18/02
Printed Name	Signature	Title	Date

Sworn to and subscribed before me by Mirelsa Santiago Torres

of legal age, MARRIED, and resident of Toa Alta, Puerto Rico, whom I personally

witnessed in San Juan, Puerto Rico, this day, September 19 2002.

Affidavit No.

JUAN JOSE FORASTIERI ABOGADO-NOTARIO PUERTO RICO (SEAL)

Notary Public

9/18/02
Date

Conservación: Seis meses o una intervención del Contralor, lo que ocurra primero

#413
Ingresa

DEPARTARTAMENTO DE JUSTICIA

REGISTRO DE LA PROPIEDAD

SECCION III BAYAMON

CERTIFICACION

RELATIVA AL ASIENTO NUMERO 33

DIARIO III DEL REGISTRO MERCANTIL

EXPEDIDA EL 17 DE SEPTIEMBRE DEL 2002

A INSTACIA DEL SEÑOR JOSE CACERES

REGISTRO DE LA PROPIEDAD
SECCION TERCERA
BAYAMON
PUERTO RICO

ESTADO LIBRE ASOCIADO DE PUERTO RICO
DEPARTAMENTO DE JUSTICIA
REGISTRO DE LA PROPIEDAD
SECCIÓN III BAYAMON

16/Sept/02
FECHA

LCDA. GLORIA M. OPPENHEIMER KEELAN
REGISTRADOR DE LA PROPIEDAD
SECCION III BAYAMON

ESTIMADO SEÑOR REGISTRADOR;

POR LA PRESENTE SOLICITO CERTIFICACION REGISTRAL DE LA FINCA #_____
INSCRITA AL FOLIO 33 DEL TOMO III DE REGISTRO MERCANTIL BAYAMON.
EN CUANTO A LOS SIGUIENTES EXTREMOS.

_____A) DESCRIPCION DE LA PROPIEDAD, TITULAR, CARGAS Y GRAVAMENES.
_____B) ACTUALIZACION DE CERTIFICACION REGULAR O NEGATIVAS.
_____C) DESCRIPCION DE PROPIEDAD, TITULAR Y SEGREGACIONES HABIDAS.
_____D) EN RELACION A LA ESC. #_____OTORGADA EN_____EL_____
DE_____DEL_____ANTE EL NOTARIO_____
PRESENTADA AL ASIENTO_____DEL DIARIO_____.
_____E) EN RELACION A LA ESC.#_____OTORGADA EN_____EL_____
DE_____DEL_____ANTE EL NOTARIO_____
INSCRITA AL FOLIO_____DEL TOMO_____FINCA_____INC.____.
_____F) CERTIFICACION LITERAL DE TODAS LAS INSCRIPCIONES, CON LIBROS ESPECIALES.
_____G) CERTIFICACION LITERAL DE TODAS LAS INSCRIPCIONES SIN LIBROS ESPECIALES.
_____H) CERTIFICACION LITERAL DE LAS SIGUIENTES INSCRIPCIONES;
_____,_____,_____,_____,_____.
XXX I) CERTIFICACION DE LIBROS ESPECIALES, _____EMBARGOS ESTATALES_____
EMBARGOS FEDERAL_____SENTENCIAS_____REGISTRO MERCANTIL.

ADJUNTO LE INCLUYO COMPROBANTE POR LA SUMA DE $ 3.00 #_____

REGISTRO DE LA PROPIEDAD
SECCION TERCERA
BAYAMON
PUERTO RICO

CORDIALMENTE;

FIRMA

TELEFONO #_____

ESTADO LIBRE ASOCIADO DE PUERTO RICO
DEPARTAMENTO DE JUSTICIA
REGISTRO DE LA PROPIEDAD
SECCION III BAYAMON

YO, LICENCIADA, GLORIA M. OPPENHEIMER KEELAN, REGISTRADOR DE LA PROPIEDAD DE PUERTO RICO, SECCION III DE BAYAMON Y SU DEMARCACION HIPOTECARIA, CERTIFICO.

QUE CON VISTA A LA INSTANCIA QUE PRECEDE HE PRACTICADO UNA BUSQUEDA EN EL DIARIO DEL REGISTRO MERCANTIL DE ESTE REGISTRO Y DE LOS MISMOS RESULTA.

QUE AL DIARIO REGISTRO MERCANTIL NUMERO III AL FOLIO 33 , SE ENCUENTRA PRESENTADO EL DOCUMENTO A QUE SE REFIERE DICHA INSTANCIA EL CUAL SE ACOMPAÑA EN FOTOCOPIA, EL CUAL SE ENCUENTRA PENDIENTE DE INSCRIPCICON.

QUE NO SE CERTIFICA EN CUANTO A OTROS EXTREMOS POR NO HABERSE SOLICITADO.----------

Y PARA QUE CONSTE, Y A SOLICITUD DE EL SEÑOR JOSE CACERES , EXPIDO LA PRESENTE QUE FIRMO Y SELLO EN BAYAMON, PUERTO RICO, SIENDO LAS 2:45 PM DEL 17 DE SEPTIEMBRE DEL 2002.

DERECHOS: $3.00
COMPROBANTE: #00A4-62C87DCD

LCDA: _____
REGISTRADOR DE LA PROPIEDAD

REGISTRO DE LA PROPIEDAD
SECCION TERCERA
BAYAMON
PUERTO RICO

33

Número _____
(Sitio del folio)

REGISTRO MERCANTIL

Don José Caceres presenta a las 10:50 am horas y _____ minutos de hoy 28 de agosto del 2002 otorgado en San Juan a 6 de agosto 19 2002 con objeto de que escritura # 6 sobre Protocolization of the Certificate of Formation of Owens-Illinois de Puerto Rico, LLC, ante el notario Juan José Forastieri.

Sellos consignados

$100.00	H00123471
100.00	H00123472
100.00	H00123473
100.00	H00123474
100.00	H00166762
20.00	A01434762
20.00	A01434761
20.00	A01434760
20.00	A01434759
20.00	A01450120

Sellos consignados $200 17579186 - $200-17579187 $100 A04932650 .50¢ A044 91741

Bayamón, P. R., 28 de agosto de 19 2002

EL PRESENTANTE

Tomo _____

Folio _____

Hoja Núm. _____

Inscripción _____

REGISTRO DE LA PROPIEDAD
SECCION TERCERA
BAYAMON
PUERTO RICO

J. 90-03-108—10 L.—IGPR.

MUÑOZ BONETA GONZALEZ ARBONA BENITEZ & PERAL
1800 POPULAR CENTER
208 PONCE DE LEON AVENUE
HATO REY, PUERTO RICO 00918-1009
TEL. (787) 751-9393

DEED NUMBER SIX (6)

PROTOCOLIZATION OF THE CERTIFICATE OF FORMATION OF

OWENS-ILLINOIS DE PUERTO RICO, LLC.

In San Juan, Puerto Rico
this 6th day of August, 2002

REGISTRO DE LA PROPIEDAD
SECCIÓN TERCERA
BAYAMON
PUERTO RICO

----------DEED NUMBER SIX----------

-PROTOCOLIZATION OF THE CERTIFICATE OF FORMATION-
-----OF OWENS-ILLINOIS DE PUERTO RICO, LLC-------

—In San Juan, Puerto Rico, this sixth(6th) day of August, two thousand two (2002).----------

----------BEFORE ME----------

—JUAN JOSE FORASTIERI, Attorney-at-Law and Notary Public in and for the Commonwealth of Puerto Rico with residence and offices in San Juan, Puerto Rico.----------

—AS PARTY OF THE SOLE PART: ROGELIO MUÑOZ, JUNIOR, social security number 580-94-4158, of legal age, married to Alma Bibiloni Feliciano, attorney-at-law, and resident of San Juan, Puerto Rico.----------

—I, the Notary, certify that I am personally acquainted with the person that appears herein. I further certify, through his statements, as to his age, civil status, profession and residence. He assures me that he has, and in my judgment he does have, the necessary legal capacity to execute this instrument and, accordingly, he does hereby------

----------STATE AND SET FORTH----------

—FIRST: That he is delivering to me for its protocolization (i) a certified copy of a document entitled "Certificate of Formation of OI TTS, LLC, a limited liability company organized and existing pursuant to the provisions of the Delaware Limited Liability Act (the "Certificate of Formation"), and (ii) a certified copy of a document entitled "Certificate of Amendment of Certificate of Formation of OI TTS, LLC" (the "Certificate of Amendment").----------

—SECOND: The Certificate of Formation was certified on the twenty ninth(29th) day of July,

JUAN JOSE FORASTIERI
ABOGADO-NOTARIO
PUERTO RICO

two thousand two (2002) by Harriet Smith Windsor in her capacity as Secretary of State of the State of Delaware, to be a true and correct copy of the Certificate of Formation as filed in the Department of State of the State of Delaware. The Certificate of Amendment was certified on the twenty-third (23rd) day of July, two thousand two (2002) by Harriet Smith Windsor, Secretary of State of the State of Delaware, to be a true and correct copy of the Certificate of Amendment of OI TTS, LLC changing its name to Owens-Illinois de Puerto Rico, LLC, as filed in the Department of State of the State of Delaware.----------

—THIRD: With the purpose that both documents be protocolized and presented for recordation at the corresponding Mercantile Registry of the Registry of Property of Puerto Rico, pursuant to Article fifteen (15) of the Commerce Code of Puerto Rico, as amended, Ten (10) L.P.R.A., Section One Thousand Thirty-six (1036), the appearing party hands to me, the Notary, (i) the Certified Copy of the Certificate of Formation consisting of one (1) letter size type written page along with the Certificate issued by the Secretary of State of the State of Delaware, which also consists of one (1) letter size written page; and (ii) the Certified Copy of the Certificate of Amendment consisting of one (1) page along with the Certificate issued by the Secretary of State of the State of Delaware, which also consists of one (1) letter size written page.----------

—FOURTH: I, the Notary, sign, seal, mark and flourish both documents consisting of two (2) pages each and attach the same to the original of this public instrument so that they become part of

RMJ

JUAN JOSE FORASTIERI
ABOGADO-NOTARIO
PUERTO RICO

my protocol of public instruments for the current year.----------

----------ACCEPTANCE----------

-The appearing party hereby accepts, ratifies and confirms this Deed and I, the Notary, do hereby certify that I have advised his as to the pertinent legal warnings and of the legal effect of the present Deed, as well as his right under the Notarial Law of Puerto Rico to have witnesses appear herein and read and sign this Deed together with him, which right he has waived; and this Deed having been read by him, to which fact I hereby certify, the said appearing party approves and ratifies its contents and signs the same before me and affixes his initials on each and every page of this instrument, all before me, the Notary. Wherefore, I, the Notary authorizing this instrument, certify upon my notarial faith and under my signature, mark and seal to all of which is hereinabove stated. I GIVE FAITH.

RMJ

JUAN JOSE FORASTIERI ABOGADO-NOTARIO PUERTO RICO

JUAN JOSE FORASTIERI ABOGADO-NOTARIO PUERTO RICO

CERTIFICATION FROM
OWENS-ILLINOIS DE PUERTO RICO, LLC

The undersigned, being an authorized corporate person of Owens-Illinois de Puerto Rico, LLC, a Delaware limited liability company ("OIPR"), hereby certifies that:

1. That OIPR will be engaged in the business of manufacture and sale of glass containers for profit.

2. OIPR is expected to commence operations on August 29, 2002.

3. OIPR's domicile in Puerto Rico will be located at Puerto Rico State Road Number 690, kilometer 1, Hectometer 3, Sabana Wards, Municipality of Vega Alta, Puerto Rico.

4. The capital contribution to be made into OIPR will be equal to $1,200,000.

IN WITNESS WHEREOF, the undersigned executed this Certification as of this 26th day of August 2002.

OI PUERTO RICO STS INC.,
a Delaware Corporation

Name: James W. Baehren
Title: Vice President and Secretary

STATE OF OHIO)
)
COUNTY OF LUCAS)

On August 26th, 2002, before me, James W. Baehren, the Vice President and Secretary of OIPR, personally appeared, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

[NOTARY SEAL]

NOTARIAL SEAL STATE OF OHIO

JACQUELINE GASTON
Notary Public, State of Ohio
Commission Expires 8/15/06

OTARY CERTIFICATE

STATE OF OHIO
OUNTY OF LUCAS } ss.

J. Bernie Quilter, Clerk of the Common Pleas Court and Court of Appeals for the County of Lucas and State of Ohio, the same being a court of record, and having by LAW a Seal, do hereby certify that

JACQUELINE GASTON

whose name is subscribed to the certificate of the proof of acknowledgment of the annexed instrument and thereon written, was, at the time of taking such proof and acknowledgment, a Notary Public, duly commissioned and sworn, and authorized by the laws of said State to take the acknowledgments and proofs of deeds or conveyances for lands, tenements or hereditaments in said State, to be recorded therein. And further, that I am well acquainted with the handwriting of such Notary Public, and verily believe that the signature to said certificate of proof or acknowledgment is genuine, that impression of seal of such officer is not required by law to be filed in my office, and the commission expires on the 15th day of AUGUST, 2006

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the said Court and County, at Toledo, Ohio, 8-26-2002 (Date)

J. Bernie Quilter, Clerk of Courts

Delaware

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "OI TTS, LLC", FILED IN THIS OFFICE ON THE SECOND DAY OF JULY, A.D. 2001, AT 9 O'CLOCK A.M.

RMJ

JOSE FORASTIERI
ABOGADO-NOTARIO
PUERTO RICO

3405446 8100

020482676

Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 1908808

DATE: 07-29-02

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 09:00 AM 07/02/2001
010319031 - 3405446

CERTIFICATE OF FORMATION
OF
OI TTS, LLC

The undersigned, being an authorized corporate person, for the purpose of forming a limited liability company under the provisions and subject to the requirements of the Delaware Limited Liability Company Act, hereby certifies that:

FIRST: The name of the limited liability company is OI TTS, LLC.

SECOND: The address of the registered office of the limited liability company in the State of Delaware, required to be maintained by Section 18-104 of the Delaware Limited Liability Company Act, is National Registered Agents, Inc., 9 East Loockerman Street, Suite 1B, Dover, Delaware 19901 of the County of Kent. The name of the registered agent at such address is National Registered Agents, Inc.

THIRD: The effective date of the formation of the limited liability company shall be the date on which this Certificate of Formation is filed in the Office of the Secretary of State of the State of Delaware.

Executed as of July 2, 2001.

OI PUERTO RICO STS, INC.,
a Delaware corporation

By: [signature]
Name: James W. Bachren
Title: Vice President

RMS

SAN JOSE FORASTIERI
LA_DOCS\695925.1 [W97]
ABOGADO-NOTARIO
PUERTO RICO

Delaware

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "OI TTS, LLC", CHANGING ITS NAME FROM "OI TTS, LLC" TO "OWENS-ILLINOIS DE PUERTO RICO, LLC", FILED IN THIS OFFICE ON THE TWENTY-THIRD DAY OF JULY, A.D. 2002, AT 9 O'CLOCK A.M.

RMJ

JUAN JOSE FORASTIERI
ABOGADO-NOTARIO
PUERTO RICO

8100

020470390

Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 1898992

DATE: 07-23-02

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 09:00 AM 07/23/2002
020470390 – 3405446

CERTIFICATE OF AMENDMENT

OF

CERTIFICATE OF FORMATION

OF

OI TTS, LLC

The undersigned, being an authorized corporate person, hereby certifies that:

1. The name of the limited liability company (hereinafter, the "limited liability company") is OI TTS, LLC.

2. The Certificate of Formation of the limited liability company is hereby amended by striking out Article FIRST thereof and by substituting in lieu of said Article the following new Article:

"FIRST: The name of the limited liability company is Owens-Illinois de Puerto Rico, LLC."

Executed as of July 22, 2002

OI PUERTO RICO STS INC.,
a Delaware corporation

Its: Managing Member

By: _____
Name: James W. Baehren
Title: Vice President and Secretary

JUAN JOSE FORASTIERI
ABOGADO-NOTARIO
PUERTO RICO

Delaware

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "OWENS-ILLINOIS DE PUERTO RICO, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TWENTY-FOURTH DAY OF JULY, A.D. 2002.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "OWENS-ILLINOIS DE PUERTO RICO, LLC" WAS FORMED ON THE SECOND DAY OF JULY, A.D. 2001.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN PAID TO DATE.

3405446 8300

020472063

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 1899975

DATE: 07-24-02

Audited Financial Statements

Owens-Illinois de Puerto Rico

December 31, 2001

Owens-Illinois de Puerto Rico

Audited Financial Statements

December 31, 2001

Contents

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Report of Independent Auditors

The Partners
Owens-Illinois de Puerto Rico

We have audited the accompanying balance sheets of Owens-Illinois de Puerto Rico as of December 31, 2001 and 2000, and the related statements of operations and partners' capital, and cash flows for the years then ended. These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Owens-Illinois de Puerto Rico at December 31, 2001 and 2000, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

Ernst + Young LLP

March 21, 2002

Stamp No. 1770479
affixed to
original of
this report.

Owens-Illinois de Puerto Rico

Balance Sheets

	December 31 2001	2000
Assets		
Current assets:		
Cash	$ 81,302	$ 126,999
Accounts receivable:		
Trade, less allowance for doubtful accounts of $96,270 in 2001 and $58,428 in 2000	6,756,829	6,952,486
Due from partner and partner's affiliate	1,845,437	331,344
Other	1,273	34,955
	8,603,539	7,318,785
Inventories:		
Finished goods, less reserve for obsolescence of $1,736,847 in 2001	7,969,044	12,335,623
Raw materials	1,262,497	1,832,329
Materials and supplies	2,554,607	2,810,966
	11,786,148	16,978,918
Prepaid expenses	509,943	256,276
Deferred income taxes	-	156,533
Total current assets	20,980,932	24,837,511
Property, plant and equipment:		
Land and improvements	1,702,331	2,283,618
Building and furnaces	21,112,298	30,325,759
Machinery and equipment	22,075,923	38,829,425
Construction in progress	764,531	1,049,868
	45,655,083	72,488,670
Less accumulated depreciation	41,206,422	46,768,109
	4,448,661	25,720,561
Other assets	2,239,119	650,353
Total assets	$27,668,712	$51,208,425

	December 31 2001	December 31 2000
Liabilities and partners' capital		
Current liabilities:		
Outstanding checks in excess of reported bank balance	$ 618,498	$ -
Notes payable	4,700,000	4,700,000
Accounts payable	3,430,221	2,915,028
Accrued expenses	2,257,277	2,388,357
Due to partner and partner's affiliate	9,624,447	9,325,109
Current portion of long-term debt	1,000,000	1,000,000
Income taxes payable	107,000	87,000
Total current liabilities	21,737,443	20,415,494
Long-term debt, less current portion	250,000	1,250,000
Total liabilities	21,987,443	21,665,494
Partners' capital:		
O-I Puerto Rico STS, Inc.	4,545,015	23,634,345
Inland Container Corporation	1,136,254	5,908,586
Total partners' capital	5,681,269	29,542,931
Total liabilities and partners' capital	$27,668,712	$51,208,425

See accompanying notes.

Owens-Illinois de Puerto Rico

Statements of Operations and Partners' Capital

	Year ended December 31 2001	2000
Net sales	$31,210,825	$34,157,601
Costs and expenses:		
Cost of products sold	30,084,322	34,854,853
Selling, general and administrative	974,617	816,341
Provision for inventory obsolescence	2,500,000	729,000
Loss on impairment of machinery and equipment	20,500,000	1,670,698
Interest	837,015	1,200,611
	54,895,954	39,271,503
Loss before income taxes	23,685,129	5,113,902
Income taxes:		
Current	20,000	94,260
Deferred	156,533	(156,533)
	176,533	(62,273)
Net loss	23,861,662	5,051,629
Partners' capital at beginning of year	29,542,931	34,594,560
Partners' capital at end of year	$ 5,681,269	$29,542,931

See accompanying notes.

Owens-Illinois de Puerto Rico

Statements of Cash Flows

	Year ended December 31 2001	2000
Operating activities		
Net loss	$23,861,662	$ 5,051,629
Adjustments to reconcile net loss to cash provided by operating activities:		
Depreciation	2,344,940	4,413,207
Deferred income taxes	156,533	(156,533)
Provision for doubtful accounts receivable	76,276	38,435
Provision for inventory obsolescence	2,500,000	729,000
Loss on impairment of machinery and equipment	20,500,000	1,670,698
Changes in operating assets and liabilities:		
Accounts receivable	(1,361,030)	4,472,104
Inventories	2,692,770	(1,236,159)
Prepaid expenses	(253,667)	136,052
Other assets	(1,588,766)	468,438
Outstanding checks in excess of reported bank balance	618,498	(1,934,027)
Accounts payable	515,194	166,077
Accrued expenses	(131,080)	(535,974)
Due to partner and partner's affiliate	(497,063)	532,034
Income taxes payable	20,000	67,260
Net cash provided by operating activities	1,730,943	3,778,983
Investing activities		
Capital expenditures	(1,573,040)	(2,517,804)
Financing activities		
Net payments under revolving credit agreement	-	(3,980,000)
Payments of long-term debt	(1,000,000)	(1,000,000)
Advance under loan agreement with affiliate	796,400	3,795,000
Net cash used in financing activities	(203,600)	(1,185,000)
Net (decrease) increase in cash	(45,697)	76,179
Cash at beginning of year	126,999	50,820
Cash at end of year	$ 81,302	$ 126,999

See accompanying notes.

1. Significant Accounting Policies

Owens-Illinois de Puerto Rico (the Partnership) is owned 80% by O-I Puerto Rico STS, Inc., an indirect wholly-owned subsidiary of Owens-Illinois, Inc., and 20% by Inland Container Corporation. The Partnership is engaged in the production of glass bottles. The assets of the Partnership are legally available (to the extent of the respective partnership interests) for the satisfaction of the debt of the partners, not solely those debts showing in the accompanying balance sheets. Additionally, the Partnership's debt may result in claims against assets not showing on the balance sheets.

Use of Estimates

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk

Approximately 72% and 73% of the Partnership's accounts receivable relate to customers in the liquor and soft drink industries at December 31, 2001 and 2000, respectively. Sales are primarily to companies located in Puerto Rico and the Dominican Republic. Outstanding accounts receivable from Dominican Republic customers represent 54% and 45% of the accounts receivable balance at December 31, 2001 and 2000, respectively. Credit is extended based on an evaluation of the customer's financial condition, and generally, collateral is not required.

Inventories

Finished goods and work-in-process are valued at the lower of standard cost, which approximates average cost, or market. Raw materials, and materials and supplies are valued at the lower of average cost or market.

Property, Plant and Equipment

Property, plant and equipment is stated at cost, and include the cost of rebuilding glass melting furnaces. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Reclassifications

Certain amounts from 2000 have been reclassified to conform with the current year's presentation.

2. Notes Payable

The Partnership has a line of credit agreement payable on demand with a bank amounting to $11 million in 2001 and 2000. The advances under the line of credit bear interest at .625% over the bank's net cost of 936 funds, if available, .625% over the bank's LIBOR rate or .375% over the bank's prime rate. The outstanding balance at December 31, 2001 and 2000 amounted to $4,700,000. As of December 31, 2001, the interest rate on the notes was 3% and in 2000 ranged from 6.8% to 7.7%. In addition, the Partnership has one term loan with the same bank (see Note 3).

The notes under these agreements are collateralized by a first mortgage note in the amount of approximately $26,550,000 on the land and building owned by the Partnership and a $18,600,000 limited guarantee from Owens-Illinois, Inc. and Inland Container Corporation (see Note 3).

3. Long-Term Debt

Long-term debt at December 31, 2001 and 2000 consisted of the following:

	2001	2000
Note payable to a bank due in quarterly installments of $250,000, bearing interest at 7/8% over the bank's net cost of 936 funds, if available, the bank's LIBOR rate or 3/8% over the bank's prime rate. This note has a final maturity date of March 31, 2003 (see Note 2). Interest rate at December 31, 2001 and 2000 was 6.3%.	$1,250,000	$2,250,000
	1,250,000	2,250,000
Less current portion	1,000,000	1,000,000
	$ 250,000	$1,250,000

Total interest paid by the Partnership amounted to approximately $404,000 and $707,000 in 2001 and 2000, respectively.

Future scheduled payments as of December 31, 2001 are as follows:

2002	$1,000,000
2003	250,000
	$1,250,000

4. Transactions with Related Parties

Transactions with related parties not specifically identified in the financial statements are as follows:

	2001	2000
Purchases of equipment and products	$ 638,000	$1,035,000
Sales of finished goods inventory	1,149,000	852,000
Royalty	287,000	347,000
Technical assistance	195,000	408,000
Interest	473,000	443,000

On April 30, 1999, the Company entered into a loan agreement with an affiliate. The maximum aggregate principal amount outstanding at any time under the loan agreement will not exceed $10 million. The interest rate is based on LIBOR plus 1% (2.9% at December 31, 2001 and 7.6% at December 31, 2000), and the loan matures on June 29, 2002. The amount outstanding as of December 31, 2001 and 2000, amounted to $9,096,400 and $8,300,000, respectively, and are included in due to partner and partner's affiliate in the accompanying balance sheets at December 31, 2001 and 2000. Interest paid in 2001 and 2000 under the loan agreement amounted to $704,000 and $241,000, respectively.

5. Income Taxes

Under Puerto Rico tax law, a partnership is a taxable entity whose income is taxed in the same manner as that of a corporation. The Partnership is 90% exempt from income and property taxes, and 60% exempt on municipal taxes for a period of 15 years under the Puerto Rico Tax Incentives Act of 1987. The Partnership also generates net taxable income from operations not covered by the tax exemption decree.

The Partnership paid income taxes of approximately $27,000 in 2000.

Deferred income taxes reflect the net tax effect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax reporting purposes. Major components of deferred tax assets at December 31, 2001, were:

Net operating loss carryforwards	$ 138,000
Allowance for doubtful accounts	1,900
Inventory obsolescence reserve	35,000
Loss on impairment of assets	410,000
	585,000
Less valuation allowance	(585,000)
	$ -

5. Income Taxes (continued)

As of December 31, 2001, the Partnership has available net operating loss carryforwards to offset future Puerto Rico taxable income amounting approximately $1,700,000 which expires in 2008 and $5,160,000 which expires in 2007.

6. Lease Commitments

The Partnership leases mobile equipment under non-cancelable operating leases expiring through April 2004 as well as warehouse facilities and land on a month-to-month basis. Total rent expense amounted to approximately $101,000 and $304,000 in 2001 and 2000, respectively.

The minimum annual rental commitment as of December 31, 2001, under all non-cancelable leases with a remaining term of more than one year, are summarized below:

2002	$82,000
2003	6,000
2004	7,000
	$95,000

7. Employee Benefit Plan

The Partnership's noncontributory defined benefit pension plan is combined with an affiliated company into a multiemployer plan. The plan covers substantially all employees. Pension costs for the years ended December 31, 2001 and 2000 amounted to approximately $70,000 and $9,000, respectively.

8. Impairment of Long Lived Assets

During 2001, the Company assessed the recoverability of the long-lived assets. Accordingly, the management evaluated the ability of the Company to generate positive cash flows in the future. Based on this evaluation, the Company's management determined that assets with carrying amount of $24 million were impaired and, made an adjustment of $20.5 million based on the assets fair value. The fair value was based on estimated of future cash flows to be generated by the Company, discounted at a market rate of interest.

9. Non-Compete Agreement

During 2001, the Company entered into a non-compete agreement with its former sales representative in the Dominican Republic for the amount of $1,750,000. The agreement provide for non-compete clause in the glass business for a period of five years.

Form 480.30(II) Rev. 05.01

Liquidator:	Reviewer:	COMMONWEALTH OF PUERTO RICO DEPARTMENT OF THE TREASURY	Serial Number
Field Audited by:		**Income Tax Return for Exempt Businesses Under the Puerto Rico Incentives Programs**	AMENDED RETURN ☐
Date: __/__/__			Payment Stamp
N		TAXABLE YEAR BEGINNING ON 01/01, 2001 AND ENDING ON 12/31, 2001	

Name Owens Illinois de Puerto Rico (A Partnership)	Employer's Identification Number 34-1146831
Postal Address PO BOX 387 VEGA ALTA, PR, Zip Code 00692	Department of State Registry No. N/A Industrial Code: 3200 Municipal Code: 10
Location of Principal Industry or Business (Number, Street and Country) STATE ROAD 690, KM 1.1 VEGA ALTA, PR	Telephone Number - Extension (787) 725 - 5800
Type of Principal Industry or Business Manufacture and Sale of Glass Container CHANGE OF ADDRESS ☐ Yes ☒ No	Date Incorporated Month 5 / Day 1 / Year 74
Contracts with Gubernmental Entities ☐ Yes ☒ No 2002 RETURN ☐ Spanish ☒ English	Place Incorporated Ohio, U.S.A.

Receipt No:
Amount:

Part I

1. **Tax liability:** a) Schedule K Incentives, Part I, line 15, Columns A, B and C	(1a)		00	
b) Schedule O Incentives, Part II, line 9	(1b)		00	
c) Schedule V Incentives, Part IV, line 4	(1c)		00	
d) Schedule W Incentives, Part II, line 5	(1d)		00	
e) Total (Add lines 1(a) through 1(d))			(1e)	00
2. Less: a) Tax withheld at source	(2a)		00	
b) Current year estimated tax payments	(2b)		00	
c) Excess from previous years not included on line 2(b)	(2c)	94,018	00	
d) Tax withheld on partners and stockholders distributable share from special partnerships	(2d)		00	
e) Amount paid with automatic extension of time or with original return	(2e)		00	
f) Tax withheld for professional services (Form 480.6B)	(2f)		00	
g) Total payments (Add lines 2(a) through 2(f))			(2g)	94,018 00
3. Balance of tax due (Subtract line 2(g) from line 1(e)) (a) Tax	(3a)		00	
(b) Interest	(3b)		00	
(c) Surcharges	(3c)		00	
(d) Total (Add lines 3(a) through 3(c))			(3d)	00
4. Amount paid with this return			(4)	00
5. Amount overpaid to be credited to estimated tax for 2002			(5)	94,018 00
6. Amount to be refunded			(6)	00
7. **Special surtax** (Schedule N Incentives, Part II, line 6)			(7)	00
8. Less: a) Amount paid with automatic extension of time or with original return	(8a)		00	
b) Amount paid in excess from previous year	(8b)		00	
c) Credit (Article 41A-6)	(8c)		00	
d) Total payments (Add lines 8(a) through 8(c))			(8d)	00
9. Balance of tax due (Subtract line 8(d) from line 7) (a) Tax	(9a)		00	
(b) Interest	(9b)		00	
(c) Surcharges	(9c)		00	
(d) Total (Add lines 9(a) through 9(c))			(9d)	00
10. Amount paid with this return			(10)	00
11. Amount overpaid to be credited to the special surtax for 2002			(11)	00
12. **Prepayment of tollgate tax** (Part IV, line 11)			(12)	00
13. Tollgate tax applied against tax withheld attributable to current year distribution			(13)	00
14. Total prepayment of tollgate tax liability (Add lines 12 and 13)			(14)	00
15. Less: a) Current year estimated tollgate tax payments	(15a)		00	
b) Excess from previous years not included on line 15(a)	(15b)		00	
c) Amount paid with automatic extension of time or with original return	(15c)		00	
d) Total (Add lines 15(a) through 15(c))			(15d)	00
16. Balance of tax due (Subtract line 15(d) from line 14) (a) Tax	(16a)		00	
(b) Interest	(16b)		00	
(c) Surcharges	(16c)		00	
(d) Total (Add lines 16(a) through 16(c))			(16d)	00
17. Amount paid with this return			(17)	00
18. Amount overpaid to be credited to estimated prepayment of tollgate tax for 2002			(18)	00

Part II Applicable Tax Exemption Acts

Indicate under which of the following act or acts the exempt business operates:

- [ ] Act No. 57 of June 13, 1963 Case Number: _____
- [ ] Act No. 168 of June 30, 1968 Case Number: _____
- [ ] Act No. 26 of June 2, 1978 Case Number: _____
- [ ] Act No. 52 of June 2, 1983 Case Number: _____
- [X] Act No. 8 of January 24, 1987 Case Number: E1-91-76-(90-8-1-49)-B
- [ ] Act No. 148 of August 8, 1988 Case Number: _____
- [ ] Act No. 76 of September 10, 1993 Case Number: _____
- [ ] Act No. 75 of July 5, 1995 Case Number: _____
- [ ] Act No. 225 of December 1, 1995 Case Number: _____
- [ ] Act No. 14 of March 15, 1996 Case Number: _____
- [ ] Act No. 135 of December 2, 1997 Case Number: _____
- [ ] Act No. 362 of December 24, 1999 Case Number: _____
- [ ] Act No. 178 of August 18, 2000 Case Number: _____

If you check Act No. 26 of 1978 or Act No. 8 of 1987, complete Part III, if applicable.

Part III Conditions that Exonerate from the Prepayment of Tollgate Tax

Each exempt business under Act 26 of 1978 or Act 8 of 1987 is generally subject to prepayment of tollgate tax.

Is the exempt business subject to the prepayment? [ ] Yes [X] No

If the exempt business is not subject to the prepayment of tollgate tax, indicate which of the following conditions exonerates such payment:

- [ ] The exempt business elected the optional tax under Section 3A of Act 8 of 1987.
- [ ] 50% or more of the outstanding stocks are owned by individuals.
- [ ] Its annual industrial development income is less than $1,000,000.
- [ ] Its industrial development income is exempt pursuant to the provisions of Sections 2(e)(4), 2(e)(11) or 3(m) of Act 8 of 1987.
- [ ] Its industrial development income is exempt pursuant to Sections 2(e)(5), 2(e)(12), 2(e)(20), 2(e)(26) or 3(n) of Act 26 of 1978.
- [X] The exempt business is covered under Section 4(a)(8) of Act 8 of 1987 (See instructions).

If any portion of the Exempt Business Industrial Development Income is not exempt from the prepayment of Tollgate Tax, continue with Part IV.

Part IV Computation of Prepayment of Tollgate Tax

1. Net operating income for the year:				
a) Schedule M Incentives, Part I, line 1	(1a)	00		
b) Schedule N Incentives, Part I, line 1	(1b)	00		
c) Total net operating income for the year	(1c)			00
2. Adjustments:				
a) Interest income from certain 2(j) investments (See instructions)	(2a)	00		
b) Other adjustments (See instructions)	(2b)	00		
c) Total adjustments (Add lines 2(a) and 2(b))	(2c)			00
3. Industrial development income (IDI) after adjustments (If line 1(c) is larger than line 2(c), enter the difference here. Otherwise, **do not continue** with this form)	(3)			00
4. Less tax determined on industrial development income:				
a) Total tax (Schedule K Incentives, Part I, Column B, line 15)	(4a)	00		
b) Special surtax (Part I, line 7)	(4b)	00		
c) Other taxes (See instructions)	(4c)	00		
d) Total taxes (Add lines 4(a) through 4(c))	(4d)			00
5. Net IDI available for distribution (Subtract line 4(d) from line 3)	(5)			00
6. Determination of prepayment of tollgate tax (5% or 0% of line 5) (See instructions).	(6)			00
7. Dividends declared from current earnings	(7)	00		
8. Prepayment of tollgate tax attributable to current earnings (Multiply line 7 by 5% or 0%)	(8)			00
9. Prepayment of tollgate tax before credits (Subtract line 8 from line 6)	(9)			00
10. Less credits:				
a) Special credit granted (Not to exceed 50% of line 9)	(10a)	00		
b) Other credits (See instructions)	(10b)	00		
c) Total (Add lines 10(a) and 10(b))	(10c)			00
11. Total prepayment of tollgate tax liability (Subtract line 10(c) from line 9. Enter on Part I, line 12)	(11)			00

Part III Gross Profit on Sales and Other Income

1. Net sales					(1)	31,210,625	00
Less: Cost of goods sold or direct costs of production							
2. Inventory at the beginning of the year ☐ "C" ☐ "C" or "MV"							
a) Materials				(2a)	4,643,295	00	
b) Goods in process				(2b)		00	
c) Finished goods or merchandise				(2c)	12,335,623	00	
3. Purchase of materials or merchandise				(3)	(4,295,028)	00	
4. Direct wages				(4)	4,947,317	00	
5. Other direct costs (Detail in Part V)				(5)	25,000,474	00	
6. Total costs of goods available for sale (Add lines 2 through 5)				(6)	42,631,681	00	
7. Less: Inventory at the end of the year ☐ "C" ☐ "C" or "MV"							
a) Materials	(7a)	3,817,104	00				
b) Goods in process	(7b)		00				
c) Finished goods or merchandise	(7c)	7,969,044	00		11,786,148	00	30,845,533 00
8. Gross profit on sales or production							(8) 365,292 00
9. Designated services income							(9) 00
10. Rent							(10) 00
11. Interest							(11) 00
12. Royalties							(12) 00
13. Other income (Submit detail)							(13) 00
14. **Total gross income** (Add lines 8 through 13)							(14) 365,292 00

Part IV Deductions and Net Operating Income

15. Compensation to officers	(15)		00
16. Salaries, commissions and bonuses to employees	(16)	309,574	00
17. Commissions to businesses	(17)		00
18. Social security tax (FICA)	(18)	22,075	00
19. Unemployment tax	(19)		00
20. State Insurance Fund premiums	(20)		00
21. Medical or hospitalization insurance	(21)	11,223	00
22. Insurance	(22)		00
23. Interest	(23)	837,015	00
24. Rent	(24)		00
25. Property tax: (a) Personal_____ (b) Real_____	(25)		00
26. Other taxes, patents and licenses (Submit detail)	(26)		00
27. Losses from fire, storms, theft or other casualties	(27)		00
28. Motor vehicle expenses (Do not include depreciation)	(28)	36	00
29. Meal and entertainment expenses (Total 5,182) (See instructions)	(29)	2,591	00
30. Travel expenses	(30)	29,698	00
31. Professional services	(31)		00
32. Contributions to pensions or other qualified plans (See instructions)	(32)		00
33. Depreciation (See instructions. Submit Schedule E)	(33)		00
34. Bad debts (See instructions. Submit detail)	(34)	38,434	00
35. Charitable contributions	(35)		00
36. Repairs	(36)		00
37. Other deductions (See instructions. Submit detail)	(37)	329,108	00
38. **Total deductions** (Add lines 15 through 37)	(38)		1,579,754 00
39. **Net operating income (or loss) for the year** (Subtract line 38 from line 14. Enter here and on Part I, line 1)	(39)		(1,214,462) 00

Part V Other Direct Costs

1. Salaries, wages and bonuses	(1)		00	8. Cost sharing allocation (8)	00
2. Social security tax (FICA)	(2)	475,859	00	9. Repairs (9)	1,342,987 00
3. Unemployment tax	(3)	150,599	00	10. Utilities (10)	3,062,571 00
4. State Insurance Fund premiums	(4)	305,826	00	11. Depreciation (Submit Schedule E) (11)	2,344,940 00
5. Medical or hospitalization insurance	(5)	29,928	00	12. Other expenses (Submit detail) (12)	17,282,685 00
6. Other insurance	(6)		00	13. **Total other direct costs** (Add lines 1 through 12. Same as Part III, line 5) (13)	25,000,474 00
7. Excise taxes	(7)	5,079	00		

Part V Exempt Business - Comparative Balance Sheet

		Beginning of the Year				End of the Year			
Assets				Total				Total	
1. Cash on hand and banks	(1)			126,999	00			81,302	00
2. Accounts receivable	(2)	7,377,213	00	7,318,785	00	8,699,809	00	8,603,539	00
3. Less: Reserve for bad debts	(3)	(58,428	00)			(96,270	00)		
4. Notes receivable	(4)				00				00
5. Inventories	(5)			16,978,918	00			11,786,148	00
6. Investments	(6)				00				00
7. Depreciable assets	(7)	72,069,444	00	25,301,335	00	45,235,857	00	4,029,435	00
8. Less: Reserve for depreciation	(8)	(46,768,109	00)			(41,206,422	00)		
9. Land	(9)			419,226	00			419,226	00
10. Other assets	(10)			1,063,162	00			2,749,062	00
11. **Total Assets**	(11)			51,208,425	00			27,668,712	00
Liabilities and Net Worth									
Liabilities									
12. Accounts payable	(12)	12,327,137	00			13,161,668	00		
13. Notes payable	(13)	6,950,000	00			5,950,000	00		
14. Accrued expenses (not paid)	(14)	2,388,357	00			2,257,277	00		
15. Other liabilities	(15)		00			618,498	00		
16. **Total Liabilities**	(16)			21,665,494	00			21,987,443	00
Net Worth									
17. Capital stock									
(a) Preferred stock	(17a)		00				00		
(b) Common stock	(17b)		00				00		
18. Additional paid in capital	(18)	1,755,810	00			1,755,810	00		
19. Retained Earnings	(19)	27,787,121	00			3,925,459	00		
20. Reserves	(20)		00				00		
21. **Total Net Worth**	(21)			29,542,931	00			5,681,269	00
22. **Total Liabilities and Net Worth**	(22)			51,208,425	00			27,668,712	00

Part VI Reconciliation of Net Income (or Loss) per Books with Net Taxable Income (or Loss) per Return

1. Net income (or loss) per books	(1)	(23,861,662)	00	7. Income recorded on books this year not included on this return (Itemize, use schedule if necessary)		
2. Income tax	(2)	176,533	00	(a) Exempt interest		
3. Excess of capital losses over capital gains	(3)		00	(b)		
4. Taxable income not recorded on books this year (Itemize)				(c)		
(a)				(d)		
(b)				Total	(7)	00
(c)				8. Deductions on this tax return not charged against book income this year (Itemize, use schedule if necessary)		
(d)				(a) Depreciation		
Total	(4)		00	(b) NOL 5,392,009		
5. Expenses recorded on books this year not claimed on this return (Itemize, use schedule if necessary)				(c) Write-Offs 38,434		
(a) Meal and entertainment (portion not claimed) 4.523				(d) Dec. in Obsolescence Res. 763,153		
(b) Depreciation				Total	(8)	6,193,596 00
(c) See Statement				9. Total (Add lines 7 and 8)	(9)	6,193,596 00
(d) Attached 23,267,731				10. Net taxable income (or loss) per return (Subtract line 9 from line 6)	(10)	(6,606,471) 00
Total	(5)	23,272,254	00			
6. Total (Add lines 1 through 5)	(6)	(412,875)	00			

Part VII Analysis of Unappropriated Retained Earnings per Books

1. Balance at beginning of year	(1)	27,787,121	00	5. Distributions: (a) Cash	(5a)	00
2. Net income per books	(2)	(23,861,662)	00	(b) Property	(5b)	00
3. Other increases (Itemize, use schedule if necessary)				(c) Stock	(5c)	00
				6 Other decreases (Use schedule if necessary)	(6)	00
	(3)		00	7. Total (Add lines 5 and 6)	(7)	00
4. Total (Add lines 1, 2 and 3)	(4)	3,925,459	00	8. Balance at end of year (Subtract line 7 from line 4)	(8)	3,925,459 00

Part VIII Questionnaire

		Yes	No
1. Did the exempt business file an option under Section 936 of the Federal Internal Revenue Code?	(1)		X
2. Did the exempt business keep any part of its records on a computerized system during this year?	(2)	X	
3. The exempt business books are in care of: Name MR. LUIS PAGAN; Address PO BOX 387, VEGA ALTA, PR 00692			
4. Check accounting method use: ☐ Cash ☒ Accrual ☐ Other (specify):			
5. Did the exempt business file the following documents?			
(a) Informative Return (Forms 480.5, 480.6A, 480.6B)	(5a)	X	
(b) Withholding Statement (Form 499 R-2/W-2PR)	(5b)	X	
6. If your gross income exceeds $1,000,000 and is a foreign corporation, did you submit Financial Statements audited by a CPA licensed in Puerto Rico?	(6)	X	
7. Number of employees during the year: 240 a) Production: 224 (b) Non-production: 16			
8. Did the exempt business claim a deduction for expenses connected with:			
a) Vessels?	(8a)		X
b) Living expenses?	(8b)		X
c) Employees attending conventions or meetings outside Puerto Rico or the United States?	(8c)		X
9. Have you been audited by IRS? Which years?	(9)		X
10. Did the exempt business distribute dividends other than stock dividends or distributions in liquidation in excess of the current and accumulated earnings during this year?	(10)		X
11. Is the exempt business a partner in a special partnership? Name; Employer's identification number	(11)		X
12. Did the corporation at the end of the taxable year own, directly or indirectly, 50% or more of the voting stocks of a corporation who is engaged in trade or business in Puerto Rico? If "Yes," attach a schedule showing: (a) name and employer's identification number, (b) percentage owned, and (c) taxable income (or loss) before net operating loss and special deductions of the corporation for the taxable year (even when such taxable year does not coincide with the one of the corp. or part. for which this return is filed).	(12)		X
13. Is the corporation a subsidiary in an affiliated group or a parent subsidiary of a controlled group? If "Yes", enter the employer's identification number and the name of the parent corporation:	(13)	X	
14. Did any individual, partnership, corporation, estate or trust at th end of the taxable year own, directly or indirectly, 50% or more of the corporation's voting stock? If "Yes", attach a schedule showing the name and employer's identification number (Do not include any information entered in question 13). Enter the percentage owned: %	(14)	X	
15. Enter the amount of exempt interest:			
16. Does the exempt business have other exempt activities not covered under the Industrial Incentives Acts? (Attach schedule) Under which Act?	(16)		X
17. Have you made a timely election under: ☐ Section 3(f) Act No. 8 of 1987 ☒ Section 5(b) Act No. 52 of 1983 ☐ Section 6(f) Act No. 135 of 1997 ☐ Section 3(a)(i)(D) Act No. 78 of 1993	(17)		X
18. Enter the total amount of charitable contributions to municipalities claimed during the taxable year:			
19. Indicate if your books reflect premiums paid by unauthorized insurers	(19)		X
20. Indicate the method used to allocate expenses: ☐ Profit-Split ☐ Cost Sharing ☐ Others			
21. If a single method is used, Profit Split or Cost Sharing, indicate the following: ☐ Profit-Split Intangible Incom ☐ Cost Sharing Payment			
22. Indicate the method used to claim the credit in the Federal Corporation Income Tax Return: ☐ Economic Activity Limitation ☐ Percentage Credit Limitation			
23. Employer number assigned by the Department of Labor and Human Resources 0828770004			

OATH

We, the undersigned, president (or vice president or other principal officer) and treasurer (or assistant treasurer) or agent of the exempt business for which this income tax return is made, each for himself, declare under the penalty of perjury that this return (including schedules and statements attached) has been examined by us and is, to the best of our knowledge and belief, a true, correct, and complete return, made in good faith, pursuant to the Puerto Rico Internal Revenue Code of 1994, as amended, and the regulations thereunder.

President's or vice president's signature

Treasurer's or assistant treasurer's signature

Agent

NOTARY SEAL

Affidavit no. _____

Sworn and subscribed before me by _____, of legal age, _____ [civil status], _____ [occupation], and resident of _____, _____, and by _____, of legal age, _____ [civil status], _____ [occupation], and resident of _____, _____, personally known to me or identified by means of _____, at _____, _____, this __ th day of _____, ___.

Title of the person administering oath

Signature of the person administering oath

Specialist's Use Only

declare under the penalty of perjury that this return (including schedules and statements attached) has been examined by me and to the best of my knowledge and belief is a true, orrect and complete return. The declaration of the person who prepares this return is with respect to the information received, and this information may be verified.

Specialist's name (Print letter)	Registration number	Date	Check if self-employed	Specialist's social security number
MIGUEL ANGEL ORTIZ	0 0 5 1 3 1	7/9/1	☐	5 8 1 8 4 9 4 9 1

Firm's name: AQUINO, DE CORDOVA, ALFARO & CO.

Employer's identification number: 6 6 0 5 4 6 0 3 2

Specialist's signature

Address: PO BOX 70262 SAN JUAN PR

Zip code: 00936-9262

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OWENS ILLINOIS DE PUERTO RICO

ACCOUNT.: 341-14-6831

2001 PARTNERSHIP INCOME TAX RETURN

SCHEDULE OF NET OPERATING LOSSES (NOL) CARRYOVER
Form 480.30 (II), Schedule N, Page 1, Part 1, Line 4

YEAR	INCOME (LOSS)	NOL USED	NOL AVAILABLE FOR CARRYOVER	EXPIRATION
12/31/00	(5,392,009)		(5,392,009)	12/31/2007
	$ (5,392,009)	$ -	$ (5,392,009)	

Schedule E
Rev. 05.01

DEPRECIATION

Taxable year beginning on 01/01, 2001 and ending on 12/31, 2001

2001

Taxpayer's name: **Owens Illinois de Puerto Rico (A Partnership)**

Social Security or Employer's Identification Number: **34-1146831**

1. Type of property (In the case of a building, specify the material used in the construction).	2. Date acquired.	3. Original cost or other basis (exclude cost of land). Basis for automobiles may not exceed $25,000 per vehicle.		4. Depreciation claimed in prior years.		5 Estimated useful life to compute th depreciation.	6. Depreciation claimed this year.	
(a) Current Depreciation								
Buildings and Furnaces	Various	21,112,298	00	18,652,562	00	Various	446,246	00
Machinery & Equipment	Various	22,075,923	00	26,112,320	00	Various	1,853,373	00
Land	Various	419,226	00		00	Various		00
Construction In Progress	Various	764,531	00		00			00
Total				44,764,882	00		2,299,619	00
(b) Flexible Depreciation								
			00		00			00
			00		00			00
			00		00			00
			00		00			00
Total					00			00
(c) Accelerated Depreciation								
			00		00			00
			00		00			00
			00		00			00
			00		00			00
Total					00			00
(d) Improvements Amortization								
Land Inmprovements	Various	1,283,105	00	2,003,227	00	Various	45,321	00
			00		00			00
			00		00			00
			00		00			00
Total				2,003,227	00		45,321	00

Note: Complete next line only if you are filling out Form 482.0 (Individual Income Tax Return - Long Form)

TOTAL: (Add Total of lines (a) through (d) of Column 6. Transfer to Schedules K, L, M and N Individual, whichever applies) ..... (10) **2,344,940** 00

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Schedule N Incentives
Rev. 05.01

PARTIALLY EXEMPT INCOME UNDER ACT 8 OF 1987

To be filed with Form 480.30(II)

Taxable year beginning on 01/01, 2001 and ending on 12/31 2001

2001

Name	Employer's Identification Number
Owens Illinois de Puerto Rico (A Partnership)	34-1146831
Type of Business	**Case Number**
Manufacture and Sale of Glass Container	E1-91-76-(90-8-1-49)-B

Period in force for income:
Begin: 01/01/1991
End: 12/31/2005

Number of jobs directly related with manufacture or designated service:
Actual: 249
Required: 150

Part I — Net Income Subject to Tax

1. Net operating income (or loss) for the year (Part IV, line 39)	(1)	(1,214,462)	00
2. Less: Income from investments (See instructions)	(2)		00
3. Net industrial development income (Subtract line 2 from line 1. If it is a net operating loss, do not continue. Enter zero(-0-) here and on line 10)	(3)		00
4. Net operating loss from the receding year (See instructions. Submit detail)	(4)	5,392,009	00
5. Net industrial development income subject to special deductions (Subtract line 4 from line 3)	(5)	(6,606,471)	00
6. Special deduction for exempt business:			
a) Payroll deduction (See instructions Schedule N1 Incentives)	(6a)	00	
b) Human resources training and improvement expense deduction	(6b)	00	
c) Research and development expense deduction	(6c)	00	
d) Investment on buildings, structures, machinery and equipment deduction	(6d)	00	
e) Total deductions	(6e)		00
7. Net taxable industrial development income (Subtract line 6(e) from line 5. If it is a net operating loss, do not continue. Enter zero here and on line 10)	(7)		00
8. Basis period income under Act 135 (Schedule V Incentives, Part II, line 4(a))	(8)		00
9. Exempt amount:			
(a) 0.00 % of line 7 (See instructions)	(9a)	00	
(b) 0.00 % of line 8 if a renegotiated case under Act 135	(9b)	00	
10. **Net income subject to tax** (Subtract line 9(a) from line 7or line 9(b) from line 8, whichever applies. Enter here and on Schedule K Incentives, Part I, line 1 (c))	(10)		00

Part II — Special Surtax Section 3(a) of Act 8 of 1987 (See instructions)

1. Enter the amount of Part III, line 14	(1)	365,292	00
2. Enter the amount of Part III, lines 1, 9 and 10, whichever apply	(2)	00	
3. Multiply line 2 by .00075	(3)		00
4. Net industrial development income (Part I, subtract line 4 from line 3)	(4)	00	
5. Multiply line 4 by .005	(5)		00
6. **Special surtax** (Enter here and on Form 480.30(II), Part I, line 7, the smaller of line 3 or 5. In case of decrees renegotiated under Act 135 of 1997, enter the average special surtax paid on the years corresponding to the basis period)	(6)		00

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OWENS ILLINOIS DE PUERTO RICO

ACCOUNT NO.: 341-14-6831

2001 PARTNERSHIP INCOME TAX RETURN

SCHEDULE OF OTHER EXPENSES
Form 480.30 (II), Shedule N, Page 2, Part V, Line 12

AUTOMOBILE EXPENSE	$	14,893
BUNKER FUEL		2,064,878
EMPLOYEE BENEFITS		685,211
COLD END TREATMENT		9,225
M.I.S. EXPENSE		88,480
EMPLOYEE RELATION		35,984
EMPLOYEE EDUCATION		32,251
FORKLIFT		33,268
HOT END TREATMENT		35,824
LUBRICANT OIL		161,883
MUNICIPAL & PROPERTY TAXES		202,197
PALLET LOSSES		57,177
RENTAL EQUIPMENT		167,677
ROYALTIES		319,276
MEALS & ENTERTAINMENT - NET OF DISALLOWANCE		1,941
WAREHOUSE		91,617
SPECIAL FEES		57,754
OTHER EXPENSES		13,223,149
TOTAL	**$**	**17,282,685**

OWENS ILLINOIS DE PUERTO RICO

ACCOUNT NO.: 341-14-6831

2001 PARTNERSHIP INCOME TAX RETURN

SCHEDULE OF OTHER DEDUCTIONS
Form 480.30 (II), Shedule N, Page 2, Part IV, Line 37

SPECIAL FEES	$ 160,767
ENVIRONMENTAL PERMITS	17,267
EMPLOYEE BENEFITS	12,575
TELEPHONE & TELEGRAPH	78,284
POSTAGE	3,760
OTHER EXPENSES	56,455
TOTAL	**$ 329,108**

OWENS ILLINOIS DE PUERTO RICO

ACCOUNT NO.: 341-14-6831

2001 PARTNERSHIP INCOME TAX RETURN

EXPENSES RECORDED ON BOOKS THIS YEAR
NOT CLAIMED IN THIS RETURN
Page 3, Part VI, Line 5 c

Bad Debts Expense	$ 76,276
Insurance	121,845
Pension Accrual	69,610
Provision for inventory obsiescence	2,500,000
Loss on impairment of machinery and equipment	20,500,000
TOTAL	**$ 23,267,731**

Julio 30 2044
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J2.02

Departamento de Hacienda - Department of the Treasury

SOLICITUD DE PRORROGA PARA RENDIR LA PLANILLA DE CONTRIBUCION SOBRE INGRESOS

Request for Extension of Time to File the Income Tax Return

Año comienza el ___ de ___ de ___ y termina el ___ de ___ de ___
Year beginning on 1/1 of 2001 and ending on 12/31 of 2001

Sello de Pago

Liquidador	Revisor

DEPARTAMENTO DE HACIENDA
20 Avenida de Diego Martínez
Recibido en Planilla 4472
ABR 1 8 2002
SECRETARIO DE HACIENDA

Parte-Part I: Información del Contribuyente – Taxpayer's Information

Nombre del Individuo / Individual First Name	Inicial / Initial	Apellido Paterno / Last name	Apellido Materno / Second Last Name	Número de Seguro Social / Social Security Number

Número de Identificación Patronal / Employer's Identification Number: 34-1146831

Nombre de la Corporación, Sociedad, Sucesión, o Fideicomiso / Corporation, Partnership, Estate or Trust name: Lucero Offings de Puerto Rico (A Partnership)

Ocupación/Negocio / Occupation/Business:

Dirección Postal – Postal Address: P.O. Box 70262, San Juan, P.R. 00936-8262

Teléfono Residencia / Residence Telephone:

Teléfono (Trabajo o Negocio) / Telephone (Office or Business):

Código Postal – Zip Code:

Número de recibo / Importe

Parte-Part II: Información de (los) Patrono(s) para quien(es) Trabaja - Employer's Information to whom you Work

Nombre del Patrono – Employer's Name	Dirección - Address / Código Postal – Zip Code	Número de Identificación Patronal / Employer's Identification Number
Nombre del Patrono – Employer's Name	Dirección - Address / Código Postal – Zip Code	Número de Identificación Patronal / Employer's Identification Number

Parte-Part III: Ingresos - Income

Ingreso según Comprobante de Retención o Ingreso Estimado - Income as Withholding Statement or Estimated Income	0 00
Otros Ingresos - Other Income	0 00
Total de Ingreso Bruto - Total Gross Income	0 00

Parte-Part IV: Importe Incluido con esta Solicitud - Amount included with this Request

Balance Pendiente de Pago - Balance of Tax Due	0 00
Contribución Adicional Especial (Anejo N) - Special Surtax (Schedule N Incentives) (CIFRA DE INGRESO 0215)	0 00
Prepago del Impuesto sobre Repatriación (Formulario 480.3 (II), Parte IV) - Prepayment of Toligate Tax (Form 480.30 (II), Part IV) (CIFRA DE INGRESO 0242)	0 00
Contribución sobre Ingresos Opcional para Negocios Exentos (Anejo O Incentivo) - Optional Income Tax for Exempt Businesses (Schedule O Incentive) (CIFRA DE INGRESO 0213)	0 00

Solicitud de Prórroga Automática - Request for Automatic Extension of Time

Clase de Contribuyente - Type of taxpayer

1. Individuo - Individual	☐ 2. Sucesión - Estate	☐ 3. Fideicomiso - Trust	90 days
4. Corporación - Corporation	☐ 5. Sociedad - Partnership	☐ 6. Sociedad Especial - Special Partnership	
7. Corporación de Individuos - Subchapter N Corporation		☐ 8. Organización sin fines de lucro - Non profit organization	90 days
9. Corporación Especial de Trabajadores - Employees-Owned Special Corporation			
10. Corporación o sociedad acogida a la Sección 936 del Código de Rentas Internas Federal / Corporation or partnership that has an election under Section 936 of the Federal Internal Revenue Code		Decimoquinto (15) día del noveno mes siguiente al cierre del año contributivo / Fifteenth (15th) day of the ninth month following the close of the taxable year	

VEASE AL DORSO – SEE OVER

Computer Expert Group

Solicitud de Prórroga Adicional – Request for Additional Extension of Time

Clase de contribuyente – Type of taxpayer

☒ 1. Individuo - Individual ☐ 2. Sucesión - Estate ☐ 3. Fideicomiso - Trust

USO OFICIAL – OFFICIAL
☐ 60 días - days
☐ 120 días - days

Razones – Reasons

THE NECESSARY INFORMATION TO PREPARE A COMPLETE RETURN IS NOT AVAILABLE.

Juramento – Oath

Declaro bajo penalidad de perjurio, que la información aquí suministrada ha sido examinada por mí y que según mi mejor información y creencia es cierta, correcta y completa.

I hereby declare under the penalty of perjury, that this information has been examined by me and to the best of my knowledge and belief is true, correct and complete.

Título - Title

Firma del contribuyente
Signature of the taxpayer

4/16/12
Fecha - Date

Firma del representante autorizado
Signature of the duly authorized agent

Dirección del representante autorizado – Address of duly authorized agent

PO BOX 70262 SAN JUAN, PR 00936-8262

253-9595
Teléfono – Telephone:

ESTA PRORROGA NO EXTIENDE EL PAGO DE LA CONTRIBUCION O CUALQUIER PLAZO DE LA MISMA. ES IMPORTANTE QUE COMPLETE TODOS LOS ENCASILLADOS. RECUERDE INCLUIR LA INFORMACION DE SU PATRONO Y EL INGRESO BRUTO QUE DEVENGO EN EL AÑO.

THIS EXTENSION DOES NOT EXTEND THE TIME FOR PAYMENT OF THE TAX OR ANY INSTALLMENT THEREOF. IS IMPORTANT THAT YOU COMPLETE ALL BOXES. REMEMBER TO INCLUDE YOUR EMPLOYER'S INFORMATION AND THE GROSS INCOME RECEIVED IN THE YEAR.

Computer Expert Group

Modelo SC 2649
17 abr 98

Gobierno de Puerto Rico
DEPARTAMENTO DE HACIENDA
Area de Rentas Internas
Negociado de Procesamiento de Planillas

APROBACION O DENEGACION DE PRORROGA PARA RENDIR INFORMES O DECLARACIONES

OWENS ILLINOIS DE PUERTO RICO
PO BOX 70262
SAN JUAN PR 00936-8262

Número de Cuenta: **341146831**

Período Contributivo: **2002**

ENMENDADA

Estimado contribuyente:

Según lo dispuesto en la Sección 1054, 1059 ó 1062 del Código de Rentas Internas de Puerto Rico de 1994, según enmendado, su solicitud de prórroga ha sido :

☑ Aprobada

Deberá rendir su informe o declaración no más tarde del **17 DE JULIO DE 2002**

☐ Denegada

Recuerde, en Hacienda estamos para servirle.

Cordialmente,

Director, Negociado de Procesamiento de Planillas o su Representante Autorizado

Conservación: 10 años

Form AS 2154
Mar 5, 91

COMMONWEALTH OF PUERTO RICO
DEPARTMENT OF THE TREASURY
INTERNAL REVENUE AND COLLECTIONS AREA
BUREAU OF EXCISE TAX

USO COLECTURIA
(0320)

MANUFACTURER'S ANNUAL RETURN

All manufacturers with an Excise Tax Identification Number should use this return to declare their annual sales.

1. COMPANY: Owens-Illinois de Puerto Rico
2. POSTAL ADDRESS: P.O. Box 387
   Vega Alta, PR 00692
3. ACCOUNT NUMBER: 34-1146831
4. IDENTIFICATION NUMBER: M00197
5. ANNUAL RETURN: (Specify tax year) 01-01 - 12-01
   Month Year Month Year
6. Monthly Excise Tax Return filed: ☐ SC 2134 ☐ SC 2134.1 ☐ SC 2134.2 ☒ Other SC 2225

PART I: SUMMARY OF EXCISE TAX AND PAYMENTS

EXCISE TAX	7. Excise Tax on Sales (Part 2, Line 13, Column J)	16,789	
	8. Interests and Surcharges (See instructions)	---	
	9. Tax Liability (Add Lines 7 and 8)		16,789
PAYMENTS	10. Total Monthly Payments	16,789	
	11. Interests and Surcharges (See instructions)	---	
	12. Net Monthly Payments (Subtract Line 11 from 10)		16,789
SUMMARY	13. Tax Due (If Line 9 is greater that Line 12, enter the difference here)		---
	14. Amount to be Reimbursed (If Line 12 is greater than Line 9, enter the difference here)		---

15. I declare under oath, subject to the penalties for the crime of perjury, and subject as well to interests, surcharges, administrative fines and the crimes and penalties accordance with Chapter IX and Chapter X of Law Number 5, the Excise Tax Law of the Commonwealth of Puerto Rico, approved on October 8, 1987, that the information provided in this document is complete and true; and that the Excise Tax Identification Number was used only to declare shipments of raw materials, machinery and equipment (parts and accessories).

Luz N. Gerena	Lgerena	Senior Accountant	9-22-02
Printed Name	Signature	Title	Date

INSTRUCTIONS FOR PART I

IMPORTANT: IT IS NOT NECESSARY TO SUBMIT PARTS 3 & 4. USE THEM FOR COMPUTATIONS AND INFORMATION

Line 1 to Line 4: Provide the corresponding information for the taxpayer who is filing the return.

Line 5: Enter the months that correspond to the beginning and end of the tax year.

Line 6: Check the box that corresponds to the monthly return filed.

Line 7: Complete Part 2: Excise Tax Schedule and enter the total excise tax in Line 13, Column J.

Line 8: Optional. Complete Part 3, Schedule of Excise Tax Paid (Optional). Obtain from Part 4, the total of Line 14, Column 1. In any event, this operation will be verified by our system and reimbursement, if any, will be processed as well as deficiency, if any occurs.

Line 9: Add Line 7 and 8 and enter the result.

Line 10: Enter the total payments according to your accounting records.

Line 11: Optional. Complete Part 4 and enter the total in Line 14, Column J.

Line 12: Subtract Line 11 from Line 10.

Line 13: If the result in Line 9 is greater than the one in Line 12, enter the difference. Make a check payable to the Secretary of the Treasury and mail it to the address that appears in the bottom part of this form.

Line 14: If the result in Line 9 is less than Line 12, enter the difference. Your information will be verified, and, if it proceeds, you will automatically receive a reimbursement check for that quantity.

Line 15: Sign and date the return.

Send the return to: Bureau of Excise Tax, Office 511, Call Box 50068, San Juan, PR 00902.

Conservación: Diez (10) años después de radicadas.

PARTE 2: RELACION DE ARBRTRIOS

A	B	C	D	E	F	G	H	I	J
MES/AÑO	VENTAS BRUTAS	DEVOLUCIONES	VENTAS NETAS	VENTAS NO TRIBUTABLES	VENTAS EXENTAS	EXPORTACIONES	VENTAS NO SUJETAS A ARBITRIOS	VENTAS SUJETAS A ARBITRIOS	ARBITROS
ENERO 2001	1,589,197.00	0.00	1,589,197.00	0.00	472,587.69	1,072,998.23	1,545,585.92	43,611.08	1,570.00
FEBRERO 2001	2,567,952.00	0.00	2,567,952.00	0.00	341,246.77	2,199,393.31	2,540,640.08	27,311.92	983.23
MARZO 2001	2,800,805.00	0.00	2,800,805.00	0.00	817,527.70	1,931,721.77	2,749,249.47	51,555.53	1,856.00
APRIL 2001	2,211,493.00	0.00	2,211,493.00	0.00	549,156.93	1,626,309.83	2,175,466.76	36,024.24	1,296.87
MAYO 2001	2,365,196.00	0.00	2,365,196.00	0.00	514,429.03	1,801,893.82	2,316,322.85	48,873.15	1,759.43
JUNIO 2001	2,160,626.00	0.00	2,160,626.00	0.00	764,141.30	1,361,902.15	2,126,043.45	34,582.55	1,244.97
JULIO 2001	2,970,897.00	0.00	2,970,897.00	0.00	717,036.83	2,222,701.46	2,939,738.29	31,159.43	1,121.74
AGOSTO 2001	2,258,938.00	0.00	2,258,938.00	0.00	862,189.17	1,366,143.81	2,228,332.98	30,604.97	1,101.78
SEPTIEMBRE 2001	2,504,943.00	0.00	2,504,943.00	0.00	749,468.84	1,718,330.58	2,467,799.42	37,143.53	1,337.17
OCTUBRE 2001	4,501,407.00	0.00	4,501,407.00	0.00	1,061,370.00	3,402,092.00	4,463,462.00	37,945.00	1,366.03
NOVIEMBRE 2001	2,526,132.00	0.00	2,526,132.00	0.00	623,444.62	1,865,911.91	2,489,356.53	36,775.03	1,323.90
DICIEMBRE 2001	3,006,046.00	0.00	3,006,046.00	0.00	567,902.24	2,387,354.62	2,955,256.86	50,787.87	1,828.36
TOTAL	31,463,632.00	0.00	31,463,632.00	0.00	8,040,501.12	22,956,753.49	30,997,254.61	466,374.30	16,789.48

LAW OFFICES
MUÑOZ BONETA GONZALEZ ARBONA BENITEZ & PERAL
SUITE 1800
BANCO POPULAR CENTER
208 PONCE DE LEON AVENUE
HATO REY, PUERTO RICO 00918-1009
www.munotlaw.com

TELEPHONE: (787) 751-9393
TELECOPIER: (787) 751-0910
TELECOPIER: (787) 282-0307
E-MAIL: munbt@munotlaw.com
WRITER'S E-MAIL: mlmartinez@munotlaw.com

POSTAL ADDRESS:
P.O. BOX 191979
SAN JUAN, PUERTO RICO 00919-1979

Agosto 28, 2002

A LA MANO

Sr. Manuel Arroyo Arroyo
Recaudador Oficial
Municipio de Vega Alta
Casa Alcaldía
Vega Alta, Puerto Rico

RECIBIDO
02 AUG 29 PM 1:59

Re: Solicitud de Patente Municipal

Estimado señor Arroyo:

Sirva la presente para solicitar el cambio de nombre en la Patente Municipal Número 22112, expedida por el Municipio de Vega Alta a nombre de Owens-Illinois de Puerto Rico ("Owens") una sociedad organizada bajo las leyes del Estado de Ohio, número de cuenta P341-14-6831, para el negocio de fabrica de vidrios y las operaciones de Owens están localizadas en la Carretera Estatal Número 690, kilometro 1.1 en Vega Alta, Puerto Rico.

Como resultado de la adquisición del socio minoritario todas las operaciones de Owens en Puerto Rico han sido transadas a una nueva entidad Owens-Illinios de Puerto Rico LLC, una compañía de responsabilidad limitada organizada bajo las leyes del Estado de Delaware. Dicha transacción es efectiva el 28 de agosto de 2002.

Se acompaña con la presente solicitud copia del Permiso de Uso de las facilidades de Owens expedido por el Junta de planificación.

De necesitar usted cualquier información adicional sobre este particular, favor de comunicarse con el suscribiente.

Cordialmente,

Juan José Forastieri

RECIBIDO
02 AUG 29 PM 1:59

LAW OFFICES
MUÑOZ BONETA GONZALEZ ARBONA BENITEZ & PERAL
SUITE 1800
BANCO POPULAR CENTER
208 PONCE DE LEON AVENUE
HATO REY, PUERTO RICO 00918-1009
www.munetlaw.com

TELEPHONE: (787) 751-9393
TELECOPIER: (787) 751-0910
TELECOPIER: (787) 282-0307
E-MAIL: munbr@munetlaw.com
WRITER'S E-MAIL: almartinez@munetlaw.com

POSTAL ADDRESS:
P.O. BOX 191979
SAN JUAN, PUERTO RICO 00919-1979

Agosto 28, 2002

A LA MANO

Sr. Manuel Arroyo Arroyo
Recaudador Oficial
Municipio de Vega Alta
Casa Alcaldía
Vega Alta, Puerto Rico

RECIBIDO
02 AUG 29 PM 1:59

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Como resultado de la adquisición del socio minoritario todas las operaciones de Owens en Puerto Rico han sido transadas a una nueva entidad Owens-Illinios de Puerto Rico LLC, una compañía de responsabilidad limitada organizada bajo las leyes del Estado de Delaware. Dicha transacción es efectiva el 28 de agosto de 2002.

Se acompaña con la presente solicitud copia del Permiso de Uso de las facilidades de Owens expedido por el Junta de planificación.

De necesitar usted cualquier información adicional sobre este particular, favor de comunicarse con el suscribiente.

Cordialmente,

Juan José Porastieri

RECIBIDO
02 AUG 29 PM 1:59

JUNTA DE PLANIFICACION

SOLICITUD DE PERMISO DE USO

(LEY DE CERTIFICACIONES)

I. Información General 118

Radicación	
Número	Fecha
75-9-0052 CPF	2 de febrero 1976

B.

Número de Catastro				
Municipio	Mapa 1:10,000	Mapa 1:1,000	Manzana	Parcela
10	058	000	004	01 Part

Proyecto	
Nombre	OWENS ILLINOIS GLASS CONTAINER PLANT
Dirección	Carretera Estatal PR-690, Km. 1.3 Barrio Sabana, Vega Alta, Puerto Rico

Identificación			
	Nombre	Dirección Postal	Zip code
Dueño	Owens Illinois de P. R.	Apartado 10876 Caparra Heights Sta. P. R.	00922
Contratista	Rexco Industries	G.P.O. Box 1380, San Juan, P. R.	00936

	Nombre	Profesión	Núm. Licencia	Dirección Postal
Inspector	Justo Pérez Díaz	Arquitecto	3499	P.O. Box 9524 Santurce, P. R. 00908

Yo Owens Illinois de Puerto Rico (Nombre del Solicitante) solicito Permiso de Uso para ocupar la siguiente pertenencia:

☐ Solar ☒ Edificio ☐ Local

II. Detalles de Uso:

Edificio Principal	
Planta	Uso Propuesto
Sótano	
1ra.	Industrial
2da.	Industrial
3ra.	
4ta.	
5ta.	
Otros	
Accesorios	

ADMINISTRACION DE REGLAMENTOS Y PERMISOS
OFICINA REGIONAL DE BAYAMON
APROBADO

III. Informe y detalles sobre rótulos y anuncios comerciales:

IV. Condiciones Especiales:
(No llene para uso oficina)

[signature]
Firma del Solicitante

PERMISO DE USO

Recomendado por:

Inge. Josefa E. Pérez
Funcionario y Título Oficial

Aprobado por:

Ing. Elliot Merced Mon
Oficial de Permisos

Autorizado por:

[signature]

Fecha aprobado 2/2/76

ificación del Inspector:

armonía con las disposiciones de la Ley Número 135 del 15 de junio de 1967, enmendada, Yo Justo Pérez Díaz CERTIFICO:
Nombre y Apellidos,
y mayor de edad casado y vecino de San Juan, Puerto Rico
Estado Civil Municipio

Arquitecto autorizado para ejercer la profesión en Puerto Rico con Licencia núm. 5499
niero o Arquitecto

spector designado por Owens Illinois de Puerto Rico para la inspección de las obras de
Nombre del dueño del proyecto
construcción autorizadas mediante el Permiso de Construcción número ~~75-9-0052-CPF-3~~
ción, ampliación, etc. 75-9-0531
75-9-0516

7 de ~~20~~ 28 de ~~julio~~ mayo abril de 19 75 75

construcción de dicha obra fué inspeccionada por mí, y que la misma cumple con lo expresado en el
otorgado en base a los planos certificados por el Ing. Ignacio Martín
Ingeniero o Arquitecto (Nombre del Ingeniero o Arquitecto)

Núm. 3473

Firma del Inspector

JUSTO PÉREZ DÍAZ LICENCIA ARQUITECTO LICENCIADO NO. 5499 PUERTO RICO

---

rtificación del Contratista O Constructor:

En armonía con las disposiciones de la Ley Número 135, del 15 de junio de 1967, enmendada, Yo Armando
Nombre
Vivoni CERTIFICO BAJO JURAMENTO:
Apellidos
Soy mayor de edad, Casado y vecino de Guaynabo Puerto Rico. Mi relación con la obra autorizada
Estado Civil Municipio
te el Permiso de Construcción Número 75-9-0052-CPF-3 expedido con fecha 23 de julio
75, es lo descrito abajo en el párrafo b
(a),(b),(c)

(a) Soy el _____ que ejecutó dicha obra.
contratista, constructor

(b) Soy el representante autorizado del Rexco Industries, Inc. que ejecutó dicha obra.
contratista, constructor (nombre del contratista o constructor)

(C) Soy _____ de la firma constructora _____ que
título del puesto Nombre legal de la firma
ejecutó dicha obra y he sido autorizado por la corporación antes señalada mediante la resolución número
_____ del ____ de _____ de ____ a firmar la presente certificación

La obra de Construcción fué ejecutada de acuerdo a los planos y especificaciones.
construcción, ampliación, etc.

los cuales se otorgó el permiso de construcción.

Declaro bajo las penalidades de perjurio que esta Certificación ha sido examinada por mí y que según mi
r información y creencia es cierta, correcta y completa.

5209
Affidavit número

Firma del Contratista o Constructor

ado y suscrito ante mí por don Armando Vivoni, Por: Rexco Industries, Inc.
las circunstancias personales antes mencionadas, a quien doy fe de conocer personalmente.
En San Juan, Puerto Rico, a 11 de enero de 1976

Ley Núm. 55
mayo 99
. Normas Básicas Mun. P.R.

ESTADO LIBRE ASOCIADO DE PUERTO RICO

Municipio de VEGA ALTA

ESTA PATENTE
—NO ES—
TRANSFERIBLE

PATENTE MUNICIPAL

Nº 22112
NUMERO DE PATENTE

EXPEDIDA A: OWENS ILLINOIS DE PUERTO RICO

P341-14-6831
Número de Cuenta

FABRICA
Clase de Negocio

Importe Pagado
$ 40,070.16

Para Establecimientos Situados En:

CARR. 690 KM 1.1
Calle y Número

Calle y Número

VEGA ALTA P.R. 00692
Calle y Número

Calle y Número

Calle y Número

Calle y Número

Regirá esta Patente desde JULIO 1, 2002 hasta JUNIO 30, 2003

GOBIERNO MUNICIPAL
Pagado
22000
04/25/02
Inicial
VEGA ALTA P.R.

NO ES VALIDA SIN
EL SELLO DE PAGO

CERTIFICO que el importe de esta patente ha sido satisfecho y que esta persona está debidamente inscrita en el registro de patentes del Tesorero Municipal de este Municipio.

Firma de la persona autorizada a expedir la patente

REC. OFICIAL
Título

(COLOQUE ESTA PATENTE EN UN LUGAR VISIBLE)

(VEASE INFORMACION GENERAL AL DORSO)

COMMONWEALTH OF PUERTO RICO
DEPARTMENT OF STATE
OFFICE OF INDUSTRIAL TAX EXEMPTION

Order of amendment to the grant of industrial tax exemption of Owens Illinois de Puerto Rico, O-I Puerto Rico Sts, Inc. and Inland Container Corporation, Case No. EI-00-51 (90-8-I-49)-C, pursuant to the provisions of Act No. 8 of January 24, 1987, as amended;

WHEREAS, on January 3, 1991, the Acting Governor of Puerto Rico issued a tax exemption grant (the "Grant") to Petitioners, which contained a minimum employment requirement of 300 persons and the standard clause if Petitioners were to lower its employment level requiring the notification to the Office of Industrial Tax Exemption ("OITE"), with copy to the Department of Labor and Human Resources of Puerto Rico and the Puerto Rico Industrial Development Company, and requiring to obtain approval from the OITE if the reduction in employment represents twenty five percent (25%) or more of the employment requirement;

WHEREAS, on June 16, 2000, the Grantee filed at the Office of Industrial Tax Exemption through its legal representative a sworn statement requesting that its grant be amended to modify the minimum, employment requirement to one hundred fifty (150) effective July 1, 2000. The reduction in employment to be experienced by Petitioners is directly attributable to the reduction in sales due to its loss of market share as a result of new competitors in the Dominican Republic and the closing of the 7-Up plant in Puerto Rico, both of which are circumstances beyond control of Petitioners and which have occurred in spite of Petitioners' continued efforts to maintain sales;

WHEREAS, the petition appears to be in order and its approval will not be contrary to the public interest;

WHEREAS, on May 9, 2001, the Puerto Rico Industrial Development Company rendered a favorable report on the above stated petition, copy of it is included;

WHEREAS, pursuant to Section 9 (j) (6) of Act No. 8 of January 24, 1987, as amended, and Administrative Order No. 97-08 of September 22, 1997, the Secretary of State of the Commonwealth of Puerto Rico authorized the Director of the Office of Industrial Tax Exemption to carry on administrative duties of all nature, with respect to Acts Nos. 6 0f December 15, 1953, 57 of June 13, 1963, 26 of June 2, 1978 and 8 of January 24, 1987, as amended, including with respect to Act No. 8, supra, the approval or denial of tax exemption grants for property devoted to industrial development, but excluding the authority to approve or deny tax exemption grants to manufacturing or service units and any other duty specifically bestowed upon him by the aforementioned Acts;

NOW, THEREFORE, BE IT DECREED BY THE DIRECTOR OF THE OFFICE OF INDUSTRIAL TAX EXEMPTION, that the grant of industrial tax exemption of Owens Illinois de Puerto Rico, O-I Puerto Rico Sts., Inc. and Inland Container Corporation, Case No. 90-8-I-49, be and hereby, is amended as requested;

BE IT FURTHER DECREED, that this amendment to the grant shall become retroactively null and void unless the grantees file with the Office of Industrial Tax Exemption, within sixty (60) days after the receipt of this amendment to the grant by the grantee, a duly notarized and sworn declaration wherein the grantees expresses its unconditional acceptance of this amendment to the grant and with all the conditions, provisions and findings which are integral part hereof;

BE IT FURTHER DECREED, that the grantees must comply with all the laws, rules regulations, orders and ordinances promulgated by the Commonwealth of Puerto Rico, its agencies and municipalities which are applicable to grantee's operations;

BE IT FURTHER DECREED, that grantees must pay or clarify any possible income tax debt, employee withholding income tax and any other debt notified by the Department of Treasury of the Commonwealth of Puerto Rico. Otherwise, the grant could be temporarily or permanently revoked;

BE IT FURTHER DECREED, that this amendment will be effective at July 1, 2000, as requested;

BE IT FURTHER DECREED, that all other terms and conditions of the Grant, as amended, will remain in full force and effect.

Elizabeth Aponte Rivera
ELIZABETH APONTE RIVERA
DIRECTOR

JUN 04 2001

COMMONWEALTH OF PUERTO RICO
DEPARTMENT OF STATE
OFFICE OF INDUSTRIAL TAX EXEMPTION

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WHEREAS, the petition appears to be in order and its approval will not be contrary to the public interest;

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BE IT FURTHER DECREED, that all other terms and conditions of the Grant, as amended, will remain in full force and effect.

Elizabeth Aponte Rivera
ELIZABETH APONTE RIVERA
DIRECTOR

JUN 04 2001

Formulario 499 R-3
Form
Rev. 08.01

Liquidador | Revisor

Investigado por:

Fecha ___/___/___

R | M | N

Estado Libre Asociado de Puerto Rico - Commonwealth of Puerto Rico
Departamento de Hacienda - Department of the Treasury

ESTADO DE RECONCILIACION DE CONTRIBUCION SOBRE INGRESOS RETENIDA
RECONCILIATION STATEMENT OF INCOME TAX WITHHELD

Año comienza el 1 de ene de 01 y termina el 31 de dic de 01
Year beginning on ____ of ____ and ending on ____ of ____

Número de Serie - Serial Number

Estado de Reconciliación - Reconciliation Statement
☐ Original - Original
☐ Enmendado - Amended

Fecha de Recibo

Núm. Identificación Patronal - Employer's Identification Number: 34-1146831

Número de Teléfono - Telephone Number: (787) 883-5800 X228

Nombre del Negocio - Business Name: Owens-Illinois de Puerto Rico

Fecha comienzo de operaciones - First date of operations: 1975

Nombre del Patrono (o Persona Contacto) - Employer's Name (or Contact Person): Luz N. Gerena

Fecha cese operaciones - Last date of operations:

Dirección Postal - Postal Address:
P.O. Box 387
Vega Alta, PR 00692-0387

Código Postal - Zip Code: 00692

Localización del Negocio - Número, Calle y Ciudad - Business Location - Number, Street and City:
Carr. 690 Km. 1.1
Vega Alta, PR 00692

Total de Comprobantes Incluidos - Number of Statements Included: 383

1. Salarios - Wages	$6,685,769	00
2. Comisiones - Commissions	---	00
3. Concesiones - Allowances	---	00
4. Propinas - Tips	---	00
5. Total - Total	$6,685,769	00
6. Contribución Retenida - Tax Withheld	596,751	00
7. Fondo de Retiro - Retirement Fund	---	00
8. Aportaciones a Planes Cualificados - Contributions to CODA Plans	175,173	00

Juramento - Oath

Declaro bajo penalidad de perjurio, que he examinado esta declaración y los documentos adjuntos, y que a mi mejor entender son verídicos, correctos y completos. De haber documentos sin el número de seguro social de las personas que los recibieron, he cumplido con las exigencias del Código de Rentas Internas de Puerto Rico de 1994, según enmendado (Código), solicitando a dichas personas el número, pero no he recibido contestación.

I declare under penalty of perjury, that I have examined this declaration, including all attached documents, and to the best of my knowledge and belief, it is true, correct and complete. If there are documents without recipient's social security numbers, I have complied with the requirements of the Puerto Rico Internal Revenue Code of 1994, as amended (Code), by requesting such numbers from the recipients, but have not received any reply.

8 de abril de 2002
Fecha - Date

Firma del Patrono - Employer's Signature

Senior Accountant
Título - Title

SEP-23-2002 09:25 01 TMA

INTERNAL REVENUE SERVICE
PHILADELPHIA PA 19255

NUMBER OF THIS NOTICE: CP 575 E
EMPLOYER IDENTIFICATION NUMBER: 42-1549230
FORM: SS-4
0532825270 0

FOR ASSISTANCE CALL US AT:
1-800-829-1040

OWENS ILLINOIS DE PUERTO RICO LLC
GEDRIS SCOTT W SINGLE MEMBER
1 SEAGATE 5 OSG
TOLEDO OH 43666

OR WRITE TO THE ADDRESS SHOWN AT THE TOP LEFT.

IF YOU WRITE, ATTACH THE STUB OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER (EIN)

Thank you for your Form SS-4, Application for Employer Identification Number (EIN). We assigned you EIN 42-1549230. This EIN will identify your business account, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

Use your complete name and EIN shown above on all federal tax forms, payments and related correspondence. If you use any variation in your name or EIN, it may cause a delay in processing and incorrect information in your account. It also could cause you to be assigned more than one EIN.

If you want to apply to receive a ruling or a determination letter recognizing your organization as tax exempt, and have not already done so, you should file Form 1023/1024, Application for Recognition of Exemption, with the IRS Ohio Key District Office. Publication 557, Tax Exempt Status for Your Organization, is available at most IRS offices and has details on how you can apply.

Keep this part for your records. CP 575 E (Rev. 1-200

Return this part with any correspondence so we may identify your account. Please correct any errors in your name or address.

CP 575 E

0532825270

Your Telephone Number ( ) - _____ Best Time to Call _____

DATE OF THIS NOTICE: 09-13-2002
EMPLOYER IDENTIFICATION NUMBER: 42-1549230
FORM: SS-4

INTERNAL REVENUE SERVICE
PHILADELPHIA PA 19255

OWENS ILLINOIS DE PUERTO RICO LLC
GEDRIS SCOTT W SINGLE MEMBER
1 SEAGATE 5 OSG
TOLEDO OH 43666

MODELO
SC 6096
3 AGO 02

ESTADO LIBRE ASOCIADO DE PUERTO RICO
DEPARTAMENTO DE HACIENDA
AREA DE RENTAS INTERNAS

FECHA: 24-09-2002
HORA : 10:30
ARV1110

CERTIFICACION DE DEUDA

NUM. CUENTA: 001 421-54-9230 OWENS ILLIONOIS DE PR LLC

CARRETERA 609 KM1.01
VEGA ALTA PR 00692-

CERTIFICO QUE LA PERSONA O CORPORACION ARRIBA MENCIONADA NO APARECE REGISTRADA EN NUESTRO SISTEMA DE INFORMACION CONTRIBUTIVA.
AL DIA DE HOY 24-09-2002

A D V E R T E N C I A :

FAVOR DE REVISAR ESTE DOCUMENTO EN DETALLE. SI USTED NO ESTA DE ACUERDO CON ALGUNA DE LA INFORMACION AQUI PROVISTA DEBERA PRESENTAR SU RECLAMACION JUNTO CON LOS DOCUMENTOS QUE EVIDENCIAN LA MISMA A LAS DIRECCIONES QUE SE INDICAN EN LA HOJA ADJUNTA.

ESTA CERTIFICACION NO ES VALIDA SIN LA FIRMA AUTORIZADA Y EL SELLO OFICIAL EN ORIGINAL DEL DEPARTAMENTO DE HACIENDA

DEPARTAMENTO DE HACIENDA
ESTADO LIBRE ASOCIADO DE PUERTO RICO
SELLO OFICIAL

24/SEP/2002

SECRETARIO AUXILIAR DE RENTAS INTERNAS O SU REPRESENTANTE AUTORIZADO

FECHA

EXHIBIT L

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

SEAGATE INC., Plaintiff v. OWENS-ILLINOIS DE PUERTO RICO, LLC, Defendant	CIVIL NO. 08-1627 (GAG) ACTION FOR COLLECTION OF MONIES; FORECLOSURE OF PROPERTY

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CLERK'S OFFICE
U.S. DISTRICT COURT
SAN JUAN PR

JUDGMENT

Upon plaintiff's motion for judgment, and it appearing from the records of the above-entitled case that default was entered against the defendant Owens Illinois de Puerto Rico, LLC ("OIPR-LLC") for its failure to plead or file an answer to the Verified Complaint, or otherwise appear in the above cause, after proper service was effected upon it through its managing agent in Puerto Rico, Mr. Héctor Negrón, pursuant to Rule 4(h)(1)(B) Fed. R. Civ. P., and through defendant's Registered Agent in Delaware, pursuant to Rules 4(h)(1)(A) and 4 (e) (1) Fed. R. Civ. P., plaintiff is entitled to a judgment by default, and the Court being fully advised in the premises,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

1. The mortgage constituted by Owens Illinois de Puerto Rico (an Ohio general partnership, succeeded in all of its rights and obligations by OIPR-LLC) on December 21, 1977 by Deed Number 13 before Notary Public Julio L. Aguirre, at San Juan, Puerto Rico ("the Mortgage Deed"), thereafter extended for twenty additional years on March 19, 1992 by Deed Number 56 before Notary Public Pedro Morell-Lozada, and securing a bearer Mortgage Note in the principal amount of $26,549,905.66 under affidavit number 2730 before Notary Public Julio L. Aguirre, is a valid and subsisting mortgage, and constitutes a first rank lien prior to any interest of OIPR-LLC in the property described in paragraph SEVEN (7) and EIGHT (8) of the Verified Complaint, to wit ("the Mortgaged Property"):

> ---"RUSTICA": Parcela de terreno de forma irregular radicada en el Barrio Sabana de Vega Alta, Puerto Rico, compuesta de TREINTA Y TRES PUNTO SIETE SEIS OCHO CINCO (33.7685) cuerdas, equivalente a CIENTO TREINTA Y DOS PUNTO SIETE DOS TRES PUNTO CUARENTA Y DOS (132.723.42) metros cuadrados, equivalentes a su vez a TREINTA Y DOS PUNTO SIETE CINCO CINCO CINCO (32.7555) acres, en lindes por el NORTE, con terrenos propiedad de El Morro Corrugated Box Corporation; por el SUR, con terrenos de Luis Valdejuli; por el ESTE, igualmente con terrenos propiedad de Luis Valdejuli, y por el OESTE, en parte con terrenos igualmente propiedad de Luis Valdejuli y en parte con la Carretera Estatal Número 2 del sector Cerro Gordo de la Playa

de Vega Alta. Se forma por agrupación de la finca número SIETE MIL SETECIENTOS QUINCE (7715) y SEIS MIL SETECIENTOS VEINTICUATRO (6724), inscrita al folio veintiuno (21) y ciento cuarenta y dos (142) del tomo ciento cincuenta y uno (151) de Vega Alta y cien (100) de Vega Alta.

The Mortgage is recorded at page 21 of volume 151 of Vega Alta, Parcel Number 7,715, Third Section of Bayamón, in the Registry of Property of Puerto Rico.

2. The Mortgage Note was delivered by defendant as borrower, to Scotiabank de Puerto Rico ("Scotiabank") as lender, through a Pledge Agreement executed under affidavit Number 2646 before Notary Public Pedro Morell-Lozada on March 19, 1992, to secure defendant's obligations under a Credit Agreement dated March 19, 1992 and an Amended and Restated Credit Agreement dated January 20, 2005 ("the Credit Facilities").

3. On May 1, 2008, SeaGate purchased from Scotiabank the lender's rights under the Credit Facilities, succeeded Scotiabank on all of its rights under the Credit Facilities, and ratified the Pledge Agreement executed under affidavit No. 2646 before Notary Public Pedro Morell-Lozada on March 19, 1992.

4. Defendant OIPR-LLC, as debtor under the Mortgage Note and as present owner of the Mortgaged Property pursuant to Deed Number 11 of Transfer of Real Property executed before Notary Public Juan José Forastieri on September 18, 2003, is hereby

ordered and adjudged to pay to plaintiff SeaGate, Inc. ("SeaGate"), the sum of $9,999,912.69 principal; interest due and owed as of August 7, 2008 to equal $262,870.24, and accumulating thereafter at $2,216.22 per diem until the entry of judgment.

5. In the absence of payment by OIPR-LLC of the sums hereinbefore specified or of any part thereof, within ten (10) days from the date of entry of this judgment, the mortgaged property described above shall be sold at public auction to the highest bidder therefor, without an appraisal or right of redemption, for the payment and satisfaction of the judgment hereby entered, as well as such future fees and expenses (including attorneys' fees, pursuant to the Credit Facilities) as SeaGate may incur in enforcement of its Lender's rights as may be documented anytime before the judgment is fully satisfied ("Execution Expenses"). The manner of such public sale, including the appointment of a Special Master, will be directed by further order of the Court upon motion by the judgment creditor, consistent with the Puerto Rico Mortgage Law and 28 U.S.C. Section 2201, 2202.

6. The minimum bid to be accepted at the first public sale in accordance with the Mortgage Deed is $29,204,000.00 ("Foreclosure Valuation"). The minimum bid to be accepted at the

second and third auctions, in the event that the first and/or second public auction is deserted, will be 2/3 and 1/2 of the Foreclosure Valuation.

7. Should there be a sale proceeds surplus after satisfaction of the judgment and payment of the Execution Expenses said surplus shall be delivered to the Clerk of this Court, subject to further orders of the Court.

8. The judgment creditor may apply to this Court for such further orders as it may deem advisable to its interests, in accordance with the terms of this Judgment.

SO ORDERED, ADJUDGED AND DECREED

In San Juan, Puerto Rico, this 25th day of August, 2008.

USDJ

UNITED STATES DISTRICT JUDGE

EXHIBIT M

LAW OFFICES
MUÑOZ BONETA GONZALEZ ARBONA BENITEZ & PERAL
SUITE 1800
BANCO POPULAR CENTER
208 PONCE DE LEON AVENUE
HATO REY, PUERTO RICO 00918-1009
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TELECOPIER: (787) 751-0910
TELECOPIER: (787) 282-0307
E-MAIL: munet@munetlaw.com
WRITER'S E-MAIL:

POSTAL ADDRESS:
P.O. BOX 191979
SAN JUAN, PUERTO RICO 00919-1979

August 27, 2002

EPA
M Aviles
8/29/02
11:40 AM

HAND DELIVERED

Mr. Sergio Bosques
Environmental Protection Agency
Region 02
Centro Europa Building
Santurce Puerto Rico

Re: Storm-Water Multi Sector General Permit
Permit Number PRR05A003

Dear Mr. Bosques:

The referenced permit was issued in the name of Owens Illinois de Puerto Rico (OIPR), a partnership organized and existing under the laws of the State of Ohio and duly authorized to conduct business in Puerto Rico, whose partners are OI Puerto Rico STS Inc., (STS), a corporation organized and existing under the laws of the State of Delaware, and Inland Paperboard and Packaging Inc. (Inland), also organized under the laws of the State of Delaware.

The purpose of this letter is to notify you that STS is negotiating with Inland the possibility of acquiring the partnership interest of Inland in OIPR. To that extent STS has organized a new entity named Owens-Illinois de Puerto Rico, LLC (LLC), under the laws of the State of Delaware as a limited liability company and will transfer its partnership interest in OIPR to the LLC. The LLC will then acquire the partnership interest of Inland. Once the transaction is carried out, OIPR will be dissolved as a matter of state law and the operations of OIPR located in Vega Alta, Puerto Rico, will be in the name of Owens-Illinois de Puerto Rico LLC. This new entity shall have as only shareholder United Caribbean Container Limited, a corporation organized and existing under the laws of the Cayman Islands, which in turn will have as its shareholders, 50% each, STS and Antillian Holding Group Corp., a corporation organized and existing under the laws of the British Virgin Islands. Owens-Illinois de Puerto Rico,

NPDES Form 3510-6

EPA

United States Environmental Protection Agency
Washington, DC 20460

Form Approved
OMB No. 2040-0086

Notice of Intent for Storm Water Discharges Associated with INDUSTRIAL ACTIVITY Under the Multi-sector NPDES General Permit

Submission of this completed Notice of Intent (NOI) constitutes notice that the entity in Section B intends to be authorized to discharge pollutants to waters of the United States, from the facility or site identified in Section C, under EPA's Storm Water Multi-sector General Permit (MSGP). Submission of the NOI also constitutes notice that the party identified in Section B of this form has read, understands, and meets the eligibility conditions of Part I of the MSGP; agrees to comply with all applicable terms and conditions of the MSGP; understands that continued authorization under the MSGP is contigent on maintaining eligibility for coverage, and that implementation of the permittee's pollution prevention plan is required two days after a complete NOI is mailed. In order to be granted coverage, all information required on this form must be completed. Please read and make sure you comply with all permit requirements, including the requirement to prepare and implement a storm water pollution prevention plan.

A. Permit Selection
If new, enter generic permit, otherwise enter previous permit: PRR05A003

New Permit Number (EPA Use Only) R05

B. Facility Operator Information

1. Name: Owens-Illinois de Puerto Rico
2. Phone: 7187883580
3. Mailing Address: a. Street or P.O. Box: PO Box 387
   b. City: Vega Alta
   c. State: PR
   d. Zip Code: 00692

C. Facility/Site Information

1. Facility/Site Name: Owens-Illinois
2. Location Address: a. Street: State Highway 690 Km 1.1
   b. City: Vega Alta
   c. County:
   d. State: PR
   e. Zip Code: 00692
   f. Latitude: 18 26 03
   g. Longitude: 066 25 02
3. If you are filing as a co-permittee, enter storm water general permit number:
4. a. Permit Applicant: ☐ Federal ☐ State ☐ Tribal ☒ Private ☐ Other public entity
   b. Is the facility located on Indian Country Lands? ☐ Yes ☒ No
5. Does the facility discharge storm water into:
   a. Receiving water(s)? ☒ Yes ☐ No If yes, name(s) of receiving water(s):
   b. A municipal separate storm sewer system (MS4)? ☐ Yes ☐ No
   If yes, name of the MS4 operator:
6. The 4-digit Standard Industrial Classification (SIC) codes or the 2-letter Activity Codes that best represent the principal products produced or services rendered by your facility and major co-located activities:
   Primary: 2821 Secondary (if applicable):
7. Applicable sector(s) of industrial activity, as designated in Part 1.2.1 of the MSGP, that include associated discharges that you seek to have covered under this permit (choose up to three):

☐ Sector A	☐ Sector F	☐ Sector K	☐ Sector P	☐ Sector U	☐ Sector Z
☐ Sector B	☐ Sector G	☐ Sector L	☐ Sector Q	☐ Sector V	☐ Sector AA
☐ Sector C	☐ Sector H	☐ Sector M	☐ Sector R	☐ Sector W	☐ Sector AB
☐ Sector D	☐ Sector I	☐ Sector N	☐ Sector S	☐ Sector X	☐ Sector AC
☐ Sector E	☐ Sector J	☐ Sector O	☐ Sector T	☐ Sector Y	☐ Sector AD

8. Additional Facility/Site Requirements:
   a. Based on the instructions provided in Addendum A of the MSGP, have the eligibility criteria for "listed species" and critical habitat been met? ☐ Yes ☒ No
   b. Based on the instructions provided in Addendum B of the MSGP, have the eligibility criteria for protection of historic properties been met? ☐ Yes ☒ No

D. Certification

Do you certify under penalty of law that this document and all attachments were prepared under your direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted? Based on your inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, do you certify that the information submitted is, to the best of your knowledge and belief, true, accurate, and complete? Do you certify that you are aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations?

Print Name: Sergio Galindo

Signature: SGalindo

Date:

EXHIBIT N

Susan L. Smith
One Michael Owens Way
Perrysburg, Ohio 43551-2999
+1 567 336 5000 tel
+1 567 336 8262 fax
www.o-i.com

March 30, 2010

Mr. Kenneth Eng
Chief, Air Compliance Branch
USEPA, Region II
290 Broadway
New York, NY 10007-1866

Re: Status of Former Glass Plant in Vega Alta, Puerto Rico

Dear Mr. Eng:

Thank you for your January 2010 letter concerning the compliance status of the former glass plant in Vega Alta, Puerto Rico (the "Vega Alta Plant"), which until July 2007 was operated by Owens-Illinois de Puerto Rico, LLC ("OIPR"). With this letter, Owens-Illinois, Inc. ("Owens") would like to correct any misconceptions about the Vega Alta Plant's ownership and operation.

Owens does not own or control OIPR. OIPR is 100% owned by United Caribbean Container, Ltd., a Cayman Islands corporation. Although Owens owns an indirect interest in United Caribbean Container, Owens has neither a majority nor a controlling interest in United Caribbean Container.

Nevertheless, we share EPA's desire to resolve any potential compliance matters related to the Vega Alta Plant and OIPR's former glass manufacturing operations. We agree with EPA's suggestion that the best course is for Owens to confirm that no bottles will be manufactured at the Vega Alta Plant and for EPA to discontinue its compliance review. The shut down of the furnaces at the Vega Alta Plant, and the certainty that the facility will not be operated as a glass manufacturing plant for the foreseeable future, can be assured for two independent reasons.

First, OIPR defaulted on its mortgage, which led to a public auction of the mortgaged real estate and the Vega Alta Plant. In December 2008, at public auction following OIPR's default, Seagate, Inc. acquired full ownership of the real estate on which the Vega Alta Plant is located, including all of the physical structures and buildings located on the land (the "Property"). *See* Deed of Judicial Sale dated Jan. 20, 2009 (Ex. A hereto).

On April 9, 2009, Seagate, Inc. leased the Property to O-I Caribbean Sales & Distribution, Inc. ("OICS&D"). That lease runs through April 9, 2011. *See* Lease dated April 9, 2009 (Ex. B. hereto). As its name suggests, OICS&D is in the business of sales and distribution, not glass melting or bottle manufacturing. Therefore, it is clear that the Vega Alta Plant will not operate as a glass manufacturing plant at any time in the foreseeable future. And, since Seagate, Inc. owns the Property, and Seagate, Inc. is a subsidiary of Owens, Owens can assure the EPA that the furnaces in question will remain shut down. This same information was provided by OICS&D to the Puerto Rico Environmental Quality Board ("EQB") in a recent letter dated February 19, 2010 (Ex. C hereto).

Second, OIPR's Title V permit will expire by its own terms on March 6, 2011 because OIPR did not file a renewal application by the required deadline of March 6, 2010. According to the Title V Permit, § III, ¶¶ 13-14, the March 6, 2011 termination date can be extended "only in those cases where the permittee submits a complete renewal application at least 12 months before the expiration date."

OICS&D has communicated directly to the EQB that OICS&D "has no intention whatsoever of reinitiating the glass manufacturing operations of Owens-Illinois de Puerto Rico, LLC and is only using the offices and warehouses for its sales and distribution activities." Ltr. from F. Torres to B. Gonzalez dated Nov. 17, 2009 (Ex. D. hereto). In addition, OICS&D has requested that EQB issue a minor air permit to allow the operation of an emergency generator and emergency fire pump. We suspect that the request has not been acted upon, due to the existence of the OIPR Title V permit.

In conclusion, Owens, as the parent corporation to Seagate, Inc., can state with certainty that the facility is not and will not in the foreseeable future be operated as a glass manufacturing facility. Owens agrees that if a decision is ever made to restart the furnaces for purposes of melting glass and manufacturing containers, the then current owner/operator would need to secure a new Title V air permit prior to reactivating any furnace.

We trust that these explanations address EPA's concerns regarding the Title V permit and the operation of the facility. Owens respectfully requests that if EPA has no objection to EQB issuing a non-Title V permit to OICS&D, as requested by OICS&D in its November 17, 2009 letter to EQB described above, that EPA communicate this to EQB.

If you have further questions regarding any of these matters, please do not hesitate to contact me at 567-336-8699.

Sincerely,

Susan L. Smith, Esq.
Owens-Illinois, Inc.

Encl.

cc: Pedro J. Nieves Miranda (EQB Executive Director)
Luis R. Sierra Torres (EQB Compliance and Inspection Division)

Mr. Kenneth Eng
Chief, Air Compliance Branch
USEPA, Region II

March 30, 2010

EXHIBIT A

Deed of Judicial Sale
January 20, 2009

---On the same date of its execution I issued the first certified copy of this deed at the request of Seagate, Inc.----------
---I ATTEST----------

NOTARY PUBLIC

----------NUMBER TWO (2) ----------

---------- DEED OF JUDICIAL SALE AND----------
---- CANCELLATION OF MORTGAGE AND MORTGAGE NOTE ---

---In San Juan, Puerto Rico, this twentieth (20th) day of January, two thousand nine (2009).---------

---------- BEFORE ME----------

---NÉSTOR J. LO PRESTI REYES, Attorney and Notary Public in and for the Commonwealth of Puerto Rico, with residence at Guaynabo, Puerto Rico, and offices on the Eighth Floor of the American International Plaza Building on two hundred fifty (250) Muñoz Rivera Avenue, Hato Rey, San Juan, Puerto Rico.----------

----------APPEAR ----------

---**AS PARTY OF THE FIRST PART:** UNITED STATES COURT FOR THE DISTRICT OF PUERTO RICO (hereinafter, the "Court"), represented herein by Hans López Stubbe, of legal age, married, self-employed, and resident of Aguas Buenas, Puerto Rico, in his capacity as Special Master (hereinafter, the "Special Master") appointed by the Court pursuant to Order of Public Sale in Execution of Judgment dated September sixteen (16), two thousand eight (2008), as amended by Amended Order of Public Sale in Execution of Judgment dated September thirty (30), two thousand eight (2008), in civil case captioned Seagate, Inc. v. Owens Illinois de P.R., LLC, Case Number 08-1627 (GAG), whose authority to appear herein is evidenced by means of certified copies of the aforesaid Order of Public Sale in Execution of Judgment and Amended Order of Public Sale in Execution of Judgment.----------

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---**AS PARTY OF THE SECOND PART:** SEAGATE, INC., Employer Identification Number 341300476, a corporation organized and existing under the laws

of the State of Ohio, United States of America, with principal offices located at Perrysburg, Ohio (hereinafter, "Seagate"), represented herein by Milagros Marcano Báez, of legal age, married, paralegal, and resident of San Juan, Puerto Rico, whose authority to appear herein is evidenced by a Certificate of Corporate Resolution subscribed by Ryan Haywood, Assistant Secretary of Seagate, on January five (5), two thousand nine (2009), before Notary Public Suzanne Crawford-Wiciak, which has been protocolized pursuant to deed number one (1), executed on January nineteen (19), two thousand nine (2009), before the undersigned Notary Public, a certified copy of which will be filed with the first certified copy of this deed in the corresponding section of the Registry of the Property of Puerto Rico. ----------

---I, the Notary, do hereby certify that I personally know the natural person appearing on behalf of the SECOND PART, and that, since I do not personally know the natural person appearing on behalf of the FIRST PART, I have identified him through his driver's license issued by the Commonwealth of Puerto Rico, in accordance with the provisions of Article 17(c) of the Puerto Rico Notarial Act, and, by their statements, as to their personal circumstances. They assure me that they have, and in my opinion they do have, the necessary capacity to execute this document, and pursuant to which they freely and voluntarily ----

---------- STATE----------

---**FIRST**: That Owens Illinois de Puerto Rico (hereinafter, the "Mortgagor") constituted a mortgage to secure payment of a demand Mortgage

Note payable to Bearer, in the principal amount of twenty six million five hundred forty nine thousand nine hundred five dollars and sixty six cents ($26,549,905.66), with interest at seven percent (7%) per annum, pursuant to the terms of deed number thirteen (13), executed on December twenty one (21), nineteen seventy seven (1977), before Notary Public Julio L. Aguirre (hereinafter, the "Deed of Mortgage"), recorded at page one hundred forty two (142) of volume one hundred (100) of Vega Alta, Registry of the Property of Puerto Rico, Third Section of Bayamón (hereinafter, the "Registry"), property number six thousand seven hundred twenty four (6,724), first inscription, modified as per the terms of deed number fifty six (56), executed on March nineteen (19), nineteen ninety two (1992), before Notary Public Pedro Morell-Lozada, recorded at the margin of the second inscription (hereinafter, the "Mortgage"). The Mortgage encumbers the real property described at the Registry as follows (hereinafter, the "Property"): ----------

-----RUSTICA: Parcela de terreno de forma irregular radicada en el Barrio Sabana de Vega Alta Puerto Rico compuesta de treinta y tres cuerdas con siete mil seiscientos ochenta y cinco diezmilésimas de otra (33.7685) equivalente a ciento treinta y dos mil setecientos veintitrés metros cuadrados con cuarenta y dos centésimas de otro (132,723.42) equivalentes a su vez a treinta y dos acres con siete mil quinientos cincuenta y cinco diezmilésimas de otro (32.7555) lindes por el Norte, con terrenos propiedad de El Morro Corrugated Box Corporation, por el Sur, con terrenos de Luis Valdejuli, por el Este, igualmente con terrenos propiedad de Luis Valdejuli y por el Oeste, en parte con terrenos igualmente propiedad de Luis Valdejuli y en parte con la carretera Estatal Número Dos (#2) del Sector Cerro Gordo de la Playa de Vega Alta.------

---The Property is recorded at page twenty one (21) of volume one hundred fifty one (151) of the

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Registry, property number seven thousand seven hundred fifteen (7,715).----------

---The Property was formed by grouping of properties number seven thousand seven hundred fifteen (7,715) and six thousand seven hundred twenty four (6,724), recorded at pages twenty one (21) and one hundred forty two (142) of volumes one hundred fifty one (151) and one hundred (100) of the Registry, respectively.----------

---Owens Illinois de Puerto Rico, LLC, a Delaware limited liability company with its place of business in Puerto Rico, acquired title to the Property from the Mortgagor, pursuant to the terms of deed number eleven (11) executed on September eighteen (18), two thousand three (2003), before Notary Public Juan José Forastieri, filed and pending recordation at entry number one hundred twenty three (123) of volume four hundred forty nine (449) of the Book of Daily Entries of the Registry.----------

---The Property is subject to the following liens and encumbrances:----------

-----(a) By its origin, the Property is subject to: (i) right-of-way easement; and (ii) the Mortgage.----------

-----(b) By itself, the Property is free and clear.----------

---**SECOND**: It appears from the records of the Court, in civil case number 08-1627 (GAG), that on August seven (7), two thousand eight (2008), Seagate filed a Complaint for Collection of Monies and Foreclosure against Owens Illinois de Puerto Rico, LLC (hereinafter, the "Judgment Debtor"). Judgment was entered in favor of Seagate, which

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was filed on August twenty six (26), two thousand eight (2008), a copy of which will be presented as a supplementary document together with the first certified copy of this deed.----------

---**THIRD**: Upon the Judgment became final, the Court ordered the execution of the Mortgage through an Order of Public Sale in Execution of Judgment dated September sixteen (16), two thousand eight (2008), as amended by Amended Order of Public Sale in Execution of Judgment dated September thirty (30), two thousand eight (2008), copies of which will be presented as supplementary documents together with the first certified copy of this deed. ----------

---**FOURTH**: The Clerk of the Court issued the corresponding Writ of Execution of Judgment dated September twenty three (23), two thousand eight (2008), as amended by Writ of Execution of Judgment dated October seven (7), two thousand eight (2008), copies of which will be presented as supplementary documents together with the first certified copy of this deed. Pursuant to said Writs of Execution of Judgment, the Property, encumbered by the Mortgage, was ordered to be sold at public auction to the highest bidder. ---------

---**FIFTH**: In compliance with the aforementioned Writs of Execution of Judgment, the Special Master issued a Notice of Public Sale on October nine (9), two thousand eight (2008), a copy of which will be presented as a supplementary document together with the first certified copy of this deed.----------

---**SIXTH**: Said Notice of Public Sale was published in the "El Nuevo Día" newspaper, on Wednesday,

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October fifteen (15), two thousand eight (2008), Wednesday, October twenty two (22), two thousand eight (2008), and Wednesday, November five (5), two thousand eight (2008). Evidence of the publishing of the Notice of Public Sale was submitted by Seagate to the Court, and a sworn statement was subscribed by Lissette Cortés of said newspaper on November six (6), two thousand eight (2008), before Notary Public Frank González. A copy of the sworn statement subscribed by Lissette Cortés will be presented as a supplementary document together with the first certified copy of this deed. ----------

---**SEVENTH**: Pursuant to the Report of Special Master Upon Sale on Foreclosure dated December ten (10), two thousand eight (2008), as amended by Amended Report of Special Master Upon Sale on Foreclosure dated December twenty three (23), two thousand eight (2008), the Special Master certified to the Court that he posted copies of the Notice of Public Sale on the following localities: (i) the Revenue Collector's Office and City Hall of the Municipality of Vega Alta, Puerto Rico, where Judgment Debtor has its last known address; (ii) the bulletin board of the Superior Court of Dorado, Puerto Rico, judicial district where Vega Alta is located; and (iii) the bulletin board of the Superior Court, City Hall and the Revenue Collector's Office of the Municipality of Bayamón, Puerto Rico, where the public sale proceedings took place. ----------

---Further, on October sixteen (16), two thousand eight (2008), the Special Master delivered copies

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of the Notice of Public Sale to Judgment Debtor's last known addresses, via certified mail. --------

---**EIGHTH:** On November seventeen (17), two thousand eight (2008), at nine thirty in the morning (9:30 a.m.), the First Auction was held at the Office of the Marshall of the Court of First Instance of Puerto Rico, Superior Court of Bayamón. The minimum bid for the First Auction was fixed at twenty nine million two hundred four thousand dollars ($29,204,000.00), which was the foreclosure value stipulated in the deed of mortgage. No bidders appeared nor made an order at the First Auction, so it was declared deserted.

---On November twenty four (24), two thousand eight (2008), at nine thirty in the morning (9:30 a.m.), the Second Auction was held at the Office of the Marshall of the Court of First Instance of Puerto Rico, Superior Court of Bayamón. The minimum bid for the Second Auction was fixed at nineteen million four hundred sixty nine thousand three hundred thirty three dollars and thirty three cents ($19,469,333.33) which is two thirds (2/3) of the foreclosure value. No bidders appeared nor made an order at the Second Auction, so it was declared deserted. ----------

---On December one (1), two thousand eight (2008), at nine thirty in the morning (9:30 a.m.), the Third Auction was held at the Office of the Marshall of the Court of First Instance of Puerto Rico, Superior Court of Bayamón. The minimum bid for the Third Auction was fixed at fourteen million six hundred two thousand dollars ($14,602,000.00), which is half (1/2) of the foreclosure value. No bidders appeared nor made

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an order at the Third Auction, so it was declared deserted. Consequently, consonant with Article Two Hundred Twenty One (221) of the Puerto Rico Mortgage Law, 30 L.P.R.A. § 2721, judgment creditor Seagate, through its counsel and authorized representative Shylene De Jesús, elected to receive the Property subject to the Mortgage and Judgment, in full satisfaction of the Judgment entered by the Court, which amounts to nine million nine hundred ninety nine thousand nine hundred twelve dollars and sixty nine cents ($9,999,912.69) of principal, plus interest due and owed as of August seven (7), two thousand eight (2008), equal to two hundred sixty two thousand eight hundred seventy dollars and twenty four cents ($262,870.24), plus the amount of forty two thousand one hundred eight dollars and eighteen cents ($42,108.18) of interest accrued from August seven (7), two thousand eight (2008), until August twenty six (26), two thousand eight (2008), and the amount of two million six hundred fifty four thousand nine hundred ninety dollars and fifty six cents ($2,654,990.56) for the concept of costs and attorneys fees stipulated by the parties in the Deed of Mortgage, for a grand total of twelve million nine hundred fifty nine thousand eight hundred eighty one dollars and sixty seven cents ($12,959,881.67). ----------

---NINTH: As reflected in the aforementioned Report of Special Master Upon Sale on Foreclosure and Amended Report of Special Master Upon Sale on Foreclosure, on October sixteen (16), two thousand eight (2008), the Special Master delivered, via certified mail, copies of the Notice of Public

Sale to Judgment Debtor's last known addresses to wit Post Office (P.O.) Box three hundred eighty seven (387) Vega Alta, Puerto Rico, zero zero six hundred ninety two dash zero three hundred eighty seven (00692-0387); Kilometer (Km.) twenty eight (28) of Duarte Highway, Santo Domingo, Dominican Republic. Copies of said Report of Special Master Upon Sale on Foreclosure and Amended Report of Special Master Upon Sale on Foreclosure will be presented as supplementary documents together with the first certified copy of this deed.----------

---**TENTH**: The Special Master, as appointed by the Court pursuant to the aforementioned Order of Public Sale in Execution of Judgment and Amended Order of Public Sale in Execution of Judgment, and further authorized to appear in this deed by virtue of Order of Confirmation of Sale dated December ten (10), two thousand eight (2008), as amended by Amended Order of Confirmation of Sale dated December twenty nine (29), two thousand eight (2008), and Writ Upon Confirmation of Sale issued on December fifteen (15), two thousand eight (2008), as amended by Writ Upon Confirmation of Sale issued on January eight (8), two thousand nine (2009), hereby ASSIGNS, ADJUDICATES, and TRANSFERS in favor of Seagate the Property described in paragraph FIRST of this deed, with all of its uses, rights, accessions, and easements, and without any condition or limitation whatsoever. Copies of said Order of Confirmation of Sale, Amended Order of Confirmation of Sale, and Writs Upon Confirmation of Sale will be presented as supplementary documents together with the first certified copy of this deed.----------

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---**ELEVENTH**: That this judicial sale is done free from the Mortgage. Seagate hereby delivers to me, the Notary, the original of the mortgage note described in paragraph FIRST, which is secured by with the Mortgage, and requests to cancel said mortgage note and the Mortgage.----------

---I, the Notary, after having verified the authenticity of said mortgage note, and that Seagate is the bearer and legal holder thereof, proceed to cancel it by writing on its face the word **"CANCELLED"**, as per Seagate's request, leaving said mortgage note attached to the original of this deed so as to form part of my protocol of public instruments for the current year.----------

---**TWELFTH**: It is respectfully requested from the Registrar of the Property that the aforementioned mortgage note and the Mortgage be cancelled pursuant to the provisions of Article One Hundred Thirty Four (134) of the Puerto Rico Mortgage Law, 30 L.P.R.A. § 2458, for said lien having been executed at public auction, and that the transfer of title of the Property in favor of Seagate be recorded in the Registry.----------

----------**ACCEPTANCE** ----------

---The appearing parties accept this deed as drafted and confirm that the same has been drawn in accordance with their instructions and I, the Notary, do hereby certify that I have advised the appearing parties (i) that this deed must be recorded in the corresponding section of the Registry of the Property of Puerto Rico, which recording the appearing parties have agreed will be performed by a third party unrelated to the

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Notary, for which reason, such parties herein agreed that the Notary shall not be responsible for such filing; (ii) of the possibility of intervening documents affecting the title of the Property being filed for recordation prior to the execution and/or presentation of this deed and of the preference or seniority that said intervening liens and/or encumbrances may gain by such prior execution or earlier presentation; (iii) of the advisability of verifying the environmental status of the Property; (iv) of the possible existence and pendency of additional unrecorded statutory liens and real property taxes (including the statutory preferred legal mortgage in favor of the Commonwealth of Puerto Rico); (v) of the statutory requirement that the conveying party give notice of this transaction to the Department of the Treasury of the Commonwealth of Puerto Rico; (vi) that the Property described and the liens and encumbrances over the Property are listed herein as reflected by certain recent title report prepared by a third independent party and not by the undersigned Notary; and (vii) that if the Property is located within a floodable zone, any title holder or occupant of the same, present and future, is bound by law to observe and comply with the requirements and provision of the Regulation of Zones Susceptible to Floods, the warning that the violation of the same constitutes an illegal act, in accordance with the provisions of Act Number Three (3) of September twenty seven (27), nineteen sixty one (1961) of Floodable Zones, as amended, 23 L.P.R.A. § 225(g).----------

---I, the Notary, have further advised the appearing parties of the consequences arising from

the acquisition and/or transfer of a contaminated property as well as of the problems and risks represented by the acquisition of land in such state and have advised them about the convenience of preparing an environmental audit in order to have the protection afforded by the Comprehensive Environmental and Liability Act of the United States, Title Forty Two (42) of the United States Code, Sections Nine Thousand Six Hundred One (9,601) and subsequent. The authorizing Notary also advised the appearing parties of any proprietary interest in any residential property built before the year nineteen seventy eight (1978) that they hereby are duly notified that such property may present exposure to lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a risk to pregnant women. Under Section One Thousand Eighteen (1018) of Title Ten (10) of the United States Code, the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. § 4852(d), the seller of any interest in residential property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazard is recommended prior to purchase. The appearing parties hereby acknowledge that the authorizing Notary has informed them of their rights under the

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aforementioned federal law, and therefore release him of responsibility on that related to the disclosure on lead-based paint. ----------

---I, the Notary, having given the pertinent legal caveats, and the parties hereto having read this deed, after being advised of their right to have witnesses present at its execution, which right they waived, they ratify the contents hereof and find it to be in accordance with their wishes, and they all sign the same and place their initials on each and every one of its pages.----------

---I also certify and attest that the appearing parties and I know and fully understand the English language.----------

---As to everything affirmed or related by me herein, I, the undersigned Notary, DO HEREBY ATTEST. ----------

---I further certify and attest that the Employer --------- Identification Number of Seagate Inc. is 66-0447416. I, -- the Notary, DO HEREBY ATTEST. ----------

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PUERTO RICO
ABOGADO-NOTARIO

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MORTGAGE NOTE

ONE: FOR VALUE RECEIVED, the undersigned, (hereinafter called the Maker(s) promise to pay to the order of the person mentioned in paragraph EIGHT of this Mortgage Note (hereinafter called the Holder), at such place as the Holder may from time to time designate in writing the principal sum and interest established in paragraph NINE of this Mortgage Note; payable as established in said paragraph NINE.

TWO: The Maker(s) or any subsequent owner(s) of the Mortgaged Property (as such term is defined in the Mortgage securing this Mortgage Note) shall have the right to prepay the entire principal sum without penalty on any monthly installment date.

THREE: In the event default be made in the payment of any of the installments under this note and if such default is not mademade good prior to the date of the next such installment, the entire principal sum and accrued interest shall at once become due and payable without notice at the option of the Holder. Failure to exercise this option, shall not constitute a waiver of the right to exercise same in the event of any subsequent default.

FOUR: Presentment, protest, demand and notice of nonpyament are hereby waived.

FIVE: Should this Mortgage Note be signed by more than one Maker, all the obligations herein contained shall be the joint and several obligations of each signer hereof.

SIX: This Mortgage Note is secured by a mortgage upon real property constituted on this same date, before the subscribing Notary, Deed Number Thirteen.

SEVEN: In case recourse to the courts by the Holder of this Mortgage Note becomes necessary in order to collect the whole or a portion of the amount of this Mortgage Note, the Maker(s) agrees to pay the court expenses, disbursements and attorney's fees which may be incurred in the amount of 10% of the principal sum of this Mortgage Note.

EIGHT: This Mortgage Note is payable to Bearer.

NINE: The principal sum of this Mortgage Note is TWENTY SIX MILLION FIVE HUNDRED FORTY NINE THOUSAND NINE HUNDRED FIVE DOLLARS AND SIXTY SIX CENTS ($26,549,905.66) at the rate of seven percent (7%) per annum, and payable on demand.

In San Juan, Puerto Rico, this 21st day of December, 1977.

OWENS ILLINOIS DE PUERTO RICO

by: D E Maxwell
David E. Maxwell
General Manager

COMMONWEALTH OF PUERTO RICO)
CITY OF SAN JUAN)

Affidavit No. 2730 :

Subscribed to before me by David E. Maxwell, of legal age, married, business executive, and resident of San Juan, Puerto Rico, as General Manager of Owens Illinois de Puerto Rico, at San Juan, Puerto Rico, this 21st day of December, 1977.

Notary Public

NESTOR J. LO PRESTI REYES
PUERTO RICO
ABOGADO-NOTARIO

JULIO L. ACHA
PUERTO RICO
ABOGADO NOTARIO

The prescriptive term for the payment of this obligation and the foreclosure of the Mortgage that secures it has been extended until March 19, 2012 pursuant to deed number 56 executed on March 19, 1992 before the undersigned Notary.

PEDRO MORELL LOSADA
PUERTO RICO
ABOGADO NOTARIO

Pedro Morell Losada
Notary

Mr. Kenneth Eng
Chief, Air Compliance Branch
USEPA, Region II

March 30, 2010

EXHIBIT B

Lease - April 9, 2009
SEAGATE, INC.
Landlord
and
O-I CARIBBEAN SALES & DISTRIBUTION, INC.
Tenant

LEASE

ROAD 690, KM 1.1
VEGA ALTA, PUERTO RICO 00692

SEAGATE, INC.
Landlord

And

O-I CARIBBEAN SALES & DISTRIBUTION, INC.
Tenant

Dated: April 9, 2009

LEASE

THIS LEASE is entered into as of this 9th day of April, 2009, by and between SEAGATE, INC., an Ohio corporation ("Landlord"), and O-I CARIBBEAN SALES & DISTRIBUTION, INC., a Delaware corporation ("Tenant").

ARTICLE 1
DEFINITIONS

Section 1.1 Defined Terms. As used herein, the following terms and phrases

"Additional Rent" means all amounts which Tenant is required to pay pursuant to this Lease (other than Minimum Rent), together with every fine, penalty, interest and cost which may be added for non-payment or late payment thereof.

"Alteration" means any alteration, repair, addition, construction, improvement, or modification of or to the Premises and/or any and every installation in the Premises.

"Building" means the building located on the Land.

"Condemnation" (or to "Condemn") means any and every taking (whether temporary or permanent) for any public or quasi-public purpose, by any Governmental Entity by exercise of condemnation or eminent domain (or any transfer or conveyance by agreement in lieu thereof).

"Governmental Entity" means the United States, the Commonwealth of Puerto Rico, any municipality, including, without limitation, the Municipality of Vega Alta, and any and every other agency, department, commission, rule-making body, bureau, instrumentality, and/or political subdivision of government of any kind whatsoever, now existing or hereafter created, now or hereafter having jurisdiction over the Premises and/or the use, occupancy, possession, operation and/or maintenance of the Premises.

"Insurance Costs" means premiums payable by Landlord for liability, property damage, fire, workers' compensation, and other insurance (including, without limitation, all insurance, hazard, rent and otherwise, from time to time carried by the Landlord on the Premises).

"Insurance Requirements" means all terms of any insurance policy covering or applicable to the Premises or any part thereof, all requirements of the issuer of any such policy, and all orders, rules, regulations and other requirements of the National Board of Fire Underwriters (or any other body exercising similar functions) applicable to or affecting the Premises or any part thereof or any use or condition of the Premises or any part thereof.

"Land" means the parcel of land of approximately 33.7685 cuerdas, equivalent to 132,723.42 square meters, located in the Sabana Ward of the Municipality of Vega Alta, Puerto Rico, as more particularly described in Exhibit A attached hereto.

"Landlord Parties" means Landlord, Landlord's affiliates, any managing agent of the Premises and their respective officers, directors, members, shareholders, agents and employees and any holder of a Mortgage.

"Law" or "Laws" means each and every law, rule, regulation, order, ordinance, statute, requirement, code, or executive mandate of any kind whatsoever, present or future, issued by any Governmental Entity applicable to or affecting the Premises and/or the use, occupancy, possession, operation, and/or maintenance of the Premises, including, without limitation, Environmental Laws and the Americans with Disabilities Act (42 U.S.C. § 12101 et. seq.) and the regulations and Accessibility Guidelines for Buildings and Facilities issued pursuant thereto.

"Minimum Rent" means the following amounts: $25,000/month.

"Mortgage" means any and every mortgage now a lien, or hereafter becoming a lien, upon the Premises.

"Premises" means the Building, the Land and all improvements and fixtures located thereon.

"Real Estate Taxes" means (i) all taxes and assessments and other governmental impositions, charges and levies, general and special, ordinary and extraordinary, unforeseen as well as foreseen, of any kind and nature (including existing and future assessments for road, sewer, utility and other local improvements) levied or assessed directly or indirectly during the Term upon all or any portion of the Premises and other taxes arising out of the use and/or occupancy of the Premises, (ii) interest on installment payments, and (iii) all costs, fees and expenses incurred by Landlord in contesting Taxes. Taxes shall not include any inheritance, estate, transfer, gift, income, or profit tax that may be otherwise imposed upon Landlord.

"Rent" or "Rents" means, collectively, Minimum Rent and Additional Rent.

"Tenant Parties" means Tenant, Tenant's affiliates and their respective officers, directors, members, shareholders, agents and employees.

Certain other words and phrases are defined elsewhere in this Lease and/or the Exhibits hereto.

Section 1.2 Construction. Wherever used in this Lease,

(a) The words "include" or "including" shall be construed as incorporating "but not limited to" or "without limitation";

(b) The phrase "at Tenant's expense" means at the sole and exclusive expense of Tenant, who shall be responsible for all costs involved in, or associated with, the applicable matter; and

(c) The phrase "in Landlord's judgment" means in Landlord's sole and exclusive discretion and judgment.

(d) Wherever this Lease imposes any obligation upon Tenant, or provides that Tenant shall be responsible for any action or matter, this Lease shall be construed to mean that Tenant shall perform or undertake the matter at Tenant's expense, unless expressly specified otherwise.

(e) Captions of this Lease are solely for convenience of reference and shall not in any way limit or amplify the terms and provisions hereof.

(f) The necessary grammatical changes which shall be required to make the provision of this Lease apply (i) in the plural sense if there shall be more than one Landlord or Tenant, and (ii) to any Landlord or Tenant which shall be either a corporation, an association, a partnership, or an individual, male or female, shall in all instances be assumed as though in each case fully expressed.

ARTICLE 2
DEMISE; TERM

Section 2.1 Demise. Landlord hereby leases to the Tenant and the Tenant hereby leases from the Landlord, the Premises upon and subject to the terms and provisions of this Lease.

Section 2.2 Initial Term. The initial term of this Lease (the "Initial Term") shall commence on 9 April, 2009 (the "Commencement Date"), and end at midnight on 8 April, 2011 (the "Expiration Date"), unless sooner terminated as hereinafter expressly provided. As used herein, "Term" or "term of this Lease" means the Initial Term, unless otherwise expressly provided.

ARTICLE 3
MINIMUM AND ADDITIONAL RENT

Section 3.1 Minimum Rent.

(a) During the Term, Tenant shall pay the Minimum Rent to Landlord, without any offset or deduction whatsoever except as may be otherwise set forth herein, and without any prior demand therefor, on the first day of each month, in arrears, commencing on the first day of the month following the Commencement Date, to the following address or such other address as Landlord shall designate in writing from time to time:

SEAGATE, INC.
One O-I Plaza
One Michael Owens Way
Perrysburg, OH 43551-2999
Attention: Corporate Secretary

(b) If the Commencement Date is not the first day of a month, Minimum Rent for the period commencing on the Commencement Date and ending on the last day of the month in which the Commencement Date occurs shall be apportioned on the basis of a thirty (30) day month and paid on the first day of the month following the Commencement Date.

Section 3.2 Taxes.

(a) Tenant shall pay to Landlord each month, together with Tenant's monthly installment of Minimum Rent, a sum equal to all taxes, municipal license taxes ("patentes municipales") and other governmental impositions now or hereafter imposed and/or assessed upon the Rent and other charges and consideration to be received by Landlord for this Lease, including, but not limited to, sales, business and occupancy, gross receipts, municipal license taxes ("patentes municipales") and other similar taxes; and, if Landlord is legally responsible for the payment thereof, upon all personal property of Tenant. Nothing in this Section shall require Tenant to pay for Landlord's income taxes.

(b) Tenant shall pay all taxes which may be lawfully charged, assessed, or imposed upon all fixtures and equipment of every type and also upon all personal property in the Premises, and Tenant shall pay all license fees and other charges which may lawfully be imposed upon the business of Tenant conducted upon the Premises.

(c) During the Term, Tenant shall pay Landlord as Additional Rent an annual amount (the "Tax Payment") equal to the annual Real Estate Taxes. Tenant shall pay the Tax Payment in semi-annual installments within fifteen (15) days after delivery to Tenant of a copy of a tax bill showing the amount of Real Estate Taxes and a statement (the "Tax Statement") setting forth such amounts.

(d) Landlord's delay in rendering a Tax Statement with respect to any year shall not prejudice Landlord's right thereafter to render a Tax Statement with respect to that (or any other) year. Each Tax Statement shall be conclusive and binding upon Tenant unless within ten (10) days after receipt Tenant notifies Landlord that Tenant disputes the correctness of such statement, specifying the particular respects in which the same statement is allegedly incorrect. Pending the determination of any such dispute, Tenant shall make all payments in accordance with the disputed statement without prejudice to Tenant's position.

(e) A Tax Payment (or any refund thereof pursuant to this Section 3.2) covering or relating to any fiscal period which includes a period before the Commencement Date or after the Expiration Date shall be apportioned between Landlord and Tenant on a per diem basis.

(f) If, after Tenant shall have made a payment of Taxes, Landlord shall have received a refund of any portion of the Real Estate Taxes on which such payment shall have been based, Landlord shall, at its option, refund to Tenant the net refund, after deducting all expenses (including, without limitation, interest, penalties, reasonable attorneys' fees and appraisers' fees) incurred in obtaining such refund and not already included in Taxes, or credit such net refund against the subsequent installments of the Tax Payment due from Tenant.

(g) Only Landlord shall be eligible to institute proceedings to contest the Real Estate Taxes or reduce the assessed valuation of the Premises. Landlord shall be under no obligation to contest the Real Estate Taxes or the assessed valuation of the Premises for any year or to refrain from contesting the same, and may settle any such contest on such terms as Landlord in its sole judgment considers proper.

(h) Tenant acknowledges that Landlord may have received or may hereafter receive exemptions, abatements or credits with respect to Real Estate Taxes which relate to another party or different premises. Tenant shall not be entitled to the benefit of any such exemptions, abatements or credits and Real Estate Taxes will be determined on the basis of the full assessed value of the Premises without regard to any such tax exemptions, abatements or credits.

(i) The rights and obligations of Landlord and Tenant under this Section 3.2 shall survive the expiration of the Term or other termination of this Lease; and Tenant shall pay all amounts due under this Section 3.2 even if Landlord gives a Tax Statement after the Expiration Date or any earlier termination of this Lease.

(j) The foregoing provisions of this Section 3.2 are predicated upon the present system of taxation in the Commonwealth of Puerto Rico. Should any Governmental Entity having jurisdiction over all or any portion of the Premises impose a tax and/or assessment of any kind or nature upon, against, measured by or with respect to the rentals payable by Tenant to Landlord or with respect to the ownership of the Premises by Landlord (or any individual or entity forming Landlord), either by way of substitution for all or any part of the present ad valorem real estate taxes or in addition thereto, then such tax and/or assessment shall be deemed to constitute "Taxes" for the purposes of this Lease and Tenant shall be obligated to pay such amount. Further, if there is any other change in the system of taxation (other than as set forth immediately above) which is in substitution of or in addition to the present system, Tenant shall be responsible as well.

Section 3.3 Insurance Costs.

(a) During the Term, Tenant shall pay Landlord as Additional Rent an annual amount (the "Insurance Payment") equal to the annual Insurance Costs. Tenant shall pay the Insurance Payment within fifteen (15) days after delivery to Tenant of a copy of an invoice showing the amount of Insurance Costs and a statement (the "Insurance Statement) setting forth such amounts.

(b) Landlord's delay in rendering an Insurance Statement with respect to any year shall not prejudice Landlord's right thereafter to render an Insurance Statement with respect to that (or any other) year. Each Insurance Statement shall be conclusive and binding upon Tenant unless within ten (10) days after receipt Tenant notifies Landlord that Tenant disputes the correctness of such statement, specifying the particular respects in which the same statement is allegedly incorrect. Pending the determination of any such dispute, Tenant shall make the Insurance Payment in accordance with the disputed statement without prejudice to Tenant's position.

(c) An Insurance Payment covering or relating to any fiscal period which includes a period before the Commencement Date or after the Expiration Date shall be apportioned between Landlord and Tenant on a per diem basis.

(d) The rights and obligations of Landlord and Tenant under this Section 3.3 shall survive the expiration of the Term or other termination of this Lease; and Tenant shall pay

all amounts due under this Section 3.3 even if Landlord gives an Insurance Statement after the Expiration Date or any earlier termination of this Lease.

Section 3.4 Payment of Additional Rent. Landlord shall have the same rights (and remedies) to terminate this Lease and/or to recover possession of the Premises for Tenant's failure to pay any Additional Rent as for Tenant's failure to pay Minimum Rent.

Section 3.5 No Accord and Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than the Rent herein stipulated shall be deemed to be other than an account of the earliest stipulated Rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy in this Lease provided.

Section 3.6 Late Charge. If any installment of Rent is not paid when due, Tenant shall pay to Landlord, on demand, as Additional Rent, a late charge ("Late Charge") equal to five percent (5%) on such overdue installment of Rent.

ARTICLE 4
CONDITION OF PREMISES; REPAIRS AND MAINTENANCE

Section 4.1 Condition of Premises. Tenant acknowledges that it has examined to its satisfaction the Premises and the present uses and non-uses thereof. Tenant is fully familiar with the condition of the Premises and agrees that the Premises comply in all respects with the requirement of this Lease and Tenant shall accept the Premises "as is" with no work of any sort to be performed by Landlord. Landlord does not make, and Tenant acknowledges that Landlord has not made or given, any representation or warranty, express or implied, with respect to the Premises or the present or future condition, quality, fitness or suitability of the Premises or any part thereof in any respect or in connection with the purposes and uses of Tenant, or, except as specifically set forth herein, any other representation or warranty of any kind or character, express or implied, with respect thereto, and Landlord shall not be liable for any latent or patent defects in the Premises or any part thereof, all of which are hereby expressly and unconditionally waived by Tenant.

Section 4.2 Repairs and Maintenance by Tenant.

(a) Throughout the Term, Tenant shall, at its own expense, take good care of the Premises and will maintain and promptly make all necessary repairs, replacements, interior and exterior, nonstructural, ordinary and extraordinary, unforeseen and foreseen, to keep the Premises in good order and repair. All repairs and replacements made by Tenant shall be equal or similar in quality and class to the original work. Landlord shall not be required to furnish any services or facilities or to make any repairs or alterations in or to the Premises. Tenant hereby assumes the full and sole responsibility for the condition, operation, repairs, replacement, maintenance and management of the Premises. Tenant shall, at its expense, keep the Premises free of insects, rodents, vermin and other pests.

(b) Notwithstanding the preceding paragraph, Tenant shall not be required to make any repairs or replacements to the Premises which are necessitated by the default or

negligence or willful acts of Landlord, its agents, employees, licensees or contractors, and Landlord agrees to make said repairs and replacements at Landlord's expense.

(c) Notwithstanding anything in this Section to the contrary, in the event Tenant fails to undertake any repairs following the expiration of any applicable notice and cure period, Landlord expressly reserves the right to undertake any such repairs that are the obligation of Tenant as described hereinabove and charge-back the cost of such repairs plus an administrative fee of 18% to Tenant, which amount shall be due and payable as Additional Rent within ten (10) day after demand therefor.

Section 4.3 Compliance with Legal and Insurance Requirements, etc.

(a) Tenant at its expense will comply with all Laws and Insurance Requirements, whether ordinary or extraordinary, structural or nonstructural, foreseen or unforeseen, and whether or not compliance shall require structural changes in the Premises or interfere with the use or enjoyment of the Premises or any part thereof and will comply with any instruments of record at any time in force affecting the Premises or any part thereof if the failure to comply with the same may result in the creation of a lien, liability or forfeiture of title. Without limiting the generality of the foregoing, Tenant shall comply with all requirements of the Americans With Disabilities Act of 1990, as amended, and the Resource Conservation Recovery Act, 42 U.S.C. §§6901 et seq., as amended, and shall not use or occupy or permit the Premises to be used or occupied, nor do, or permit anything to be done, in, on or about the Premises, in whole or in part, in a manner which would in any way make void or voidable any insurance then in force with respect thereto, or make it impossible to obtain fire or other insurance thereon, or which will cause or be apt to cause structural injury to the Premises or any part thereof.

(b) Without limiting the foregoing, if any Governmental Entity requires the installation of an automatic sprinkler system in the Premises, Tenant shall install such system at Tenant's cost. In the event that there is an automatic sprinkler system in the Premises on the Commencement Date, Landlord makes no representations or warranties with respect to the condition or adequacy of such system. If any modifications to such system are necessary to comply with Law, Tenant shall make such modifications at Tenant's sole cost and expense.

ARTICLE 5
USE

Section 5.1 Use. Tenant shall use the Premises solely for administration offices and manufacturing and warehousing purposes, and for no other purpose. Tenant agrees that it will not permit any unlawful occupation, business or trade to be conducted on the Premises or any use to be made thereof contrary to any legal requirements or other provisions of this Lease. Tenant shall not use or occupy or permit the Premises to be used or occupied, nor do or permit anything to be done in or on the Premises or any part thereof, in a manner that would in any way violate any certificate of occupancy or use permit affecting the Premises. Tenant shall be solely responsible for obtaining any use permit or any other licenses or endorsements from the corresponding Governmental Entities which are necessary for Tenant's use and occupancy of the Premises in accordance with applicable Law. The failure of Tenant to obtain any such permits,

licenses and/or endorsements shall not entitle Tenant to any (a) adjournment of the Commencement Date, (b) abatement of Rent, or (c) right to terminate this Lease.

Section 5.2 Restrictions. Tenant shall not, without Landlord's prior written consent, given in Landlord's sole discretion, use any portion of the Premises: (i) to damage, deface or intentionally overload the plumbing, electrical or structural systems of the Premises; (ii) to conduct any activity which may make void or voidable or increase the premium on any insurance coverage on the Premises or parts thereof following notice thereof from Landlord; (iii) for the placement of any aerial or antenna on the roof or exterior walls of the Building; or (iv) for the display of billboards or large advertisements whether free-standing, painted upon or affixed to the exterior of any structure.

Section 5.3 Plumbing. Tenant shall not use the plumbing and drainage facilities for any purpose other than that for which they are constructed. No foreign substance of any kind shall be thrown therein or otherwise dumped on or about the Premises. The expense of any breakage, stoppage, mandatory clean-up or damage resulting from a violation of this Section shall be borne by Tenant.

Section 5.4 Floor Load. Tenant shall not place a load on any floor in the Premises exceeding the floor load which such floor was designed to carry, nor shall Tenant install, operate or maintain therein any heavy item or equipment except in such manner as to achieve a proper distribution of weight.

Section 5.5 Electrical Equipment. Tenant shall not install, operate or maintain in the Premises any electrical equipment which does not bear underwriter's approval, or which would overload the electrical system or any part thereof beyond its capacity for proper and safe operation as determined by Landlord. No generators shall be permitted without Landlord's prior written consent. If Landlord consents to the installation of a generator, the installation must comply with all applicable laws and regulations. Additional energy demands and/or equipment needs above those originally provided with the Premises shall be the responsibility of Tenant and must be previously approved in writing by Landlord, to ensure compatibility with existing equipment and installations. Any such additional equipment (including, without limitation, any generator installed by Tenant) shall, upon the expiration or earlier termination of the Term, automatically become the property of Landlord.

ARTICLE 6
ALTERATIONS

Section 6.1 Alterations.

(a) Tenant shall not make any Alterations, structural or non-structural, in and to the Premises without the prior written consent of Landlord.

(b) Landlord will not unreasonably withhold consent to any Alteration which is not a Major Alteration. A "Major Alteration" is any Alteration which will:

(i) require amendment of any certificate of occupancy or use permit for the Premises;

(ii) require the consent of any (A) insurer under any policy of insurance covering the Premises or (B) holder of a Mortgage.

(c) With respect to every Major Alteration (unless Landlord waives such requirement in writing in any case), Tenant shall cause all necessary designs, plans and specifications for a proposed Major Alteration to be prepared at Tenant's expense by an architect (or engineer, if appropriate) licensed by the Commonwealth of Puerto Rico and shall submit the same to Landlord for Landlord's written approval; provided, however, that Landlord's approval (if given) shall not imply that the Major Alteration is properly designed or complies with Laws. Tenant shall pay Landlord, the cost of Landlord's review by architects and/or engineers, field inspection, coordination, and other indirect costs of Landlord with respect to any Major Alteration.

(d) With respect to every Alteration:

(i) Tenant shall procure or cause to be procured all permits, approvals, consents, licenses and filings of any kind required by Laws.

(ii) Tenant shall obtain (and pay any additional costs for) the consent of any insurer to such Alteration if such consent is required to keep any insurance policy covering the Premises in full force and effect.

(iii) Tenant shall undertake, prosecute, and complete all work in connection with the Alteration continuously and expeditiously and in a good and workmanlike manner; and Tenant shall incorporate in the Alteration only new materials (and equipment, if applicable) of the best quality specified in the plans and specifications.

(iv) Tenant will inform Landlord in writing of the names of any contractor or subcontractor Tenant proposes to use in the Premises at least ten (10) days prior to the beginning of work by such contractor or subcontractor. Tenant shall employ only contractors approved by Landlord in writing.

(v) Tenant shall pay each contractor, as the work progresses, the entire cost of supplying the materials and performing the work shown on Tenant's approved plans and specifications, subject to a reasonable retainage.

(vi) Tenant shall cause the Alteration to be installed in compliance with Laws.

(vii) Tenant and Tenant's contractors shall allow access for inspection by Landlord's representatives at all reasonable times (but this provision shall not obligate Landlord to conduct any such inspections).

(viii) Tenant shall obtain all necessary asbestos certifications and comply with all Laws regarding the environment, as the same may be amended, including the removal of any materials containing asbestos.

(ix) Tenant shall have the right to install machinery, equipment, appurtenances, trade fixtures, and furniture, and such installations shall remain property of tenant, and Tenant shall cause the withdrawal of said installations at his own cost upon the expiration of the term of this lease, unless Landlord agrees in advance and in writing that such installations may remain in the Premises, and in which case shall become property of Landlord.

(e) If Landlord elects, Tenant shall, at Tenant's sole expense, deliver to Landlord the following, each in a form satisfactory to Landlord, before commencing any Major Alteration:

(i) a payment bond guaranteeing to Landlord and/or Landlord's assigns Tenant's timely payment for all labor, services, materials and equipment furnished in connection with the Alteration or any portion thereof (and to all persons or firms furnishing the same);

(ii) a performance bond guaranteeing to Landlord and/or Landlord's assigns Tenant's full and faithful completion of the Alteration in accordance with the plans and specifications approved by Landlord;

(iii) certificates of insurance evidencing the following coverages carried by Tenant's contractor (A) workmen's compensation insurance, with adequate statutory limits; (B) commercial general liability for (1) damages because of bodily injury (including death) to contractor's employees and all others, with limits of not less than $2,000,000, (2) for damages to property with limits of not less than $2,000,000; or (3) which otherwise arise out of or result from Tenant's contractor's work under the contract, whether such work (including operation of vehicles) be by such contractor or any subcontractor or others directly or indirectly employed or contracted by either; and (C) builder's all risk insurance in the full amount of the contract sum. All such insurance (other than the insurance described in clause (A)) shall name Landlord and Tenant as additional insured.

(iv) Tenant shall cause all work to be undertaken under the supervision of a licensed architect or licensed professional engineer reasonably satisfactory to Landlord.

(f) Landlord shall not be responsible for any labor or materials furnished to Tenant or for delays of any kind experienced by Tenant's contractors. No lien for any labor, materials, or other services or things furnished to Tenant shall attach to or affect Landlord's estate or interest in the Premises. Tenant agrees to discharge, at Tenant's expense (whether by payment, bonding, or otherwise) every lien filed against the Premises for work claimed to have been done for, or materials claimed to have been furnished, to Tenant, within thirty (30) days after receiving notice of the same. Tenant shall require that all contractors and subcontractors engaged in connection with Tenant's Alterations indemnify and hold Landlord harmless against any and all claims for injury to persons or damage to property by reason of such contractor's or

subcontractor's use of the Premises or performance of the work, including any claims, fines and penalties imposed due to a failure to comply with Laws.

Section 6.2 Signs. Subject to the provisions of this Section, Tenant shall have the non-exclusive right to place signs bearing Tenant's name on the exterior walls of the Building. The size, design, number and location of such signs must be approved in advance by Landlord and must comply with Law. Tenant shall, at its own cost and expense, acquire and maintain all permits for and, at its own expense, shall design, fabricate and install any such approved signs. Tenant shall pay all costs to maintain and keep in good repair and aesthetic condition all such signs. Upon expiration or termination of this Lease, Tenant shall promptly remove all such signs at its own expense and repair and repaint any damage and discoloration caused by such removal or original installation.

ARTICLE 7
SERVICES AND UTILITIES

Section 7.1 Utilities. Tenant shall (i) contract with the corresponding Governmental Entities or any other third parties for all the utilities (gas, water, sewer, telephone, electricity, etc.) to be furnished at the Premises and (ii) pay all deposits, installation fee, and/or charges for such utilities to be furnished to the Premises during the Term.

Section 7.2 No Obligation by Landlord. Landlord shall not be required to furnish to Tenant any utilities or services of any kind whatsoever during the Term of this Lease, and Landlord shall not be liable for the failure of any utilities or services, or Tenant's inability to obtain any utilities or services, for any reason whatsoever.

Section 7.3 No Abatement. Since Landlord has no obligation to provide utilities or services to the Premises, no stoppage or interruption of utilities or services to the Premises shall entitle Tenant to any diminution or abatement of Rent or any other compensation whatsoever, or result in reduction of any of Tenant's obligations under this Lease or constitute or be construed as a constructive or other eviction of Tenant or disturbance of Tenant's use and possession of the Premises or a breach by Landlord of any of its obligations hereunder.

ARTICLE 8
ACCESS

Section 8.1 Right of Entry. Landlord or any mortgagee or any other party designated by Landlord, and their respective agents, shall have the right to enter the Premises at all reasonable times, upon reasonable notice (except no notice shall be required in the case of an emergency), to (i) examine the Premises, (ii) show to prospective purchasers or mortgagees and their respective agents and representatives, and, during the last twelve (12) months of the Term, to prospective tenants, and (iii) make such repairs, alterations or additions to the Premises (a) which Landlord may elect to perform following Tenant's failure to perform, which failure continues, other than in case of an emergency, beyond the expiration of any applicable cure period, (b) as Landlord may deem necessary pursuant to the terms of this Lease, or (c) to comply with any Laws.

Section 8.2 No Liability. In the event Landlord elects to undertake any of the foregoing work or repairs, Landlord shall not be liable to Tenant for any disturbance, loss of business or other damage to Tenant by reason of the making of such repairs or the performance of such work in the Premises, or on account of bringing materials, supplies and equipment into or through the Premises during the course thereof; and the obligations of Tenant under this Lease shall not thereby be affected in any manner whatsoever

ARTICLE 9
LIABILITY; INDEMNITIES

Section 9.1 Limitation of Liability. (a) Anything to the contrary in this Lease notwithstanding, the covenants contained in this Lease to be performed by Landlord shall not be binding personally, but instead said covenants are made for the purpose of binding only the interest of Landlord in the Premises. In addition, in the event of any sale, conveyance, assignment or transfer (collectively, a "Transfer") of Landlord's interest in the Premises (or upon any subsequent Transfer by such subsequent landlord), the transferor automatically shall be relieved of any and all obligations on the part of Landlord hereunder accruing from and after the date of such Transfer.

(b) Notwithstanding anything to the contrary herein, neither Landlord, nor any director, officer, member, partner, trustee or direct or indirect beneficial owner of Landlord or of any parent or other affiliate of Landlord shall have any personal liability with respect to any provision of this Lease, or any obligation or liability arising hereunder or in connection herewith and none of their assets (other than the Premises) shall be subject to levy, execution or other judicial process for the satisfaction of Tenant's claims. Tenant shall look solely to the equity of the then owner of the Premises or the proceeds of the sale of such equity or, subject to the rights of any mortgagee, to the rents from the operation of the Premises, for the satisfaction of any remedies of Tenant in the event of a breach by Landlord of any of its obligations hereunder. Such exculpation of liability shall be absolute and without any exception whatsoever.

Section 9.2 Damage; Theft.

(a) Tenant agrees to use and occupy the Premises; and that Landlord shall have no responsibility or liability for any loss of or damage to Tenant's leasehold improvements or to fixtures or other personal property of Tenant or those claiming by, through or under Tenant.

(b) Landlord and Landlord Parties shall not be liable for any property damage, personal injury or death, business interruption or loss of profits whatsoever (unless caused by Landlord's gross negligence or willful misconduct) including, without limitation, property damage, personal injury or death, business interruption or loss of profits occasioned by electricity, plumbing, gas, water, sprinkler or other pipes and sewage system or by the bursting, leaking, overflowing or running of any tank, washstand, closet or waste or other pipes in or about the Premises, or occasioned by water coming into the Premises from any source whatsoever, or arising from any latent defect in the Premises and/or any part thereof, or arising from acts or neglect of occupants of adjacent property, or the public. Landlord shall have no obligation to provide security to or for the Premises. It is understood and agreed that Landlord does not in any way warrant that Tenant, the Premises and Tenant's property therein shall be free from loss,

damage or destruction through theft or vandalism, and Landlord assumes no liability whatsoever in the Premises. All property of Tenant kept or stored on the Premises shall be so kept or stored at the risk of Tenant only and Tenant shall hold Landlord harmless from any claims arising out of damage to the same, including subrogation claims by Tenant's insurance carriers.

Section 9.3 Indemnification by Tenant. Except as the same may be caused by Landlord's gross negligence or willful misconduct, Tenant hereby indemnifies and agrees to save harmless all Landlord Parties from and against any and all liens, claims, demands, actions, causes of action, obligations, penalties, charges, liabilities, damages, losses, costs or expenses, including reasonable attorneys' fees and costs of litigation, including fees and costs incurred in preparation for litigation, investigation and appeal (collectively, "Claims"), which (i) arise from or are in connection with the possession, use, occupation, management, repair, maintenance or control of the Premises by Tenant, or any portion thereof; (ii) arise from or are in connection with any act or omission of Tenant, or Tenant's agents, employees, licensees, tenants, subtenants, assignees, contractors and successors; (iii) arise from any breach by Tenant of this Lease; or (iv) result in injury to person or property or loss of life sustained in or about the Premises. Tenant shall defend any actions, suits and proceedings which may be brought against any Landlord Parties with respect to the foregoing or in which they may be impleaded. Tenant shall pay, satisfy and discharge any judgments, orders and decrees that may be recovered against Landlord Parties or any mortgagee in connection with the foregoing.

Section 9.4 Indemnification by Landlord. Landlord hereby indemnities and agrees to save harmless all Tenant Parties, from and against any and all Claims which arise from or are in connection with any gross negligence or willful misconduct of Landlord, its agents, contractors, successors or employees. Landlord shall defend any actions, suits and proceedings which may be brought against any Tenant Parties with respect to the foregoing or in which they may be impleaded. Landlord shall pay, satisfy and discharge any judgments, orders and decrees which may be recovered against Tenant Parties in connection with the foregoing.

Section 9.5 No Consequential Damages. In no event shall Landlord be liable for consequential, indirect or any other similar damages irrespective of their nature or cause.

Section 9.6 General. The foregoing provisions of this Article 9 (as well as any other provisions dealing with indemnity and the like by Tenant or Landlord) shall be deemed to be modified in each case by the insertion in the appropriate place of the language: "except as otherwise provided by applicable law".

ARTICLE 10
INSURANCE

Section 10.1 Required Insurance. Tenant agrees to maintain in full force during the term hereof the following insurance coverages with respect to the Premises:

(a) Commercial General Liability Insurance relating to the Premises and its appurtenances on an occurrence basis (with a contractual liability endorsement as elsewhere herein required) with the following limits: a minimum single limit of at least $2,000,000 for injury (or death) to any person or more than one person and $2,000,000 with respect to damage

to property; a minimum single limit of at least $2,000,000 for personal injury and advertising injury; a master control program limit of $8,000,000 (each policy); an aggregate limit of $4,000,000 for products and completed operations; and a general aggregate limit of $4,000,000 (other than products and completed operations); or such higher limits as Landlord may from time to time reasonably request.

(b) Fire and Lightning, Casualty, Extended Coverage, Vandalism and Malicious Mischief and Flood (if flood insurance is required by Landlord, or any mortgagee or governmental authority and if obtainable) Insurance in amounts adequate to cover the full replacement cost (with no deductibles) of all of Tenant's leasehold improvements, personal property, trade fixtures, furnishings, equipment and all contents therein.

(c) Worker's Compensation Insurance covering all persons employed, directly or indirectly, in connection with Tenant's operations, as well as in connection with any of Tenant's Work or any Tenant repair or alteration authorized by this Lease or consented to by Landlord, and all employees and agents of Tenant with respect to whom death or injury claims could otherwise be asserted against Landlord or Tenant, in at least the minimum amount required by applicable law.

(d) Commercial Automobile Liability Insurance covering owned, non-owned and hired automobiles with a combined single limit per accident (without annual aggregate) of $1,000,000 for bodily injury and property damage; $5,000 for medical payments; and 1,000,000 for uninsured/underinsured motorists.

(e) Such other insurance as may be required by Landlord from time to time.

Section 10.2 Terms of Insurance Policies.

(a) All of the aforesaid insurance shall be written in the name of Tenant and shall name Landlord (and any designee(s) of Landlord) as additional insured and loss payee and shall be written by one or more responsible insurance companies satisfactory to Landlord and duly licensed to do business in Puerto Rico with a full-capitalized guaranty fund covering those individuals and entities that it insures that reside, are situated or do business in the Commonwealth of Puerto Rico under which Landlord and Landlord Parties and Tenant are named primary insured, and under which the insurer agrees to indemnify and hold Landlord and Landlord Parties harmless from and against all cost, expense and/or liability arising out of or based upon any and all claims, accidents, injuries, and damages mentioned in Section 11.2 of this Lease.

(b) All such insurance may be carried under a blanket policy covering the Premises and other locations of Tenant; provided that the proceeds from such blanket policy shall be an amount no less than the amount of the proceeds that would be available if Tenant obtained the required insurance under policies separately insuring the risks which this Lease requires Tenant to insure.

(c) All such insurance shall contain endorsements providing that such insurance may not be canceled or amended with respect to Landlord or Landlord Parties except upon thirty (30) days' prior written notice to Landlord by the insurance company.

(d) Tenant shall be solely responsible for payment of all premiums and Landlord shall not be required to pay any premium for such insurance. In the event of payment of any loss covered by any such policy, Landlord (or its designees) shall be paid first by the insurance company for Landlord's loss. The minimum limits of the comprehensive general liability policy of insurance required of Tenant hereunder shall in no way limit or diminish Tenant's liability hereunder.

(e) Tenant shall deliver to Landlord on or before the Commencement Date and thereafter at least thirty (30) days prior to the expiration of each such policy, either a duplicate original or a certificate of insurance for all policies procured by Tenant in compliance with its obligations hereunder, together with evidence satisfactory to Landlord of the payment of the premiums therefor. If Tenant fails to obtain and provide any or all of the aforesaid insurance, then, in addition to its other remedies, Landlord may, but shall not be required to, purchase such insurance on behalf of Tenant and add the cost of such insurance, as Additional Rent, to the next installment of Minimum Rent.

(f) The minimum limits of the comprehensive general liability and workmen's compensation policies of insurance shall be subject to increase at any time, and from time to time, if Landlord shall deem same necessary for adequate protection. Within thirty (30) days after demand therefor by Landlord, Tenant shall furnish Landlord with evidence of Tenant's compliance with such demand.

Section 10.3 Fire Insurance Rate. If, at any time and from time to time, as a result of or in connection with any act of omission or commission by Tenant, its employees, agents, contractors or licensees, or as a result of or in connection with the use to which the Premises are put (notwithstanding that such use may be for the purposes hereinbefore permitted or that such use may have been consented to by Landlord), the insurance rate(s) applicable to the Premises or to any adjacent property owned or controlled by Landlord, or an affiliate of Landlord, and/or to the contents in any or all of the aforesaid properties (including, but not limited to, rent insurance relating thereto) shall be higher than that which would be applicable for the least hazardous type of occupancy legally permitted therein, Tenant agrees that it will pay to Landlord, on demand, 100% of such portion of the premiums for all Landlord's insurance policies in force with respect to the aforesaid properties (including, but not limited to, rent insurance relating thereto) and their contents as shall be attributable to such higher rate(s). For purposes of this Section, any finding or schedule of the fire insurance rating organization having jurisdiction thereof shall be deemed to be conclusive.

Section 10.4 Waiver of Subrogation. Neither Landlord nor any Landlord Parties shall be liable for any damage by fire or other peril includable in the coverage afforded by the standard form of fire insurance policy with extended coverage endorsement attached, no matter how caused, it being understood that the damaged party will look solely to its insurer for reimbursement, provided that this waiver of liability shall apply only to the extent that the party incurring such loss is actually reimbursed for such loss by the proceeds of insurance (or, in the case of a party which fails to carry insurance required in this Lease, only to the extent that such failing party would have been so reimbursed had such failing party complied with its insurance requirements hereunder). Tenant's policies of insurance shall contain a waiver of subrogation confirming the foregoing. Any waiver of rights required by this Section shall be ineffective if

such waiver shall be unobtainable, or result in a breach of the insurance contract or in material increase in the cost of insurance of the waiving party, unless the other party shall pay such increase within ten (10) days after notice thereof.

ARTICLE 11
DAMAGE TO PREMISES

Section 11.1 Notice. Tenant shall notify Landlord in writing of any damage or destruction resulting from fire or other casualty to the Premises promptly after learning of the same.

Section 11.2 Damage or Destruction. If all or any part of the Premises shall be damaged or destroyed by fire or other casualty insured under the standard fire insurance policy with approved standard extended coverage endorsement applicable to the Premises, Landlord shall, except as otherwise provided herein, repair and/or rebuild the same with reasonable diligence, to their condition as of the Commencement Date, reasonable wear and tear excepted. Nothing hereinabove contained shall impose upon Landlord any liability or responsibility to repair, rebuild or replace any property belonging to or provided by Tenant. Even if the Premises shall become completely untenantable as a result of such damage or destruction, the Minimum Rent and other sums payable hereunder shall not abate (it being intended that Tenant assume or obtain rent and/or business interruption insurance to cover such risk). Unless this Lease is terminated by Landlord as hereinafter provided, upon completion of Landlord's repairs and rebuilding, Tenant shall promptly repair the Premises to at least a condition equal to that existing prior to its destruction or casualty, and the proceeds of all insurance carried by Tenant on its leasehold improvements in the Premises shall be paid to and held in trust by Landlord and disbursed by Landlord to Tenant for such purpose.

Section 11.3 Termination of Lease.

(a) Notwithstanding anything else to the contrary in this Section or elsewhere in this Lease, Landlord, at its sole option, may terminate this Lease on thirty (30) days written notice to Tenant given at any time after the occurrence of any of the following:

(i) The Premises shall be damaged or destroyed as a result of an occurrence which is not completely covered by Landlord's insurance, or sufficient net insurance proceeds are not made available to Landlord to meet the cost of replacement; or

(ii) The Premises are damaged to such an extent that, in the sole judgment of Landlord, the Premises cannot be operated as an economically viable unit.

(b) If more than seventy-five percent (75%) of the Premises shall be damaged or destroyed by fire, windstorm, or otherwise within the last six (6) months of the Term, either party shall have the right to terminate this Lease, provided that notice thereof is given to the other party no later than thirty (30) days after such damage or destruction. If said right of termination is exercised this Lease and the term hereof shall cease and come to an end as of the date of said damage or destruction.

Section 11.4 No Abatement. Except to the extent specifically provided for in this Lease, unless this Lease is terminated as herein provided, none of the Minimum Rent and other sums payable by Tenant, nor any of Tenant's other obligations under any provisions of this Lease, shall be affected by any damage to or destruction of the Premises by any cause whatsoever and Tenant hereby specifically waives all other rights it might otherwise have at law and in equity which are inconsistent herewith.

Section 11.5 Rights of Mortgagee. Notwithstanding any foregoing provisions to the contrary, the provisions of this Article 11 shall be subject to the terms and conditions of any Mortgage and any requirements of the holder of such Mortgage.

Section 11.6 Express Agreement. This Article shall be considered an express agreement governing any case of damage to the Premises and, to the extent permitted by law, any statute purporting to govern in such cases, now or hereafter in force, shall have no application under this Lease.

ARTICLE 12
CONDEMNATION

Section 12.1 Total Condemnation. If the entire Premises is Condemned or taken in Condemnation, this Lease shall terminate and expire on and as of the date title is conveyed under such Condemnation.

Section 12.2 Partial Condemnation.

(a) If more than fifteen percent (15%) of the usable area of the Premises shall be Condemned, Landlord may elect to terminate this Lease by notice to Tenant within thirty (30) days after the effective date of such Condemnation; and this Lease shall terminate and expire on the date specified in Landlord's notice (which shall be at least sixty (60) days after the date of such notice).

(b) Subject to Section 12.2(a), if part (but not all) of the Premises is Condemned, this Lease shall terminate and expire with respect only to the portion of the Premises so Condemned, on and as of the effective date of such Condemnation. In all other respects this Lease shall remain in full force and effect except that Tenant shall be entitled, after such date, to a reduction in Rents in the proportion which the area of the Premises so Condemned bears to the total area of the Premises at the time of such taking.

(c) Notwithstanding Section 12.2(b), if more than seventy-five percent (75%) of the Premises is Condemned, or if there is a Condemnation of all of Tenant's access to the Premises, Tenant may elect to terminate this Lease by notice to Landlord given within thirty, (30) days after Tenant receives notice from Landlord or otherwise of the effective date of such Condemnation; and this Lease shall terminate sixty (60) days after the giving of Tenant's notice.

Section 12.3 Award. In the event of any Condemnation of the Premises, whether or not this Lease survives, Landlord shall be entitled to receive the entire award and compensation, without deduction for any estate vested in Tenant by this Lease (or any value attributable thereto). Tenant hereby assigns to Landlord any and all right, title and interest which the Tenant

may have in or to any such award and compensation (other than Tenant's claim for statutory moving expenses, if any); and Tenant agrees to execute and file any and all applications, statements, documents, and instruments necessary or desirable to facilitate Landlord's collection of any such award and compensation.

Section 12.4 Temporary Taking. If the use of the Premises is Condemned for a period of one (1) year or less, Tenant's obligations under this Lease shall not change; and Tenant shall continue to pay all Rents without reduction or abatement. However, Tenant shall be entitled to the portion of the award or compensation for such temporary Condemnation (after subtraction of all necessary and proper expenses of collection incurred by Landlord) equal to the Rents payable hereunder during the period covered, together with such additional reasonable and actual expenses as Tenant incurs in connection with relocation to alternate space for the period of such temporary Condemnation. The balance of the award and compensation shall be payable to Landlord.

ARTICLE 13
ASSIGNMENT AND SUBLETTING

Section 13.1 No Assignments, Subleases.

(a) Except as otherwise expressly provided in this Article, Tenant shall not, without obtaining the prior written consent of Landlord (which consent may be withheld at Landlord's sole discretion), in each instance: (i) assign or otherwise transfer this Lease, or any part of Tenant's right, title or interest therein; (ii) sublet all or any part of the Premises or allow all or any part of the Premises to be used or occupied by any other Persons; (iii) mortgage, pledge, collaterally assign or otherwise encumber this Lease or the Premises.

(b) For purposes of this Article, an assignment, hypothecation, pledge and/or other transfer or encumbrance of (i) twenty-five percent (25%) or more of the issued and outstanding capital stock of any corporate Tenant (or any corporate general partner of Tenant), or (ii) twenty-five percent (25%) or more of the total interest in any other entity (partnership or otherwise) which is Tenant, however accomplished, whether in a single transaction or in a series of related or unrelated transactions, shall be deemed an assignment, hypothecation, pledge and/or transfer of this Lease. This provision shall not apply whenever Tenant is a corporation, the outstanding voting stock of which is listed on a recognized security exchange, or if at least eighty percent (80%) of its voting stock is owned by another corporation the voting stock of which is so listed.

Section 13.2 Exceptions.

(a) Section 13.1 shall not apply to transactions entered into by Tenant with an entity into (or with) which Tenant is merged or consolidated or to which substantially all of Tenant's assets are transferred, provided that (i) such merger, consolidation, or transfer of assets is for a good business purpose and not a device for the transfer of Tenant is interest in this Lease; and (ii) the assignee or successor entity has a net worth at least equal to or in excess of the net worth of Tenant immediately prior to such merger, consolidation, or transfer, or as of the date of

this Lease, whichever is greater, as evidenced by financial statements prepared and certified by independent certified public accountants.

(b) Tenant shall have the right to assign this Lease to an entity organized or formed under the laws of a state or commonwealth of the United States all of the shares or interests in of which are owned by Tenant; provided, however, that (i) Tenant shall simultaneously execute and deliver to Landlord a guarantee in the form approved by Landlord, (ii) the net worth of the assignee shall be not less than the net worth of the Tenant on the date hereof or on the date of the transfer (whichever is higher), and (c) provided, further, that any pledge, transfer, sale, or other disposition of the shares or interests of such entity shall be deemed an assignment of this Lease.

Section 13.3 Recapture Rights. If at any time or from time to time during the term of this Lease, Tenant desires to assign this Lease or to sublet all or any part of the Premises, then not less than thirty (30) days, nor more than sixty (60) days, prior to the date (the "Transfer Date") on which Tenant desires the assignment or sublease to become effective Tenant shall give Landlord written notice (the "Transfer Notice") which shall set forth (i) the name, address and business of the proposed assignee or sublessee, (ii) information (including, without limitation, all relevant financial statements and references) concerning the character, financial condition and business experience of the proposed assignee or sublessee, (iii) a detailed description of the portion of the Premises proposed to be sublet, which Tenant covenants and agrees with Landlord shall be a single, self-contained unit, (iv) any rights of the proposed assignee or sublessee to use Tenant's improvements, (v) the Transfer Date, and (vi) the Minimum Rent, Additional Rent and/or other consideration and all other material and relevant terms and conditions of the proposed assignment or sublease, all in such detail as Landlord may reasonably require. If Landlord requests additional detail, the Transfer Notice shall not be deemed to have been received until Landlord receives such additional detail. Landlord shall have the option, notwithstanding anything to the contrary contained in this Article 13, exercisable by giving notice to Tenant at any time within sixty (60) days after Landlord's receipt of the Transfer Notice (a) in the case of an assignment, to terminate this Lease or in the case of a sublease, to terminate this Lease as a portion of the Premises proposed to be sublet, in which event Tenant shall be relieved of all further obligations hereunder with respect thereto as of the Transfer Date; or (b) in the case of a sublease, to sublease such portion from Tenant upon the terms and conditions set forth in the Transfer Notice, except that the rent shall be the lower of the per square foot monthly Minimum Rent and Additional Rent payable by Tenant under the Lease for the Premises or the rent and other consideration set forth in the Transfer Notice which is applicable to the portion of the Lease Premises which Tenant proposes to sublet. No failure of Landlord to exercise either option with respect to the applicable portion of the Premises shall be deemed to be a consent by Landlord to the assignment or subletting of all or any portion of the Premises. If, after receipt of any Transfer Notice, Landlord exercises it right to terminate this Lease with respect to, or enter into a sublease for, the applicable portion of the Premises, Tenant shall have the right, exercisable by written notice to Landlord sent within ten (10) days after its receipt of Landlord's said notice, to rescind the applicable Transfer Notice. If Landlord exercises its option to sublease and Tenant shall not rescind the applicable Transfer Notice, all as provided herein, Tenant shall sublease to Landlord the applicable portion of the Premises upon the terms and conditions contained in the Transfer Notice (except for monthly rental as specified above) provided, however, that: (A) Landlord shall at all times under such sublease have the right and

option further to sublease the applicable portion of the Premises without obtaining Tenant's consent or sharing any of the economic consideration received by Landlord; (B) Tenant shall have no right of setoff or abatement or any other right to assert a default hereunder by reason of any default by Landlord under such sublease; and (C) Landlord's liability under such sublease shall not be deemed assumed or taken subject to by any successor to Landlord's interest under the Lease.

Section 13.4 Conditions to Assignment/Sublease. Any assignment, whether made with Landlord's consent as required by Section 13.1 or without Landlord's consent pursuant to Section 13.2, shall not be effective, and shall be null and void as against Landlord, unless and until:

(a) the assignee shall execute, acknowledge and deliver to Landlord an agreement, in form and substance reasonably satisfactory to Landlord, under which (A) the assignee assumes the obligations and performance of this Lease and agrees to be bound personally by all of the covenants, agreements, terms, provisions and conditions hereby on the part of Tenant to be performed or observed on and after the effective date of any such assignment; and (B) the assignor agrees that the provisions of this Article shall continue binding upon it in the future, notwithstanding the assignment or other transfer;

(b) any sublessee shall have entered into an instrument in writing in favor of Landlord, which instrument shall be in form and substance reasonably satisfactory to Landlord and shall have been received by Landlord, pursuant to which such sublessee shall agree directly with landlord to comply with and be bound by all of the applicable terms and conditions set forth in this Lease;

(c) in the case of an assignment pursuant to Section 13.2, Tenant or its successor shall have delivered to Landlord financial statements certified by certified public accountants evidencing satisfaction of the net worth requirement in Section 13.2;

(d) in the case of an assignment or sublease made with Landlord's consent, the assignment or sublease shall be on the same terms, and only to the party, set forth in the Transfer Notice given to Landlord pursuant to the provisions of Section 13.3;

(e) no assignee or sublessee shall have a right further to Transfer, except under the conditions set forth herein; and

(f) Tenant shall pay Landlord's attorneys' fees and costs incurred in connection with such Transfer.

Section 13.5 General Provisions.

(a) Tenant covenants that, notwithstanding any assignment or transfer, whether or not in violation of the provisions of this Lease, and notwithstanding the acceptance of Rents by Landlord from an assignee, transferee, or any other person, Tenant for the Term shall remain fully and primarily and jointly and severally liable for the payment of all Rents due and to become due under this Lease and for the performance and observance of all of the covenants, agreements, terms, provisions and conditions of this Lease on the part of Tenant to be performed or observed. After any assignment, subletting, or other transfer permitted under this Article 13,

Tenant's liabilities and obligations under this Lease shall not be discharged, released or impaired in any respect by an agreement or stipulation made by Landlord (or the holder of any Mortgage) extending the Term, or modifying any obligations contained in this Lease, or by any waiver or failure of Landlord to enforce any of Tenant's obligations under this Lease, and Tenant shall continue liable hereunder.

(b) Any attempted assignment, subletting, or other transfer in violation of this Article 13 shall not be binding upon Landlord and shall confer no rights upon any third person

(c) Tenant shall not have any right to make any claim for money damages or to offset any claim for money damages against any sums due under this Lease based upon allegations that Landlord has unreasonably withheld or unreasonably delayed its consent even if Landlord shall have agreed that such consent will not be withheld or delayed unreasonably. Tenant's sole remedy on account thereof shall be to seek equitable relief or a declaratory judgment.

(d) If Landlord consents to any assignment or sublease, Tenant shall pay Landlord, as Additional Rent (a) in the case of each and every assignment, an amount equal to fifty percent (50%) of all sums and other considerations paid Tenant by the assignee for (or by reason of) such assignment (including sums in excess of fair market value paid for the sale of Tenant's fixtures, leasehold improvements, equipment, furniture, furnishings or other personal property); and (b) in the case of each and every sublease, all rents, additional charges or other consideration whatsoever payable to Tenant by the subtenant which exceed all Rents under this Lease accruing during the term of the sublease in respect of the subleased space (i.e., allocated in proportion to the space demised, as reasonably computed by Landlord) pursuant to the terms hereof (including, but not limited to, sums paid for the sale or rental of Tenant's fixtures, leasehold improvements, equipment, furniture or furnishings or other personal property). Tenant shall pay Landlord all amounts due under this Section 13.5(d) as and when payable by the assignee or subtenant to Tenant.

ARTICLE 14
DEFAULTS; REMEDIES

Section 14.1 Defaults. Each of the following events shall be a "Default" under this Lease:

(a) Tenant fails to pay when due Rent or any other charges due under this Lease and such failure is not cured within five (5) days following Landlord's written notice of such failure;

(b) Tenant sublets the Premises (or any part thereof) or mortgages, pledges, assigns, transfers, or otherwise disposes of this Lease (or any part of Tenant's right, title, and interest hereunder) without complying with all requirements of this Lease;

(c) A levy under execution or attachment is made against Tenant or Tenant's property and is not vacated or removed by court order, bonding or otherwise within thirty (30) days thereafter;

(d) Any event specified in the first paragraph of Section 14.2 hereof occurs (no notice of such occurrence or opportunity to cure being required); and/or

(e) Tenant fails to observe and perform any of the other terms, covenants and/or conditions of this Lease and such failure shall continue for more than fifteen (15) days after written notice from Landlord to Tenant (unless such failure reasonably requires more than fifteen (15) days to cure, in which case Tenant shall not be deemed in default hereunder if, within such fifteen (15)-day period, Tenant commences to cure such failure and thereafter Tenant prosecutes such cure diligently and without interruption to completion);

(f) Tenant (or any affiliated or related entity of Tenant) defaults under any lease, other than this Lease, between Landlord (or any affiliated or related entity of Landlord or its managing agent) and Tenant (or any affiliated or related entity of Tenant).

If, in the course of any two (2)-year period, an event of default shall occur requiring notice hereunder on more than three (3) occasions, even if such events are each cured within any applicable grace and/or notice period, Tenant shall, at Landlord's option, also be deemed in immediate default upon the occurrence of such third event of default without any further notice or opportunity to cure being required to be given.

Section 14.2 Bankruptcy.

(a) If at any time during the Term there shall be filed, by or against Tenant or any successor tenant then in possession or any guarantor of either under this Lease, in any court pursuant to any statute either of the United States or of any State or Commonwealth, a petition (i) in bankruptcy, (ii) alleging insolvency, (iii) for reorganization, (iv) for the appointment of a receiver, (v) for an arrangement under any federal or State or Commonwealth bankruptcy code, or (vi) for any similar creditor's or debtor's rights, Tenant shall be in immediate default hereunder without the necessity of any notice or cure period being given (except in the event of an involuntary filing against Tenant, no default shall occur unless such filing is not dismissed within 30 days of such filing), and thereupon Tenant shall immediately quit and surrender the Premises to Landlord, but Tenant shall continue to be liable for the payment of Rent and all other sums due hereunder.

(b) In the event Landlord may not terminate Tenant's rights under this Section 14.2 by reason of protection afforded Tenant under the applicable bankruptcy act, and Tenant is in default of any of the other terms, covenants or conditions of this Lease, then the duly-appointed trustee in bankruptcy of the Tenant-debtor (the "Trustee") may assume this Lease only after he undertakes the following:

(i) cures any default, or provides adequate assurance that he will promptly cure such default;

(ii) compensates or provides adequate assurance that he will promptly compensate Landlord for any actual pecuniary loss resulting from such default; and

(iii) provides adequate assurance of future performance.

(c) Adequate assurance of future performance includes, but is not limited to, adequate assurance: (1) of the source of Rent and other considerations due under the Lease; and (2) that assumption or assignment of the Lease will not breach any provisions in any other lease, financing agreement or master agreement relating to the Premises.

(d) To assign the Lease, the Trustee must first assume the Lease in accordance with the bankruptcy code and provide adequate assurance of future performance by the assignee, and must not be in default of any of the other terms hereunder.

Section 14.3 Landlord's Rights on Default. In addition to any other remedies or rights of Landlord in this Lease or by law or equity provided, in the event of any default by Tenant (beyond any applicable grace, notice and/or cure period specifically granted herein, if any), Landlord may:

(a) terminate this Lease (which shall only occur if Landlord so specifies a termination in writing; and no such termination shall, under any circumstances, absolve or discharge Tenant from any of its obligations or liabilities for the then remainder of the Term or otherwise); and/or

(b) bring suit for the collection of Rent and other sums due under this Lease and for damages (including, without limitation, attorneys' fees and the cost of repairing and reletting the Premises), with or without entering into possession of the Premises or terminating the Lease. Commencement of any such action by Landlord shall not be construed as an election to terminate this Lease and shall not absolve or discharge Tenant from any of its obligations or liabilities for the remainder of the Term; and/or

(c) re-enter and retake possession of the Premises from Tenant by summary proceedings or otherwise. To the extent permitted by Law, Tenant waives notice of termination of this Lease, any statutory notice (3-day or otherwise), notice of re-entry or repossession or institution of legal proceedings and any right of redemption or repossession. In the event of any re-entry (whether by reason of termination as specified in Section 11.3(a) or otherwise), Landlord shall have the right, but not the obligation, to remove any persons and property from the Premises and place all such property in storage at a public warehouse or on any sidewalk at the sole expense and risk of Tenant or any other owner thereof.

Notice of re-entry, or the commencement of any action by Landlord for re-entry, or any such actual re-entry, shall not be construed as an election to terminate this Lease. Neither termination nor re-entry shall absolve or discharge Tenant from any of its obligations or liabilities for the remainder of the Term or otherwise.

Section 14.4 Damages Upon Default or Termination. If Landlord elects to exercise any of its remedies for Tenant's default under the provisions of the above Section, whether or not Landlord elects to terminate this Lease or re-enter the Premises, Landlord may recover from Tenant damages computed in accordance with the following formula, in addition to its other remedies:

(a) any unpaid Rent and other sums due under this Lease which have accrued at the time of such exercise; plus

(b) the unpaid Rent and other sums due under this Lease for the then balance of the Term after the time of such exercise (as if, for this purpose, no default had occurred and no remedy had been exercised), payable at the election of Landlord, on a monthly basis or in a lump sum, discounted to then present value at a 6% discount rate (in which case, if the Premises are re-leased to one or more new tenants, Landlord shall credit Tenant for, or, if Tenant has already made the aforesaid lump sum payment, pay Tenant, all net rental amounts actually realized by Landlord on account of such re-letting, in a maximum aggregate amount equal to the amount Tenant owes, or had theretofore actually paid to Landlord in a lump sum, as damages under this subparagraph (b) for the applicable period for which such net re-letting payments were actually received by Landlord); plus

(c) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including, without limitation, the cost of repairing, modifying or modernizing the Premises, new tenant allowances, brokerage fees, free rent and attorneys' fees and costs; plus

(d) at Landlord's election, such other amounts in addition to (or in lieu of the foregoing) as may be permitted from time to time by the laws of the State or Commonwealth; plus

(e) Interest on all of the foregoing from the date due until paid in full.

It is specifically understood and agreed that Landlord shall be entitled to take into account in connection with any reletting of the Premises all relevant factors which would be taken into account by a sophisticated developer in securing a replacement tenant for the Premises and Tenant hereby waives, to the extent permitted by applicable law, any obligation Landlord may have to mitigate Landlord's damages. To induce Landlord to enter into this Lease, (i) Tenant confirms and agrees that this transaction is a commercial and not a consumer transaction, (ii) Tenant hereby waives any right to trial by jury in any action, proceeding or counterclaim brought by Landlord against Tenant on any matter whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, Tenant's use and occupancy of the Premises and/or any claim of injury or damage, and (iii) Tenant agrees not to interpose any counterclaim of whatever nature or description in any proceeding commenced by Landlord for nonpayment of Rent, Minimum Rent or any other amount due hereunder, provided the forgoing shall not be construed as a waiver of the right of Tenant to assert such claims in any separate action brought by Tenant.

Section 14.5 Landlord's Self-Help. In addition to Landlord's other remedies (including, but not limited to, Landlord's rights of self-help set forth elsewhere in this Lease), if Tenant at any time fails to perform any of its obligations under this Lease, Landlord shall have the right, but not the obligation, upon giving Tenant at least two (2) days' prior written notice of its election to do so (in the event of any emergency, however, no prior notice being required), to perform such obligations on behalf of and for the account of Tenant and to take all such action necessary to perform such obligations. In such event, Landlord's costs and expenses incurred therein, plus a 18% administrative charge, shall be paid for by Tenant forthwith, with interest.

The performance by Landlord of any such obligation shall not constitute a release of Tenant or waiver of Landlord.

Section 14.6 Specific Performance; Injunction. Landlord shall have the right to obtain a judgment of specific performance, an injunction and/or restraining order and shall have all other equitable remedies available under applicable law in the event of Tenant's default.

Section 14.7 Landlord's Remedies Cumulative. All remedies of Landlord hereunder are cumulative and not mutually exclusive and may be exercised in addition to all other remedies available to Landlord at law and in equity.

Section 14.8 Non-Waiver Provisions. The failure of Landlord to insist upon a strict performance of any of the terms, conditions and covenants herein shall not be deemed to be a waiver of any rights or remedies that Landlord may have and shall not be deemed a waiver of any subsequent breach or default in the terms, conditions and covenants herein contained, except only as may be expressly waived in writing.

ARTICLE 15
CONVENANT OF QUIET ENJOYMENT

Landlord covenants, represents and warrants that it has full right and power to execute and perform this Lease and that Tenant, on payment of the Rent and performance of the covenants and agreements hereof, shall peaceably and quietly have, hold and enjoy the Premises and all rights, easements, appurtenances and privileges granted to Tenant herein during the Term without molestation or hindrance of Landlord, any person or entity lawfully claiming by, through or under Landlord subject to the terms and conditions of this Lease.

ARTICLE 16
CONDITION OF PREMISES AT TERMINATION

At the expiration or sooner termination of the Term, Tenant shall surrender the Premises in the same condition of cleanliness, repair and operation as the Premises were in upon the Commencement Date, reasonable wear and tear and damage by unavoidable casualty excepted. Tenant shall surrender all keys for the Premises to Landlord and shall inform Landlord of all combinations on locks, safes and vaults, if any, in the Premises. On or before the last day of the Term or the sooner termination thereof, Tenant shall remove all trade fixtures, signs and other personal property installed or placed by Tenant in the Premises and repair any damage occasioned by any such removal. Upon the written request of Landlord given at any time prior to the last day of the Term, Tenant shall also remove any Alterations made to or in the Premises. Property not so removed shall be deemed abandoned by Tenant and Landlord, at its sole option, may remove and store such property in a public warehouse or elsewhere at the cost of and for the account of Tenant, all without service of notice or resort to legal process and without being deemed guilty of trespass or becoming liable for any loss or damage which may be occasioned thereby.

ARTICLE 17
HOLDING OVER

Section 17.1 Holding Over. If Tenant otherwise holds the Premises after the expiration or earlier termination of the Term hereof without the written consent of Landlord, to be given or withheld in Landlord's sole discretion, such holding over shall be deemed to have created a tenancy at sufferance only, at a monthly rental equal to one hundred fifty percent (150%) of the Minimum Rent payable by Tenant to Landlord during the calendar month immediately preceding such expiration or termination of the Term, and otherwise subject to all terms of this Lease, and all other charges payable by Tenant hereunder. Neither any provision contained in this Section nor Landlord's acceptance of Rent after the expiration or earlier termination shall be construed as consent to such holding over.

Section 17.2 Indemnity. If Tenant fails to surrender the Premises upon the expiration or termination of the Lease Term, Tenant shall indemnify and hold harmless Landlord from all claims, losses, brokerage commissions, lost rents, liabilities and expenses, including reasonable attorneys' fees and costs of litigation and investigation, resulting from such failure, including without limitation any claims made by any successor tenant arising out of such failure, and interest on all such sums.

ARTICLE 18
HAZARDOUS MATERIALS

Section 18.1 Covenants and Indemnity. (a) Tenant shall not generate, use, handle, store or dispose of any Hazardous Material on, in or about the Premises. Notwithstanding the foregoing, to the extent any Hazardous Materials are substances which are ordinarily used in the course of the Tenant's business as permitted pursuant to Section 5.1 of this Lease, Tenant may use and/or store such Hazardous Materials on the Premises; provided that (a) Tenant stores such substances on the Premises in limited quantities and in strict compliance with any applicable Laws, (b) Tenant uses such materials only for their intended purposes and in the manner prescribed by the manufacturers and applicable Laws, (c) such substances shall not be disposed of on, in or about the Premises, and (d) such substances shall be handled, transported and disposed of in accordance with applicable Laws.

(b) Tenant hereby indemnities and holds Landlord harmless from and against any and all Claims (including, without limitation, the expenses of testing, cleaning up and reporting, and engineering and attorneys' fees) that Landlord may sustain or have asserted against it by reason of or in connection with (i) the bringing or discharge of any Hazardous Materials in, on, under, about or from the Premises by Tenant, its subtenants or their respective agents, employees, contractors, subcontractors, subtenants or licensees, (ii) the transportation or disposal of any Hazardous Materials to or from the Premises by Tenant, its sub-tenants or their respective agents, employees, contractors, sub-contractors, subtenants or licensees, (iii) any actual or alleged failure by Tenant, its subtenants or their respective agents, employees, contractors, subcontractors, subtenants or licensees to comply with any Environmental Law, or (iv) any breach by Tenant, its subtenants or their respective agents, employees, contractors, subcontractors, subtenants or licensees of any obligations that are set forth in, or are required to be imposed by, this Section 18.1.

Section 18.2 Defined Terms. "Hazardous Materials" means any substance which during the Term is defined, designated or classified as hazardous, toxic, radioactive or dangerous, or otherwise regulated under any Environmental Law, whether by type or by quantity, including any substance containing any such substance as a component. Hazardous Materials includes, without limitation, any toxic waste, pollutant, contaminant, hazardous substance, toxic substance, hazardous waste, special waste, industrial hazardous or toxic substance or petroleum or any derivative or by-product thereof, radon, radioactive material, asbestos, asbestos containing material, urea formaldehyde foam insulation, lead and polychlorinated biphenyl, and any and all of the following, including mixtures thereof: any hazardous substance, pollutant, contaminant, waste, by-product or constituent regulated under the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq.; oil and petroleum products and natural gas, natural gas liquids, liquefied natural gas and synthetic gas usable for fuel; pesticides regulated under the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. Section 136 et seq.; asbestos and asbestos-containing materials, PCBs and other substances regulated under the federal Solid Waste Disposal Act and the federal Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; source material, special nuclear material, by-product material and any other radioactive materials or radioactive wastes, however produced, regulated under the Atomic Energy Act or the Nuclear Waste Policy Act of 1982; chemicals subject to the OSHA Hazard Communication Standard, 29 C.F.R. "1910.1200 et seq.; and industrial process and pollution control wastes, whether or not hazardous within the meaning of the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq. "Environmental Law" means the following: (i) any federal, state or local Law (including, without limitation, the Commonwealth of Puerto Rico), statute, ordinance, rule, regulation, guideline, code, license, permit, authorization, approval, consent, legal doctrine, order, judgment, decree, injunction, requirement or agreement with any governmental entity, relating to (x) the protection, preservation or restoration of the environment (including, without limitation, air, water, vapor, surface water, groundwater, drinking water supply, surface land, subsurface land, plant and animal life or any other natural resource), or to human health or safety, or (y) the exposure to, or the use, storage, recycling, treatment, generation, transportation, processing, handling, labeling, production, release or disposal of Hazardous Materials and (ii) any common law or equitable doctrine (including, without limitation, injunctive relief and tort doctrines such as negligence, nuisance, trespass and strict liability) that may impose liability or obligations for injuries or damages due to, or threatened as a result of, the presence of or exposure to any Hazardous Materials.

Section 18.3 Survival. The provisions of this Article 18 shall survive the termination of this Lease.

ARTICLE 19
ESTOPPEL

At Landlord's request from time to time, Tenant shall, within ten (10) Business Days of such request, execute, acknowledge and deliver to Landlord a written statement (each such statement, an "Estoppel Certificate") certifying as of the date thereof, except as specifically disclosed in such Estoppel Certificate: (a) attached to the Estoppel Certificate is a true, correct and complete copy of this Lease, including any and all amendments and modifications thereto; (b) there are no agreements other than this Lease (and, except as attached thereto, no

amendments, modifications, extensions, or other revisions of this Lease) in effect between Tenant and Landlord (or any other Person) with respect to the Premises; (c) this Lease is valid and in full force and effect and Tenant has no setoffs, claims or defenses of any kind whatsoever to enforcement of this Lease; (d) to the best of Tenant's knowledge, Tenant has no claim, demand, cause of action or right to institute any legal proceeding against Landlord arising out of or by virtue of this Lease or by reason of Tenant's occupancy and use of the Premises; and (e) Landlord is not in default in the performance of any of Landlord's obligations under this Lease; and Tenant has not given any notice of default to Landlord. In each Estoppel Certificate Tenant shall certify, also, the amount of Rent then payable under this Lease, the amounts (and elements) of Additional Rent then payable, and the dates to which Tenant has paid the same, and such other matters as Landlord or the holder of any Mortgage may reasonably request. Tenant acknowledges and agrees that a prospective purchaser or mortgagee of Landlord's interest in this Lease or the Premises, or the holder of any Mortgage (or the assignee of any such Person), may rely upon each Estoppel Certificate.

ARTICLE 20
SUBORDINATION

Section 20.1 Subordination. It is agreed that the rights and interest of Tenant under this lease shall be subject and subordinate to any Mortgages that may hereafter be placed upon the Premises, and to any and all advances to be made thereunder, and to the interest thereon, and all renewals, modifications, replacements and extensions thereof. It is further agreed that any mortgagee may elect, by written notice to Tenant, to give the rights and interest of Tenant under this Lease priority over the lien of its Mortgage. Tenant shall execute and deliver whatever instruments may be required for such purposes forthwith upon demand, and in the event Tenant fails so to do within ten (10) days after demand in writing, without limiting Landlord's other rights on account of such failure, Tenant does hereby make, constitute and irrevocably appoint Landlord as its attorney in fact and in its name, place and stead so to do.

Section 20.2 Rights of Mortgagee. In the event of any act or omission by Landlord which would give Tenant the right to terminate this Lease or to claim a partial or total eviction, Tenant shall not exercise any such right (i) until it shall have given written notice, by registered or certified mail, of such act or omission to the holder of any Mortgage whose name and address shall have been furnished to Tenant in writing, at the last address so furnished, and (ii) until a reasonable period of time for remedying such act or omission shall have elapsed following the giving of such notice, provided that following the giving of such notice, Landlord or said holder shall, with reasonable diligence, have commenced and continued to remedy such act or omission or to cause the same to be remedied.

Section 20.3 Assignment of Rents. With reference to any assignment by Landlord of Landlord's interest in this Lease, or the Rents payable hereunder, conditional in nature or otherwise, which assignment is made to the holder of any Mortgage on the Premises, Tenant agrees: (a) that the execution thereof by Landlord, and the acceptance thereof by such holder, shall never be deemed an assumption by such holder of any of the obligations of Landlord hereunder, unless such holder shall, by written notice sent to Tenant, specifically otherwise elect; and (b) that, except as aforesaid, such holder shall be treated as having assumed Landlord's

obligations hereunder only upon foreclosure of such holder's Mortgage and the taking of possession of the Premises by such holder.

ARTICLE 21
WAIVER OF TERMINATION

Notwithstanding anything to the contrary contained in this Lease, Tenant waives any right to terminate this Lease for a default by Landlord or, except as specifically set forth pursuant to the terms of this Lease, for any other reason whatsoever (whether available by statute or otherwise).

ARTICLE 22
NOTICES

Notices required under this Lease shall be in writing and shall be given by certified mail (with return receipt requested), at the respective address(es) of the parties set forth below, or to such other address(es) as either party may from time to time designate in writing to the other; or, if to Tenant, such notice may also be mailed in the manner described above, delivered by a recognized delivery service (such as Federal Express), by telecopy or by hand at the Premises. Any notice under this Lease delivered by certified mail shall be deemed to have been given three (3) business days after it is properly placed in the mails with sufficient postage prepaid; and any notice delivered by recognized delivery service shall be deemed to have been given on the first business day following the day deposited with such recognized delivery service (all other methods of notice being deemed to have been given upon actual receipt thereof). A notice properly given on behalf of Landlord by Landlord's management company or manager, or by an attorney representing Landlord or its manager or management company, shall be deemed for all purposes to be a notice from Landlord.

To Landlord:

SEAGATE, INC.
One O-I Plaza
One Michael Owens Way
Perrysburg, OH 43551-2999
Attention: Corporate Secretary

with copy to:

OWENS-ILLINOIS, INC.
One O-I Plaza
One Michael Owens Way
Perrysburg, OH 43551-2999
Attention: General Counsel

To Tenant:

O-I CARIBBEAN SALES & DISTRIBUTION, INC.
One O-I Plaza

One Michael Owens Way
Perrysburg, OH 43551-2999
Attention: Corporate Secretary

with copy to:

OWENS-ILLINOIS, INC.
One O-I Plaza
One Michael Owens Way
Perrysburg, OH 43551-2999
Attention: General Counsel

ARTICLE 23
MISCELLANEOUS

Section 23.1 Successors and Assigns. The conditions, covenants and agreements contained in this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns. Nothing in the immediately preceding sentence shall be deemed to permit assignment or subletting in violation of Article 13 of this Lease.

Section 23.2 Severability. If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, unenforceability shall not affect any other provision of this Lease, but this Lease shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

Section 23.3 Governing Law; Construction. This Lease shall be construed and enforced in accordance with the laws of the Commonwealth of Puerto Rico. All of the parties to this Lease have participated (or have had the opportunity to participate) fully in the negotiation and preparation hereof, and, accordingly, this Lease shall in all cases be construed as a whole according to its fair meaning and not strictly for or against either Landlord or Tenant.

Section 23.4 No Waiver. The failure of either party to insist in any one or more instances upon the strict performance of any one or more of the agreements, terms, covenants, conditions or obligations of this Lease, or to exercise any right, remedy or election herein contained, shall not be construed as a waiver or relinquishment for the future of the performance of such one or more obligations of this Lease or of the right to exercise such right, remedy or election, but the same shall continue and remain in full force and effect with respect to any subsequent breach, act or omission. This Lease may be changed or amended only by a writing signed by the party against whom enforcement thereof is sought.

Section 23.5 Consent. Wherever in this Lease Landlord's consent or approval is required and Landlord delays or refuses such consent or approval, Tenant shall not be entitled to make (and shall not make) any claim, and Tenant hereby waives any claim, for money damages (nor shall Tenant claim any money damages by way of set-off, counterclaim or defense) based upon any claim or assertion by Tenant that Landlord unreasonably withheld or delayed

Landlord's consent or approval. Tenant's sole remedy in every such case shall be an action or proceeding for specific performance to enforce Landlord's obligation.

Section 23.6 Force Majeure. In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, inability to secure governmental permits or approvals where diligent efforts are made to obtain same, condemnation, fire or other similar casualty, hurricane, earthquake, tsunami or other acts of God, riots, insurrection, war or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Lease, then performance of such act shall be excused for the period of the delay and the period for the performance of such act shall be extended for a period equivalent to the period of such delay. It is understood, however, that this provision shall not operate to excuse Tenant from the prompt payment of rental or any other payments required by the terms of this Lease.

Section 23.7 Brokers. Tenant warrants and represents that it has not dealt with any broker in connection with the consummation of this Lease, and in the event of any brokerage claims against Landlord predicated upon prior dealings with Tenant, Tenant agrees to defend the same and indemnify the Landlord against any such claim.

Section 23.8 Expenses. Unless prohibited by applicable law, Tenant agrees to pay to Landlord the amount of all legal fees and expenses incurred by Landlord arising out of or resulting from any act or omission by Tenant with respect to this Lease or the Premises, including, without limitation, any breach by Tenant of its obligations hereunder. Further, if Tenant shall request Landlord's consent or joinder in any instrument pertaining to this Lease, Tenant agrees promptly to reimburse Landlord for the legal fees incurred by Landlord in processing such request, whether or not Landlord complies therewith; and if Tenant shall fail promptly so to reimburse Landlord, the same shall be deemed to be a default in Tenant's monetary obligations under this Lease. Whenever Tenant shall request approval by Landlord of plans, drawings, specifications, or otherwise with respect to the initial construction of the Premises, subsequent remodeling thereof, installation of signs including subsequent changes thereof, or the like, Tenant specifically agrees promptly to pay to Landlord all charges involved in the review (and re-review, if necessary) and approval or disapproval thereof whether or not approval shall ultimately be given.

Section 23.9 Interest. All payments becoming due under this Lease and not paid when due shall bear interest from the applicable due date until received by Landlord at the lesser of: (i) four percent (4%) per annum above the base rate announced from time to time by Citibank, N.A. (at its New York office) or its successors; or (ii) the highest lawful rate of interest permitted at the time in The Commonwealth of Puerto Rico.

Section 23.10 Registration. Either party is entitled (but not obligated) to record this Lease in the corresponding Registry of Property or other proper place of recordation. Should either party decide to exercise this right, the legal, notarial, recording and any other fees and expenses incidental to (i) the preparation, execution and recording of this Lease and any additional instrument or instruments as may be required, and (ii) the cancellation of such recording upon the termination or other expiration of this Lease, shall be borne by the party so

electing to record. Both parties agree to perform such other acts which may be necessary to satisfy the recording requirements, at the expense of the Tenant.

Section 23.11 Waiver of Right of Redemption. To the extent permitted by law, Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the Premises, by reason of the violation by Tenant of any of the covenants or conditions of this Lease, or otherwise

Section 23.12 Entire Agreement. This Lease contains all of the agreements between the parties hereto, supersedes all prior and/or contemporaneous agreements and understandings and it may not be modified in any manner other than by an agreement in writing signed by all the parties hereto or their successors in interest.

Section 23.13 Survival. All obligations of Tenant which are or may be intended by their nature to be performed and/or complied with after the expiration or earlier termination of this Lease shall survive such expiration or termination. Express provisions herein which require or permit survival in specific instances, or as to specific obligations, shall not be deemed a limitation upon the generality of this survival clause. Each term and provision of this Lease to be performed by Tenant shall be construed to be both a covenant and a condition.

Section 23.14 Time of Essence. All time specified herein shall be of the essence hereof. Express provisions herein which recite in specific circumstances that time shall be of the essence shall not be deemed a limitation upon the generality of this paragraph.

Section 23.15 Hand Deletions. The physical deletion of any portion of this Lease should not be construed as an intention that the opposite of such deleted language should apply. All deletions should be construed as if never originally included in this Lease (or in any prior drafts hereof) for any purpose whatsoever and the Lease should be construed accordingly, the deleted language being merely ignored completely for all purposes.

Section 23.16 No Offer. It is understood and agreed that this Lease is offered to Tenant for signature subject to Landlord's acceptance and approval, and that Tenant shall have affixed its signature hereto with the understanding that such act shall not, in any way, bind Landlord until such time as this Lease shall have been approved and executed by Landlord and unconditionally delivered to Tenant.

Section 23.17 Separate Covenants. Except as otherwise expressly provided in this Lease, each covenant, agreement, obligation or other provision of this Lease on Tenant's part to be performed shall be deemed and construed as a separate and independent covenant of Tenant, not dependent on any other provision of this Lease.

Section 23.18 No Third Party Beneficiaries. No provisions of this Lease, express or implied, are intended or shall be construed to confer upon or give to any person other than Landlord and Tenant, any rights, remedies or other benefits under or by reason of this Lease unless specifically provided otherwise herein, and except as so provided, all provisions hereof shall be personal solely between Landlord and Tenant.

Section 23.19 Counterparts. This Lease may be executed in counterparts, each of which shall be deemed an original. Facsimile signatures shall bind Landlord and Tenant as if such signatures were an original.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day and year first above written.

Landlord:

SEAGATE, INC., an Ohio corporation

By: _____
Name: Ryan H. Haywood
Title: Asst. Secretary

JAMES W BAEHREN
Notary Public - State of Ohio
My Commission has no expiration
Section 147.03 R.C.

Tenant:

O-I CARIBBEAN SALES & DISTRIBUTION, INC., a Delaware corporation

By: _____
Name: Ryan H. Haywood
Title: Asst. Secretary

JAMES W. BAEHREN
Notary Public - State of Ohio
My Commission has no expiration
Section 147.03 R.C.

EXHIBIT A

DESCRIPTION OF REAL PROPERTY

"RUSTICA: Parcela de terreno de forma irregular radicada en el Barrio Sabana de Vega Alta Puerto Rico compuesta de treinta y tres cuerdas con siete mil seiscientos ochenta y cinco diezmilésimas de otra (33.7685) equivalente a ciento treinta y dos mil setecientos veintitrés metros cuadrados con cuarenta y dos centésimas de otro (132,723.42) equivalentes a su vez a treinta y dos acres con siete mil quinientos cincuenta y cinco diezmilésimas de otro (32.7555) lindes por el Norte, con terrenos propiedad de El Morro Corrugated Box Corporation, por el Sur, con terrenos de Luis Valdejuli, por el Este, igualmente con terrenos propiedad de Luis Valdejuli y por el Oeste, en parte con terrenos igualmente propiedad de Luis Valdejuli y en parte con la carretera Estatal Número Dos (#2) del Sector Cerro Gordo de la Playa de Vega Alta. Enclava una estructura de tipo industrial para uso de manufactura, almacenaje, y oficinas."

Recorded at page 21 of volume 151 of Vega Alta, Registry of the Property of Puerto Rico, Third Section of Bayamón, property number 7,715.

Mr. Kenneth Eng
Chief, Air Compliance Branch
USEPA, Region II

March 30, 2010

EXHIBIT C

Letter Provided by Owens-Illinois Caribbean Sales and Distribution, Inc.
To the Puerto Environmental Quality Board
February 19, 2010

TORRES & GARCÍA, P.S.C.

(TRANSLATION TO ENGLISH)

BY MESSENGER

February 19, 2010

Pedro J. Nieves Miranda, Esq.
Executive Director
Environmental Quality Board
PO Box 11488
San Juan, Puerto Rico 00910

Re: Owens-Illinois Caribbean Sales and Distribution, Inc.

Dear Mr. Nieves:

We acknowledge receipt of your letter dated January 21, 2010, in which you request certain information regarding the referenced company and its relationship with *Owens-Illinois de Puerto Rico, LLC*, a company that operated the glass manufacturing facilities in Vega Alta until the month of July of 2007. Also, you requested among other things, documentation that demonstrates that *Seagate, Inc.* is the current entity that owns the facilities where *Owens-Illinois de Puerto Rico, LLC* operated and which maintains control of the emission sources included in the Title V Operating Permit (TV-1446-73-0397-0032).

As informed initially in our letter dated May 1st, 2009 and subsequently in a second letter dated November 17, 2009, due to certain contractual problems between the principal partners of the company *Owens-Illinois de Puerto Rico, LLC*, composed of a joint-venture, the Vega Alta facility was subjected to a court ordered sale and was acquired by *Seagate, Inc.* in the month of January 2009. We also explained in our communications and in the meeting held with your Special Aid, Ms. Blanche González, that at this time *Seagate, Inc.* leases the facility in Vega Alta to our client *Owens-Illinois Caribbean Sales and Distribution, Inc.* (OICS&D), which sells and distributes locally glass containers manufactured outside of Puerto Rico. OICS&D employs exclusively the existing offices and warehouses at the facility for its sale and distribution activities.

In response to your information and documental request, we include with this letter the following documents asked for in your letter which confirm our statements to the agency regarding this matter:

1. Judicial Sale Certification;

2. Deed of Judicial Sale, Cancellation of Mortgage and Mortgage Note;

3. Notice of Public Sale;

4. Lease Agreement between Seagate, Inc. and Owens-Illinois Caribbean Sales and Distribution, Inc. and,

5. Application for Owner Change before the Center for the Collection of Municipal Revenue.

We hope this information evidenced by the enclosed documents will serve to finally advance the permitting process for the equipments and units described as follows:

1. One (1) waste-water treatment plant (sludge) with a capacity of 30,000 gallons per day and a system of 102 percolation trenches for the disposal of sanitary waste-waters and cooling waters. The operation of this system was authorized by the UIC-88-0061 permit issued to Owens-Illinois de Puerto Rico, LLC for an Underground Injection System Class VC-1. With regards to this permit, Owens-Illinois de Puerto Rico submitted a [permit] renewal application on September 10, 2007, following the termination of the glass manufacturing operations in June of the same year, with the intention of maintaining up to date the facility's permits. However, due to legal problems between the partners of Owens-Illinois de Puerto Rico, LLC, and an arbitration process that is still pending, we do not know at this time if this [permit] renewal process was completed.

2. Emission sources that are described in the Title V Permit No. TV-1446-73-0397-0032 issued to Owens-Illinois de Puerto Rico, LLC, which is valid until March 6, 2011. Specifically, the following units classified in the Title V Permit as insignificant activities by virtue of the exemptions included in Appendix B of the Regulation for the Control of Atmospheric Pollution, will continue to be operated by OICS&D as part of its sales and distribution operation: One (1) emergency generator of 913 KW; one (1) fire hydrant pump of 160 hp that consumes diesel at a rate of 14 gals/hr; and one (1) diesel tank of 6,000 gallons.

3. Glass processing and crushing units covered under the DS-2 permit number IP-73-0048, which expires on May 26, 2010. The current DS-2 permit covers the incidental storage and crushing of glass recovered for recycling through the melting of the recovered glass.

Please do not hesitate calling us if you need any other additional information. We appreciate your cooperation with this very important matter for our client.

Cordially,

[Signed]

Francis Torres

Enclosures

c. Hector Negrón

EXHIBIT D

Letter From Francis Torres, Torres & Garcia, P.S.C.
To Blanche Gonzalez, EQB
November 17, 2009

ENGLISH TRANSLATION OF LETTER

Torres & García, P.S.C.

November 17, 2009

BY EMAIL AND REGULAR MAIL

Blanche González, Esq.
Special Advisor
Office of the Executive Director
Environmental Quality Board
PO Box 11488
Santurce, P.R. 00910

Re: Owens-Illinois Caribbean Sales and Distribution, Inc.

Dear Ms. González:

As discussed in our meeting held on November 4, 2009, our client O-I Caribbean Sales & Distribution, Inc. (OICS&D) operates a sales and distribution business of glass containers manufactured outside of Puerto Rico. OICS&D undertakes its operations in the old facility where Owens-Illinois de Puerto Rico operated in the Vega Alta Municipality, whom ceased its glass bottle manufacturing operations in July of 2007. Due to contractual problems between the principal partners of the company Owens-Illinois de Puerto Rico, LLC composed of a joint-venture; the Vega Alta facility was subject recently to a court ordered sale and was acquired by Seagate, Inc. in January of 2009.

The new owner of the facility, Seagate, Inc., agreed to lease the Vega Alta facility to the new company OICS&D for the purpose of selling and distributing to clients in Puerto Rico glass containers manufactured outside of Puerto Rico. OICS&D has no intention whatsoever of reinitiating the glass manufacturing operations of Owens-Illinois de Puerto Rico, LLC and is only using the offices and warehouses for its sales and distribution activities.

As discussed in our meeting, OICS&D is interested in applying and obtaining the permits required by the Environmental Quality Board ("EQB") to operate some equipment and units that were covered in various permits of Owens-Illinois de Puerto Rico, LLC, issued by EQB, at the time of the termination of the operations of this company. Specifically:

1. One (1) waste-water treatment plant (sludge) with a capacity of 30,000 gallons per day and a system of 102 percolation trenches for the disposal of sanitary waste-waters and cooling waters. The operation of this system was authorized by the **UIC-88-0061 permit** issued to Owens-Illinois de Puerto Rico, LLC for an Underground Injection System Class VC-1. With regards to this permit, Owens-Illinois de Puerto Rico submitted a [permit] renewal application on September 10, 2007, following the termination of the glass manufacturing operations in June of the same year, with the intention of maintaining up to date the facility's permits. However, due to legal problems between the partners of Owens-Illinois de Puerto Rico, LLC, and an arbitration process that is still pending, we do not know at this time if this [permit] renewal process was completed.

2. Emission sources that are described in the Title V Permit No. TV-1446-73-0397-0032 issued to Owens-Illinois de Puerto Rico, LLC, which is valid until March 6, 2011. Specifically, the following units classified in the Title V Permit as insignificant activities by virtue of the exemptions included in Appendix B of the Regulation for the Control of Atmospheric Pollution, will continue to be operated by OICS&D as part of its sales and distribution operation: One (1) emergency generator of 913 KW; one (1) fire hydrant pump of 160 hp that consumes diesel at a rate of 14 gals/hr; and one (1) diesel tank of 6,000 gallons.

3. Glass processing and crushing units covered under the DS-2 permit number IP-73-0048, which expires on May 26, 2010. The current DS-2 permit covers the incidental storage and crushing of glass recovered for recycling through the melting of the recovered glass.

We reiterate our interest in continuing with the application and updating process for the permits [required] for these equipments and units under the name of the new company OICS&D. We appreciate your cooperation with this very important matter for our client.

Cordially,

[Signature]

Francis Torres

c: Sr. Hector Negrón (OICS&D)
Pedro Nieves, Esq.

From: Origin ID: TOLA (567) 336-7897
Janine Slaten
Owens-Illinois, Inc.
One Michael Owens Way

Perrysburg, OH 43551

FedEx Express

J10101002220224

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ActWgt: 1.0 LB
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Delivery Address Bar Code

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U.S. EPA Region II
290 BROADWAY FL 21
AIR COMPLIANCE BRANCH
NEW YORK, NY 10007

Ref # 01-1049
Invoice #
PO #
Dept #

TRK# 0201 7934 0152 0411

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FROM: (PLEASE PRINT) PHONE (567) 336-7897

Janine Slaten
Legal - P3
Owens-Illinois, Inc.
One Michael Owens Way
Perrysburg, OH 43551

TO: (PLEASE PRINT) PHONE (787) 721-8220

Pedro J. Nieves Miranda, Esq.
Executive Director
Environmental Quality Board
P. O. Box 11488
San Juan, Puerto Rico 00910

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FROM: (PLEASE PRINT) PHONE (567) 336-7897

Janine Slaten
Legal - P3
Owens-Illinois, Inc.
One Michael Owens Way
Perrysburg, OH 43551

TO: (PLEASE PRINT) PHONE (787) 721-8220

Luis R. Sierra Torres
Chief, Compliance and
Inspection Division
Air Quality Area
Environmental Quality Board
P. O. Box 11488
Santurce, P.R. 00910

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EXHIBIT O

Commonwealth of Puerto Rico
DEPARTMENT OF STATE
San Juan, Puerto Rico

14-Feb-2014

Owens-Illinois de Puerto Rico, Inc.
Carr 690 Km 1.1
Vega Alta, PR 00692

Ref. Register Number: 249 OWENS-ILLINOIS DE PUERTO RICO, LLC

The General Corporation Law of Puerto Rico, Act No. 164-2009, provides that, if an entity fails to comply with its annual obligation to file reports or pay annual dues, as applicable, for certain consecutive years, the Secretary of State is authorized to cancel in full its certificate of incorporation or organization, respectively.

To this date, **14-Feb-2014**, the entity **OWENS-ILLINOIS DE PUERTO RICO, LLC** has not complied with its obligations for the following years: **2008, 2009, 2010, 2011, 2012**.

The entity shall be in compliance **within sixty (60) days** after the date of this notice. **If the entity does not correct the identified deficiencies, the Secretary of State will administratively cancel the entity without any further notification.**

The Department of State, Corporations Division, must receive the missing documentation for the years listed above or the correction of the deficiencies noted, within the specified period of sixty (60) days. Missing reports or dues must be filed or paid at the Department of State.

If you have questions regarding this notice, you may contact us by email at support@estado.gobierno.pr or by phone (787) 722-2121 ext. 4348.

FRANCISCO J. RODRIGUEZ BERNIER, ESQ
UNDER SECRETARY OF STATE

EXHIBIT P

Registry of Corporations and Entities

Corporations and Entities

Search (/CorporationSearch.aspx)
Create / Authorize (/CreationFilings/NameAvailability.aspx)
Amend (/CorporationSearch.aspx?m=ca)
Dissolve / Withdraw (/CorporationSearch.aspx?m=dis)
Convert (/CorporationSearch.aspx?m=cnv)
Merge / Consolidate (/Mergers/Selection.aspx)
Restore (/CorporationSearch.aspx?m=rst)
Reserve Name (/NameReservation/Prep.aspx)

Annual Filings

2018 Annual Report (/AnnualReportStart.aspx)
2018 LLC Fees (/AnnualReportStart.aspx?m=ad)
LLP Renewal (/CorporationSearch.aspx?m=lr)
Prior Years (/CorporationSearch.aspx?m=pyf)

Certificates

Order Good Standing (/CorporationSearch.aspx?m=oc)
Order Existence (/CorporationSearch.aspx?m=oce)
Validate (/Validate/Default.aspx)

CORPORATION INFORMATION

(/Help/Help_en.htm#CORPINFO)

OWENS-ILLINOIS DE PUERTO RICO, LLC

Return to Search Results

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Details | Articles | Annual Filings | Certificates

General Information

Name	OWENS-ILLINOIS DE PUERTO RICO, LLC		
Register No.	249	**Status**	CANCELLED
Formation Date	07-Mar-2006 3:21 PM	**Effective Date**	07-Mar-2006 3:21 PM
Expiration Date	Does not expire	**Termination Date**	16-Apr-2014 12:01 AM
Class	Limited Liability Company		
Type	For Profit	**Jurisdiction**	Foreign

Domicile Information

Home State	Delaware	**Domicile Address**	Unknown
Date of Incorporation	Unknown	**Expiration Date**	Does not expire

Designated Office Address

Street Address	Carr 690 Km 1.1 Vega Alta, PR 00692	**Mailing Address**	Carr 690 Km 1.1 Vega Alta, PR 00692

Resident Agent

Name	Owens-Illinois de Puerto Rico, Inc.		
Street Address	Carr 690 Km 1.1 Vega Alta, PR 00692	**Mailing Address**	Carr 690 Km 1.1 Vega Alta, PR 00692

Administrators

Name / Title(s)	Street Address	Mailing Address
No records on file		

Authorized Persons

Name	Street Address	Mailing Address
No records on file		

Purpose

manufactura y venta de contenedores y envases de cristal

Return to Search Results

EXHIBIT Q

Department of State: Division of Corporations

View Search Results

Entity Details

File Number:	3405446	Incorporation Date / Formation Date:	7/2/2001 (mm/dd/yyyy)
Entity Name:	OWENS-ILLINOIS DE PUERTO RICO, LLC		
Entity Kind:	Limited Liability Company	Entity Type:	General
Residency:	Domestic	State:	DELAWARE
Status:	Good Standing	Status Date:	7/2/2001

REGISTERED AGENT INFORMATION

Name:	NATIONAL REGISTERED AGENTS, INC.		
Address:	1209 ORANGE STREET		
City:	WILMINGTON	County:	New Castle
State:	DE	Postal Code:	19801
Phone:	302-674-4089		

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State Of Delaware

Entity Details

5/19/2020 3:05:15PM

File Number:	3405446	Incorporation Date / Formation Date:	7/2/2001
Entity Name:	OWENS-ILLINOIS DE PUERTO RICO, LLC		
Entity Kind:	Limited Liability Company	Entity Type:	General
Residency:	Domestic	State:	DELAWARE
Status:	Good Standing	Status Date:	7/2/2001

Registered Agent Information

Name:	NATIONAL REGISTERED AGENTS, INC.		
Address:	1209 ORANGE STREET		
City:	WILMINGTON	Country:	
State:	DE	Postal Code:	19801
Phone:	302-674-4089		

EXHIBIT R

CAYMAN ISLANDS

Search Report

Entity Name :	UNITED CARIBBEAN CONTAINERS LIMITED
Jurisdiction :	Cayman Islands
Registration Number :	107782
Registration Date :	01 February 2001
Entity Type :	EXEMPT
Registered Office :	INTERTRUST CORPORATE SERVICES (C.I.) LIMITED 190 Elgin Avenue George Town Grand Cayman KY1-9005 Cayman Islands
Status :	STRUCK OFF-BY REGISTRAR
Status Date:	31 October 2007

- INFORMATION REGARDING THE CORPORATE RECORDS AND REGISTERS ARE NOT AVAILABLE FOR PUBLIC INSPECTION
- THIS REPORT DOES NOT CONFIRM THE ENTITY IS IN GOOD STANDING

Authorisation Code : 290958341643
www.verify.gov.ky
03 October 2018

EXHIBIT S

JOINT VENTURE AGREEMENT

between

OI PUERTO RICO STS, INC.

and

ANTILLIAN HOLDING CORP.

dated

August 13, 2001

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JOINT VENTURE AGREEMENT

THIS AGREEMENT, dated as of August 13, 2001, by and between OI PUERTO RICO STS, INC., a corporation incorporated and existing under the laws of the State of Delaware, United States of America, with its principal place of business at One SeaGate, Toledo, Ohio 43666, U.S.A. (hereinafter referred to as "Owens"), and ANTILLIAN HOLDING CORP., a company duly organized and existing under the laws of the British Virgin Islands, with its principal place of business at Autopista Duarte Km. 28, Santo Domingo, Republica Dominicana (hereinafter referred to as "Zanzibar"). Owens and Zanzibar, each a "Shareholder", are sometimes hereinafter together referred to as the "Shareholders".

RECITALS:

1. WHEREAS, Owens is interested in joining with Zanzibar in the establishment of a joint business venture to include Owens' glass container operations in Puerto Rico and Zanzibar's glass operations in the Dominican Republic that will manufacture, decorate, market, distribute and sell glass containers in the Caribbean Region (as defined herein);

2. WHEREAS, Owens (through its affiliate, Owens-Brockway Glass Container Inc.) and Zanzibar are interested in entering into the Technical Assistance Agreement (as defined herein) covering the operations of the joint venture;

3. WHEREAS, Owens and Zanzibar have the required know-how and the technical, marketing, business and financial resources, to enable them to jointly embark on the proposed overall joint business venture involving the ownership and operation of glass container manufacturing facilities in the Dominican Republic and Puerto Rico;

4. WHEREAS, Owens and Zanzibar have agreed to establish a corporation under the laws of the Cayman Islands to serve as the sole joint venture entity to be called United Caribbean Containers Limited (the "Company");

5. WHEREAS, Owens and Zanzibar have each agreed to acquire fifty percent (50%) of the issued and outstanding common shares of the Company through subscription of the originally issued shares of the Company by a contribution by Owens of its glass manufacturing operations in Puerto Rico and by a contribution by Zanzibar of its glass manufacturing operations in the Dominican Republic; and

6. WHEREAS, Owens and Zanzibar each desire to enter into this Agreement for purposes of setting forth the principles governing the organization, management and decision-making in the Company and the operation of the Company;

NOW, THEREFORE, in consideration of the mutual promises, the covenants and agreements contained herein together with other consideration, the adequacy and receipt of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

Definitions

1.1 Certain Definitions. As used in this Agreement, the following definitions shall have the following meanings (such definitions to be equally applicable to both singular and plural forms of the terms defined):

"Affiliate": when used with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, controls or is controlled by or is under common control with the Person specified.

"Agreement": this Joint Venture Agreement, as amended, supplemented or otherwise modified from time to time.

"Applicable Law": as to any Person (a) the Certificate of Incorporation, By-laws or *Estatutos Sociales* or partnership agreement or other organizational or governing documents of such Person, (b) any law, treaty, rule, regulation, ordinance, decree, injunction, writ or order originated by any Governmental Authority or any determination of an arbitrator, as established herein, or a court or other Governmental Authority, in each case applicable to or binding upon such Person.

"By-laws": the Memorandum and Articles of Association of the Company, initially substantially in the form attached hereto as Exhibit A, as amended, supplemented or otherwise modified from time to time.

"Caribbean Region": The region encompassing the islands of the Greater Antilles, the Lesser Antilles and the Bahamas.

"Change of Control Event": as to any Person, the occurrence of any Person or group of Persons (other than such Person's current shareholders) acting in concert who shall directly or indirectly, purchase or otherwise acquire in one or more transactions voting securities of such Person such that the acquiring Person or group of Persons acting in concert shall hold beneficial ownership (as defined under Rule 13d-3 of the General Rules and Regulations under the U.S. Securities Exchange Act of 1934) of 50% or more of the outstanding voting securities of such Person or of securities convertible into or exercisable for 50% or more of the voting securities of such Person.

"Closing": the closing of the purchase and sale of the Initial Shares pursuant to the Share Purchase Agreement.

"Closing Date": the date on which the Closing shall occur.

"Company": as defined in the Recitals hereto.

"EBITDA": for any period, consolidated net income adjusted to exclude (without duplication) the effects of (i) consolidated interest expense, (ii) provisions for taxes based on

income, (iii) depreciation expense, (iv) amortization expense, (v) extraordinary items, and (vi) material non-recurring gains and non-cash losses, all of the foregoing as determined on a consolidated basis for the Company and its subsidiaries in conformity with GAAP.

"Enterprise Value": the actual or projected value in U.S. dollars resulting from the sum of (a) four times EBITDA for a Fiscal Year, plus (b) Net Working Capital, minus (c) Indebtedness.

"Fiscal Year": the accounting year of the Company commencing each year on January 1 and ending on the following December 31.

"GAAP": generally accepted accounting principles in the United States of America in effect from time to time.

"General Manager": as defined in Section 3.6(b).

"Governmental Approvals": authorizations, consents, approvals, waivers, exemptions, variances, franchises, permissions, permits and licenses of, and filings and declarations with, any Governmental Authority.

"Governmental Authority": any nation or government, any state or other political subdivision thereof, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Indebtedness": all obligations for borrowed money and guarantees, letters of credit or similar instruments, unfunded pension obligations and endorsements to support obligations of borrowed money of others.

"Independent Accountants": Ernst & Young LLP or other such accounting firm as may be selected from time to time by the Board of Directors in accordance with Section 3.7.

"Initial Shares": the Series A Shares and Series B Shares to be issued by the Company and subscribed by the Shareholders pursuant to the Share Purchase Agreement.

"Net Working Capital": at any date, (a) the current assets of the Company as of such date minus (b) the current liabilities of the Company as of such date, excluding current liabilities in respect of Indebtedness and dividends payable, all valued in accordance with GAAP; provided, however, that in determining the amount of the current assets of the Company for a given date, (i) the value of the Company's inventory (including mold and spare part inventories, which shall be included in the computation of Net Working Capital whether or not included in the current assets of the Company) and, further, shall include only (subject to the foregoing) the value of (x) readily usable raw materials and work in progress and (y) readily marketable finished goods, and (ii) the value of the Company's accounts receivable shall not include any Past-Due Receivables (unless and to the extent these are provisioned for uncollectible accounts). "Readily usable" raw materials shall mean raw materials that are suitable and available for use in the normal manufacturing processes of the Company. "Readily marketable" finished goods shall mean finished goods that are in good and marketable condition

excluding products which have been phased out or for which there is no current market in Caribbean Region.

"OIPR": Owens-Illinois de Puerto Rico, a general partnership organized under the laws of Ohio, U.S.A.

"OI TTS": OI TTS, LLC, a limited liability company organized under the laws of Delaware and a wholly owned subsidiary of Owens.

"Operative Agreements": the collective reference to the Technical Assistance Agreement, the Share Purchase Agreement and this Agreement.

"Owens": as defined in the initial paragraph of this Agreement, provided that it shall include any holder of Series A Shares that is a member of the Owens 100% Group as defined in Subsection 7.7(a) hereof.

"Owens-Illinois": Owens-Illinois, Inc. a Delaware corporation.

"Past-Due Receivables": those accounts receivable which on the Closing Date are more than one hundred and twenty (120) days past due together with any interest or penalties due with respect thereto.

"Person": any individual, firm, corporation, partnership, group, trust, joint venture, governmental authority or other entity, and shall include any successor (by merger or otherwise) of such entity.

"Purchase Price": as defined in Section 7.15(c).

"Put Option": as defined in Section 7.15(a).

"Put Option Buyer": as defined in Section 7.15(a).

"Put Option Exercise Notice": as defined in Section 7.15(a).

"Put Option Seller": as defined in Section 7.15(a).

"Series A Shares": the Series A ordinary shares of $0.01 each of the Company.

"Series B Shares": the Series B ordinary shares of $0.01 of the Company.

"Share Purchase Agreement": the Share Purchase Agreement substantially in the form of Exhibit B, by and between the Company, Owens and Zanzibar, to be signed at Closing.

"Technical Assistance Agreement": the Technical Assistance Agreement, substantially in the form of Exhibit C, by and between the Company and Owens-Brockway Glass Container Inc., as amended, supplemented or otherwise modified from time to time.

"US$": U.S. dollars, the official currency of the United States of America.

"Zanzibar": as defined in the initial paragraph of this Agreement, provided that it shall include any owner of Series B Shares that is a member of the Zanzibar 100% Group as defined in Subsection 7.7(a) hereof.

"ZDR": Industrias Zanzibar, S.A. a corporation (*sociedad anónima*) organized under the laws of the Dominican Republic and wholly owned by Zanzibar.

1.2 Other Definitional Provisions (a) For facility of use certain additional terms are defined within the Agreement at the point of reference. Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings when used in any other document made or delivered pursuant hereto.

(b) The words hereof, herein and hereunder and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Article, Section, Schedule and Exhibit references are to this Agreement unless otherwise specified.

(c) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(d) Except as otherwise specified herein, each reference in this Agreement to another Operative Document shall be deemed (i) to include all exhibits, annexes, schedules or other attachments thereto and (ii) to refer to such Operative Document as the same may be amended, supplemented or otherwise modified from time to time in accordance with its terms and the terms of this Agreement.

(e) Each reference in this Agreement to a Person shall be deemed to include such Person's permitted successors and assigns.

(f) The use of the word including in this Agreement means including, without limitation.

ARTICLE II

Agreement of Joint Venture

2.1 Corporate Joint Venture. In order to achieve the purpose described in the Recitals hereto, Owens and Zanzibar agree to incorporate the Company as a corporate joint venture entity. Accordingly, upon the incorporation of the Company, Owens and Zanzibar agree to enter into the Share Purchase Agreement with the Company pursuant to which Owens and Zanzibar will each subscribe fifty percent (50%) of the outstanding shares of the Company. The Shareholders have entered into this Agreement providing for the managerial and organizational structure, and the principles for the adoption of decisions in and operation of the Company and the conditions to Closing. It is the intent of the Shareholders that all aspects of the joint venture be embodied in the Company and that nothing in this Agreement be construed as creating or establishing any partnership, trust, unincorporated group or other entity.

2.2 Initial Contribution. (a) Owens together with OI TTS will contribute, or cause to be contributed, 100% of the partnership interests in OIPR and Owens will contribute 100% of the membership interests in OI TTS and Zanzibar will contribute 99.9% of the capital stock of ZDR as their respective initial contributions (each, the "Initial Contribution"). The remaining 0.1% of the capital stock of ZDR will be transferred by Zanzibar, in accordance with the Share Purchase Agreement, to six persons to be designated by Owens and Zanzibar to comply with Dominican legal diversity of ownership requirements. The Shareholders agree that their Initial Contributions shall be deemed of equivalent value so long as the amount of Indebtedness minus Net Working Capital as of the Closing Date is no greater than US$0 (or its equivalent) for OIPR and no greater than US$15,000,000 (or its equivalent) for ZDR.

(b) Within ninety (90) days of the Closing Date, the Shareholders agree to adopt budgets for the Company for Fiscal Year 2001 including separate budgets for OIPR and ZDR each including approved operational changes and capital expenditures (the "Approved Budgets").

(c) If the Company's EBITDA for the one year period following the Closing Date exceeds US$8,800,000, Zanzibar shall receive a special one-time management fee (the "Management Fee") from the Company equivalent to US$2,200,000. Such Management Fee shall be paid by the Company within 90 days of the one year anniversary of the Closing Date unless Zanzibar agrees to an extension of such 90 days. Such Management Fee will, to the extent possible, be structured in a manner that optimizes tax efficiencies for the Shareholder receiving such payment from the Company. The Management Fee payment will not be considered as part of the normal payment of dividends to the Shareholders as set forth in Section 3.13. Each of the Shareholders shall vote in favor of shareholder resolutions or shall cause its representatives on the Board of Directors to vote in favor of the Board resolutions or take such other corporate actions as are reasonably necessary to cause the Company to carry out the provisions of this Section, including, if necessary, incurring indebtness to obtain the capital to fund such Management Fee.

(d) For purposes of this Section, assets and liabilities denominated in currencies other than the U.S. dollar would be converted to U.S. dollars at the then-current exchange rate.

ARTICLE III

Structure and Management of Joint Venture

3.1 Share Capital, Class and Series. The share capital of the Company will be divided into Series A Shares and Series B Shares, each one with a face value of $0.01, each initially representing 50% of the share capital of the Company. Owens will own all of the issued and outstanding Series A Shares and Zanzibar will own all of the issued and outstanding Series B Shares. The Series A Shares and Series B Shares shall be deemed to constitute separate classes of shares for purposes as are specifically provided herein or in the Company's By-laws but otherwise shall rank pari passu in all respects and shall have identical characteristics and the same nominal value. In the event the holder of either Series A Shares or Series B Shares

acquired shares of the other series, upon transfer such shares shall be converted and released to such acquiring Shareholder as shares of the same series then held by such acquiring Shareholder. In the event that one Shareholder should acquire a total of 75% or more of the shares outstanding of the Company, this Agreement shall be without further effect (except for Sections 7.2, 7.3, 7.4, 7.5, 7.6, 7.7, 7.10, 7.11, 7.12 and Article VIII in its entirety, each and all of which shall continue to be binding upon the parties) and such Shareholder may, at its sole option, require, and the minority Shareholder agrees to, the amendment of the Company's By-laws so as to eliminate any qualified majority provisions except for those otherwise required under the Companies Law (2001 Revision) of the Cayman Islands.

3.2 Place of Business. The corporate domicile and principal place of business of the Company shall be located in the Cayman Islands, or such other place as the Shareholders of the Company may from time to time designate.

3.3 Purpose. The purposes for which Company has been and will continue to be organized are (a) the manufacture, decoration, marketing, distribution and sale of glass containers, and (b) to engage in such other activities as are reasonably incidental to the foregoing.

3.4 The Shareholders' Meetings; Quorum. The Shareholders' meeting will be the supreme authority of Company. Shareholders' meetings may be annual general meetings or extraordinary general meetings, depending upon the matters to be discussed at each meeting and in accordance with Applicable Law and the By-laws. Shareholders' meetings will be held at the corporate domicile or other locations as determined by the Board of Directors or the holders of fifty (50%) percent of the share capital in accordance with the written notice of the meeting duly issued by the Board of Directors or the holders of fifty (50%) percent of the share capital, as the case may be, pursuant to the By-laws, at least, unless all of the Shareholders waive such notice, fifteen (15) days prior to the date of the meeting.

The annual general meeting or an extraordinary general meeting of the Shareholders shall take place by virtue of a first notice if the holders of sixty (60%) percent of the share capital are present or duly represented thereat. If a quorum does not exist for the holding of the meeting by virtue of the first notice, the notice shall be repeated and the second meeting shall be considered validly held if the holders of fifty-one (51%) percent of the share capital are present or duly represented thereat. Except as otherwise provided in Section 3.7 or pursuant to the Applicable Law, resolutions in the annual general meeting of the Shareholders shall be adopted by the affirmative vote of the majority of the shares present or represented thereat. If there is not present or represented at the first or second notice of any annual general meeting extraordinary general meeting of the shareholders holders of fifty-one percent (51%) of the share capital, the Shareholder which initiated the first or second notice of such meeting shall have the right, but shall not be obligated, to declare the occurrence of a Deadlock Event under Section 7.8 hereof.

The Shareholders may take any action that would otherwise be taken at a meeting of the Shareholders upon unanimous written consent, setting forth the action so taken, signed by each of the Shareholders.

3.5 Board of Directors.

(a) Power and Authority of the Board of Directors. Except for those matters set forth in Section 3.7 hereof requiring approval of the Shareholders or other matters requiring the approval of the Shareholders under Applicable Law, the Shareholders shall, and do hereby delegate all power and authority for the operations of Company to the Board of Directors, which, by way of illustration and not limitation, shall include the power and authority to: (i) direct, manage, control and operate Company; (ii) set strategic direction for Company; (iii) direct all of Company's business and management policies and specific business and operational decisions; (iv) appoint and terminate management; (v) acquire and disperse assets in the ordinary course of business; (vi) approve operating budgets and variances from budgets; (vii) control litigation and administrative proceedings; (viii) enter into contracts in the ordinary course of business including debt financing; and (ix) assume all other responsibilities not specifically reserved to the Shareholders by this Agreement or by Applicable Law.

(b) Composition. The Board of Directors shall consist of four (4) members (the "Members"). The Members shall not be subject to any nationality restriction. The Series A Shareholders shall be entitled to designate two (2) Members to the Board of Directors. The Series B Shareholders shall be entitled to designate two (2) Members to the Board of Directors. The names of the original Members are reflected in Exhibit D attached hereto.

Notwithstanding the foregoing, each Shareholder hereby agrees to consult with the other Shareholder in connection with the designation, removal and replacement of the Members of the Board of Directors in the same manner herein provided. Through an extraordinary general meeting of the shareholders duly called for that purpose, either Shareholder, in its sole and absolute discretion and on a meeting-by-meeting basis, may appoint a substitute for any Member designated by such Shareholder for any reason, by written notice to the other Shareholder given at the time of such meeting of the shareholders. No Member shall be removed or replaced other than by the Shareholder that designated such Member.

(c) Meetings. The Board of Directors shall meet at least twice annually, the first meeting being within sixty (60) days after year-end audited financial statements have been delivered to all Members of the Board of Directors, but in no event more than one hundred twenty (120) days after the end of each fiscal year, or more frequently at the request of any Member. Unless all of the Members of the Board of Directors waive such notice, notice of each meeting of the Board of Directors shall be delivered to all Members at least fifteen (15) days in advance of the date of such meeting, and shall be made in writing by any means, receipt of which shall be confirmed in writing by each of the Members. At least three (3) Members of the Board shall be required for a quorum. Each meeting of the Board of Directors shall take place at Company's principal place of business at 10:00 a.m. on the fifteenth (15th) day after notice or the next working day if such date is a holiday, or at a time and place mutually agreed upon by the Members. In the absence of a quorum following an initial notice of a meeting of the Board of Directors, a second notice may be immediately delivered (in the same manner of the first) at least five (5) days in advance of the date for such meeting; provided that the agenda for such meeting shall be identical to that of the first (except for immaterial changes such as dates and format). If there is no quorum at the first or second notice of any meeting of the Board of Directors, the Shareholders whose Members initiated the call and were present for the called meetings, shall

have the right, but shall not be obligated, to declare the occurrence of a Deadlock Event under Section 7.8 hereof.

(d) Waiver of Notice; Voting. The validity of any decision made at any meeting of the Board of Directors shall not be subject to challenge on the basis of any Member failing to receive actual notice of the meeting if at least one (1) Member designated by each Series of shares is present and all Members present agree to waive such notice. Once all the requirements of notice and quorum are met as set forth in Section 3.5(c), all decisions of the Board of Directors shall require the approval of a majority of the Members present (unless only three Members are present, in which case all decisions shall require the vote of all of the Members present) except for any decisions subject to supermajority requirements pursuant to Section 3.7 and the By-laws which shall be governed in accordance with Section 3.7(n). All decisions of the Members on any matters requiring their approval, consent or action may be made by the Members in each of their sole and absolute discretion. The vote of the Chairman of the Board of Directors shall have the same value as the vote of any other Member and shall not be deemed a "tie-breaking" vote.

(e) Action without Meetings. Whenever Members are required or permitted to take any action pursuant to a meeting of the Board of Directors, such action may be taken without an additional meeting of the Board of Directors upon written consent, setting forth the action so taken, signed by each of the Members.

3.6 Management. (a) Subject to the general control and authority of the Board of Directors and the shareholders as provided herein, the General Manager (as defined herein) of the Company shall have the authority and responsibility to (i) conduct the day-to-day business of the Company, (ii) report to the Board of Directors regarding such business, (iii) make recommendations to the Board on matters requiring action by the Board of Directors including hiring, supervision and termination of senior management for the operations in the Dominican Republic and Puerto Rico, and (iv) perform such other duties and have such other powers as are set forth in the By-laws or as the Board of Directors may from time to time prescribe or delegate.

(b) The Board of Directors will appoint a general manager (the "General Manager") for the Company who shall have the powers set forth in Section 3.6(a). The Board of Directors shall also appoint a manager of the operations in the Dominican Republic (the "Dominican Republic Plant Manager") and a manager of the operations in Puerto Rico (the "Puerto Rico Plant Manager"). Subject to the general oversight of the Board of Directors, the Dominican Republic Plant Manager and the Puerto Rico Plant Manager shall be granted certain duties and powers from time to time by the General Manager. Each of the Puerto Rico Plant Manager and the Dominican Republic Plant Manager will report to the General Manager.

3.7 Fundamental Issues. Notwithstanding anything contained herein to the contrary, the following matters ("Fundamental Issues") shall not be deemed approved unless, (i) in the case of paragraphs (a) to (h) (inclusive), approved by all of the Directors, or (ii) in the case of paragraphs (i) to (o) (inclusive), approved by the Board of Directors (by unanimous written resolution or at a meeting with the requisite quorum of the Board of Directors) and by a Special Resolution of the Members:

(a) the undertaking of any new type of business by the Company being materially different to the business contemplated herein;

(b) the granting of any right to subscribe or convert any security into shares in the Company;

(c) any allotment or issue of shares in the Company or the grant by the Company of any options, offers, warrants, conversion rights, subscriptions, or agreements or rights of any kind to subscribe for or to purchase, or commitments to issue (either formal or informal, firm or contingent), shares or other securities of the Company (whether debt, equity or a combination thereof);

(d) any change in the Independent Accountants;

(e) incurring or entering into a transaction or series of related transaction resulting in an increase in the aggregate Indebtedness of the Company in excess of the greater of US$ 10,000,000 or twenty percent (20%) of the gross sales of the Company in the prior fiscal year;

(f) any sale, lease, transfer, mortgage, pledge or other disposition of the assets or business of the Company or any material part thereof outside the ordinary course of business, and for this purpose "material part thereof" shall mean having a value (being the greater of actual or book value) in excess of forty percent (40%) of the net gross sales of the Company in the prior fiscal year;

(g) any capital expenditure on fixed assets in excess of the greater of US$ 10,000,000 or twenty percent (20%) of the gross sales of the Company in the prior fiscal year for a single transaction or any series of related transactions which may be approved as part of the annual capital budget;

(h) the amendment or non-renewal of any Operative Agreement;

(i) the consolidation or merger of the Company with any other company, association, partnership or legal entity or the dissolution, liquidation, reorganization or recapitalization of the Company or any similar extraordinary corporate action or transaction involving the Company;

(j) any increase of the authorized capital or reduction in or cancellation of any part of the issued or unissued capital of the Company;

(k) the presentation of any petition or resolution to wind up the Company or any application for the appointment of a receiver or trustee;

(l) the issue of any request or invitation to any creditor or encumbrancer to appoint a receiver (or similar officer) or otherwise to take possession of any assets of the Company;

(m) any resolution altering the classification of the shares of the Company or the rights pertaining to such shares;

(n) any resolution altering the By-laws of the Company in a manner that adversely affects the rights of either Shareholder (except for amendments related to the Company's capital structure); and

(o) any change to the declaration and distribution of any dividends policy set forth in Section 3.13 (not including distributions of shares in kind).

3.8 Procedures Upon Disagreement on Fundamental Issues. (a) The Shareholders agree that if a proposed action or amendment set forth in Section 3.7 fails to achieve the required approval of the shareholders or Members of the Board of Directors, as the case may be, the following provisions shall be applied:

(i) in the case of paragraphs (a), (b), (c), (d), (h), (i), (m), (n) and (o) of Section 3.7 and (j), (k) and (l) of Section 3.7 for any reason other than as set forth in (iii) below, the Shareholders or the Members of the Board of Directors, as the case may be, proposing the action or amendment shall have no further recourse except to repeat the proposal as provided by Section 3.7;

(ii) in the case of paragraphs (e), (f) and (g) of Section 3.7, either Shareholder may initiate procedures for a Deadlock Event by delivery of a Deadlock Notice in accordance with Section 7.8; and

(iii) in the case of the following paragraphs of Section 3.7: (j) to the extent a capital increase is sought because it is reasonably required to fund the cash flow requirements of the Company or commercially reasonable capital expenditures, (k) to the extent such petition, resolution or application is made due to continuing losses or potential losses or a receiver or trustee is sought in the event of potential insolvency, bankruptcy, reorganization or relief of debtors, or (l) to the extent such request or invitation is made in the event of potential insolvency, bankruptcy, reorganization or relief of debtors, then, either Shareholder may initiate procedures for a Deadlock Event by delivery of a Deadlock Notice in accordance with Section 7.8.

(b) Upon delivery of a Deadlock Notice pursuant to Section 3.8 (a)(ii) or (a)(iii), the Shareholder receiving the Deadlock Notice may elect, at its sole option and by written notice delivered to the other Shareholder within five (5) business days after receipt of the Deadlock Notice, between the procedures set forth in Section 7.8 (Deadlock) and the procedures set forth in Section 8.3(c) (Valuation Sale). If no such election is made in the allotted time, the Shareholder delivering a Deadlock Notice, if it elects to proceed, may elect between the alternative procedures, at its option. If the party receiving the Deadlock Notice elects to proceed pursuant to a Valuation Sale, the party delivering the Deadlock Notice shall be considered the "Aggrieved Party" for purposes of such procedure.

3.9 Investment Representations. Each Shareholder represents and warrants that it is acquiring its shares in Company for its own account, for investment, and not with a view to the sale or distribution thereof.

3.10 Endorsement of Certificates. The Shareholders agree to cause the Company to endorse the share certificates to be issued corresponding to the Initial Shares and all certificates thereafter issued as follows:

> "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO AND ARE TRANSFERABLE ONLY IN COMPLIANCE WITH THE BY-LAWS OF THE COMPANY AND A JOINT VENTURE AGREEMENT BY AND AMONG OI PUERTO RICO STS, INC. A CORPORATION INCORPORATED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA, AND ANTILLIAN HOLDING CORP., A COMPANY DULY ORGANIZED AND EXISTING UNDER THE LAWS OF THE BRITISH VIRGIN ISLANDS AND THE COMPANY, AS THE SAME MAY BE AMENDED FROM TIME TO TIME, DATED AUGUST 13, 2001. TITLE TO THE SHARES REPRESENTED HEREBY CAN BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF SAID AGREEMENT AND ARTICLES OF ASSOCIATION. ANY PURPORTED TRANSFER OF TITLE OTHER THAN IN THE MANNER PROVIDED IN THE AGREEMENT AND ARTICLES OF ASSOCIATION IS VOID, WITHOUT FORCE AND EFFECT, AND WILL NOT BE RECOGNIZED BY THE COMPANY. THE COMPANY WILL MAIL TO ANY SHAREHOLDER A COPY OF SAID AGREEMENT WITHOUT CHARGE WITHIN FIVE DAYS AFTER RECEIPT OF WRITTEN REQUEST THEREFOR."

The Shareholders agree to require the Company not to transfer any shares or issue or reissue any certificates otherwise than in accordance with this Agreement.

3.11 Accounting, Record Keeping and Reporting.

(a) The books and records of the Company shall be kept in accordance with GAAP and, to the extent required by Applicable Law, generally accepted accounting principles of other jurisdictions for tax or corporate purposes in those jurisdictions. The Company shall keep books, records and accounts with respect to (i) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place, (ii) all sales and purchases of goods by the Company and (iii) the assets and liabilities of the Company.

(b) The accounts of the Company shall be audited by the Independent Accountants. The annual financial statements of the Company shall be audited in accordance with generally accepted auditing standards in the United States legal requirements.

(c) The books of account of the Company shall be kept and maintained by the chief financial officer of the Company at the tax domicile of the Company. Each of the

Shareholders, through their respective authorized representatives, shall have the right at such Shareholder's expense to inspect any of the operations and any of the properties and assets of the Company, including the books of account of the Company, and to make copies and take extracts therefrom, and to discuss its affairs, finances and accounts with its officers and the Independent Accountants all at such reasonable times and as often as may be reasonably requested.

(d) As soon as practicable and in any event within 90 days following the end of each Fiscal Year and in any case no later than 30 days before the date of the annual Shareholders' meeting of the Company, the chief financial officer shall cause to be prepared for the Company and shall deliver to the Shareholders and the Board of Directors an audited statement of the results of operations for the Fiscal Year, a balance sheet as at the end of such Fiscal Year, a statement of retained earnings or deficit and a statement of cash flows for such Fiscal Year, together with all schedules and footnotes thereto and a report thereon of the Independent Accountants.

(e) As soon as practicable and in any event within 30 days after the end of each fiscal semester the chief financial officer shall cause to be prepared and the Company shall deliver to each Shareholder, as the case may be, an unaudited operating report for the Company for such period and year-to-date financial statements. Within the first ten business days of each month the chief financial officer shall cause to be prepared and the Company shall deliver to each Shareholder an unaudited summary monthly report (a Summary Monthly Report) for the Company for the previous month which shall show the results for all operating companies of the Company.

(f) The secretary of the Board of Directors will provide, or cause to be provided, to the Shareholders, promptly (but in any event within 15 days) after the Company learns of the commencement of any material litigation or proceeding against the Company or its assets, written notice of the nature and extent of such litigation or proceeding. The secretary of the Board of Directors will provide, or cause to be provided, to the Shareholders, general updates of the status of such litigation or proceeding every three months for so long as such litigation or proceeding is continuing.

(g) Upon the request of any Shareholder, the secretary of the Board of Directors will provide, or cause to be provided, to the Shareholders, promptly (but in any event within 15 days) after preparation, copies of all reports, proxy statements, registration statements and notifications filed with any governmental authority or provided to security holders or Directors of the Company or to the financial community.

(h) Upon the request of any Shareholder, the secretary of the Board of Directors will provide, or cause to be provided, to the Shareholders, promptly after receipt, copies of all accountants' management letters and all certificates as to compliance, defaults, material adverse changes, material litigation or similar matters.

(i) The chief financial officer will provide, or cause to be provided, to the Shareholders, promptly such other financial data relating to the business, affairs or financial condition of the Company as is available to the Company which the Shareholder may reasonably request and the right to meet with the executive Officers and the accountants of the Company.

(j) Upon the request of any Shareholders, the secretary of the Board will provide, or cause to be provided, to the Shareholders, promptly after receipt, copies of all correspondence, notification, inquires, documentations or other communications from governmental or regulatory authorities.

(k) The General Manager shall be required to provide to the Shareholders information, including a monthly operational report, which shall adequately reflect the operations and activities of the Company

3.12 Tax Matters. (a) The chief financial officer shall cause to be prepared the tax returns for the Company and shall provide copies of all such tax returns to the Shareholders for their approval, not to be unreasonably withheld or delayed, prior to the filing of such returns but in any event no later than the date specified by the Board of Directors.

(b) The Shareholders agree to use their reasonable best efforts to cause the Company to prepare and send, or cause to be prepared and sent, by April 1 of each Fiscal Year and to each Person who was a Shareholder at any time during such Fiscal Year, copies of such information as may be required for applicable income tax reporting purposes, including such information as a Shareholder may reasonably request for the purpose of applying for refunds of withholding taxes.

(c) Tax Planning. At any time, either Shareholder may notify the Company and the other Shareholder that it desires that the Company consider certain tax planning proposals, in which event the Shareholders and the Company shall consider and implement promptly such tax planning proposals, and if such proposals shall require the consent of the Shareholders, such consent shall not be unreasonably withheld.

(d) Capital Accounts; Book Allocations. A capital account (each a "Capital Account") shall be maintained for each Shareholder. The Capital Account of each Shareholder shall be credited with the Initial Contribution paid by such Shareholder, increased by any allocation of income or gain and by any additional capital contributions by that Shareholder, and shall be reduced by any allocations of loss, expense or deduction and by any distribution to that Shareholder. Except as otherwise provided herein, all items of Company income, gain, loss, expense or deduction shall be allocated to the Capital Accounts of the Shareholders in proportion to their equity participation ownership. The foregoing provisions relating to the maintenance of Capital Accounts and allocation of Company income, gain, loss, expense or deduction are intended to comply with U.S. Federal Treasury regulations Section 1.704-1(b) (including, without limitation, the "qualified income offset" provisions contained therein), and shall be interpreted and applied in a manner consistent with such U.S. Federal Treasury regulations. Additionally, the foregoing allocation provisions shall be interpreted and applied in a manner consistent with the "minimum gain chargeback" provisions set forth in U.S. Federal Treasury regulations Section 1.704-2(f) and 1.704-2(i)(4).

(e) Tax Allocations. Except as otherwise required by the Code or the U.S. Federal Treasury regulations, all items of Company income, gain, loss, expense, deduction and any other items shall be allocated among the Shareholders for federal income tax purposes in the same proportions as they share the corresponding items pursuant to clause (d) above. The

geographic source, for U.S. federal income tax purposes, of the share of income so allocated to each Shareholder shall be as follows: Ninety-eight percent (98%) of such share so allocated to Owens shall be attributable to the profits from the glass manufacturing operations in Puerto Rico to the extent thereof, and the remainder, but not less than two percent (2%), to the profits from the glass manufacturing operations in the Dominican Republic. Ninety-eight percent (98%) of such share so allocated to Zanzibar shall be attributable to the profits from the glass manufacturing operations in the Dominican Republic to the extent thereof, and the remainder, but not less than two percent (2%), to the profits from the glass manufacturing operation in Puerto Rico.

3.13 Dividends. Subject to Section 7.2, the Shareholders intend the Company to pay dividends to the Shareholders of all free cash flow as set forth on Exhibit F.

ARTICLE IV

Conditions to Closing

4.1 Conditions to Each Shareholder's Obligations. The obligations of Owens and Zanzibar to enter into the Share Purchase Agreement and purchase and pay for the Initial Shares are subject to the satisfaction or waiver, as of the Closing Date, of the following conditions:

(a) Incorporation of Company. The Company has been incorporated under the laws of the Cayman Islands after the nominal capital of same had been subscribed and paid and the By-laws, substantially in the form of Exhibit A, have been adopted by the shareholders of the Company and all constitutive documents requested by the Shareholders shall have been delivered.

(b) Governmental Approvals. All governmental approvals necessary for the transactions contemplated by the Operative Documents shall have been obtained.

(c) Operative Agreement. The parties to each of the other Operative Agreements shall have entered into all such other Operative Agreements, each of which shall be in full force and effect (except for such other Operative Agreement as may be similarly conditioned upon entering into all other Operating Agreements).

(d) Ownership of OIPR.Owens, or another wholly-owned subsidiary of Owens-Illinois, shall have purchased all of the partnership interests of OIPR currently owned by Inland Paperboard and Packaging, Inc., a Delaware corporation ("Inland").

4.2 Conditions to Owens Obligations. The obligation of Owens to enter into the Share Purchase Agreement and the other Operative Agreements to which it is party is subject to the satisfaction or waiver, as of the Closing Date, of the following conditions:

(a) Accuracy of Representations and WarrantiesThe representations and warranties of Zanzibar and the Company made in each Operative Agreement shall be true and correct in all material respects as of the Closing Date, as if made on and as of the Closing Date.

(b) Performance of ObligationsZanzibar shall have performed or complied with in all material respects its covenants and agreements contained in the Operative Agreements required to be performed or complied with by Zanzibar on or prior to the Closing Date.

(c) Completion of Due DiligenceCompletion of business due diligence with regards to the ZDR and Zanzibar to the full satisfaction of Owens.

(d) Delivery of CertificatesZanzibar shall have delivered to Owens the following (in each case dated as of the Closing Date, unless otherwise specified):

(i) a certificate of the President and the Secretary of Zanzibar to the effect that the conditions specified in Sections 4.2(a) and (b) have been satisfied;

(ii) a certificate of the Secretary of Zanzibar certifying as to (A) the attached copy of the By-laws of Zanzibar being true and complete as of the date thereof, (B) the attached resolutions of the Board of Directors of Zanzibar authorizing the execution and delivery of the Operative Agreements and (C) the incumbency of certain officers or authorized signatories of Zanzibar;

(iii) such other certificates or documents as Owens or its counsel may reasonably request relating to the satisfaction of the conditions to Closing.

4.3 Conditions to Zanzibar's Obligations. The obligation of Zanzibar to enter into the Share Purchase Agreement and the other Operative Agreements to which it is party is subject to the satisfaction or waiver, as of the Closing Date, of the following conditions:

(a) Accuracy of Representations and Warranties. The representations and warranties of Owens and the Company made in each Operative Agreement shall be true and correct in all material respects as of the Closing Date, as if made on and as of the Closing Date.

(b) Performance of Obligations. Owens shall have performed or complied with in all material respects its covenants and agreements contained in the Operative Agreements required to be performed or complied with by Owens on or prior to the Closing Date.

(c) Delivery of Certificates. Owens shall have delivered to Zanzibar the following (in each case dated as of the Closing Date, unless otherwise specified):

(i) a certificate of the President and the Secretary of Owens to the effect that the conditions specified in Sections 4.3(a) and (b) have been satisfied;

(ii) a certificate of the Secretary of Owens certifying as to (A) the attached copy of the By-laws of Owens being true and complete as of the date thereof, (B) the attached resolutions of the Board of Directors of Owens authorizing the execution and delivery of the Operative Agreements and (C) the incumbency of certain officers or authorized signatories of Owens;

(iii) such other certificates or documents as Zanzibar or its counsel may reasonably request relating to the satisfaction of the conditions to Closing.

ARTICLE V

Representations and Warranties

5.1 Representations and Warranties of Owens and Zanzibar. Each of Owens and Zanzibar represents and warrants to each other party that, as of the date of this Agreement and as of the Closing Date, with respect to itself, and Owens represents and warrants to Zanzibar that as of the date of this Agreement and as of the Closing Date with respect to OI TTS (as applicable):

(a) Organization and Standing. Such party:

(i) is a corporation, company or limited liability company duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation; and

(ii) has all requisite corporate, company or similar power and corporate, company or similar authority necessary to enable it to use its name and to own, lease or otherwise hold its properties and assets and to carry on its business as presently conducted or intended.

(b) Authority. Such party has all requisite corporate, company or similar power and corporate, company or similar authority to enter into this Agreement and the other Operative Agreements to which it is a party and to consummate the transactions intended hereby and thereby. The execution and delivery by such party of this Agreement and the other Operative Agreements to which it is a party and the consummation by such party of the transactions contemplated hereby and thereby, have been duly authorized by all necessary corporate, company or similar action on the part of such party. This Agreement and the other Operative Agreements to which it is a party have been, or will at the Closing have been, duly executed and delivered by such party and constitute, or will at the Closing constitute, its legal, valid and binding obligations, enforceable against such party in accordance with their respective terms. The execution and delivery by such party of this Agreement and the other Operative Agreements to which it is a party do not and did not, and the consummation of the transactions and compliance with the terms of this Agreement and the Operative Agreements to which it is a party will not, conflict with, result in any violation of or default (with or without notice or lapse of time or both) under, give rise to a right of termination, cancellation or acceleration of any material obligation or to the loss of any material benefit under or result in or require the creation, imposition or extension of any lien, mortgage, pledge, claim, security interest, charge or encumbrance or obligation to create a lien, charge, pledge or mortgage upon any of its properties or assets under (A) any contract, (B) any provision of its constitutive documents, (C) any judgment or Applicable Law or (D) any permit, concession, grant, franchise, license or other governmental authorization, approval, judgment, order or decree, or any mortgage, agreement, deed of trust, indenture or any other instrument to which it is a party or by which it is bound or any of its properties or assets are bound or which is otherwise applicable to it except, with

respect to clauses (A), (C) or (D), for such conflicts, violations, defaults, rights or losses that, individually or in the aggregate, would not have a material adverse effect on such party's ability to perform its obligations under this Agreement and the other Operative Agreements to which it is a party in accordance with their respective terms. No Governmental Approval, authorization, consent or other approval of any other Person is required to be obtained or made by such party or any of its Affiliates in connection with the execution and delivery of this Agreement or the other Operative Agreements to which it is a party or the consummation of the transactions contemplated hereby or thereby.

(c) Brokers and Finders. No Person is or will be entitled to any broker's or finder's fee or any other commission or similar fee from such party in connection with any of the transactions contemplated hereby.

(d) Litigation. There is no litigation pending or, to such Party's knowledge, threatened to which such Party or any of its Affiliates is a party which, if adversely determined, would have a material adverse effect on the financial condition or prospects or business of such Party or the Company.

5.2 Representations and Warranties of Zanzibar. Zanzibar represents and warrants to Owens that, as of the date of this Agreement and as of the Closing Date, with respect to ZDR, that:

(a) Corporate Existence. ZDR is duly organized and validly existing and, where applicable, in good standing under the laws of the jurisdiction of its organization. ZDR (a) has the requisite corporate, partnership or similar power and authority to own, lease and operate its properties and assets, and to carry on its business as the same is now being conducted and (b) is duly authorized, qualified or licensed to do business in every jurisdiction wherein, by reason of the nature of its business, the same is required, except in each of clauses (a) and (b) where the failure of the foregoing to be true and correct would not, individually or in the aggregate, have a material adverse effect on the financial condition, prospects or business of ZDR.

(b) Financial Statements. Schedule 5.2(b) contains copies of the unaudited pro forma consolidated balance sheets of ZDR as of December 31, 1998 and December 31, 1999 and the related consolidated statements of income for the fiscal years ended on such dates (collectively, the "ZDR Financial Statements"). The ZDR Financial Statements present fairly in all material respects the financial condition and the results of operations of the Business as of such dates and for such periods in accordance with GAAP, consistently applied, except that they will not include all of the information required to be included in the footnotes required by GAAP.

(c) Encumbrances. ZDR has, or at the Closing will have, good title to the real and personal property owned by it, free and clear of all Encumbrances, except (i) as disclosed in the ZDR Financial Statements, (ii) Encumbrances for taxes, assessments and other governmental charges not yet due and payable or, if due, (A) not delinquent or (B) being contested in good faith by appropriate proceedings during which collection or enforcement against the property is stayed and for which ZDR has established appropriate reserves to the extent required by GAAP,

(iii) mechanics', workmen's, repairmen's, warehousemen's, carriers' or other like Encumbrances, including all statutory Encumbrances, arising or incurred in the ordinary course of business and (iv) Encumbrances that do not materially affect the value or use of the underlying asset or Encumbrances which would not, individually or in the aggregate, have a material adverse effect on the financial condition, prospects or business of ZDR.

(d) Litigation. There is no litigation pending or, to such Zanzibar's knowledge, threatened to which ZDR or any of its Affiliates is a party which, if adversely determined, would have a material adverse effect on the financial condition, prospects or business of ZDR or the Company.

5.3 Representations and Warranties of Owens. Owens represents and warrants to Zanzibar that, as of the date of this Agreement and as of the Closing Date, with respect to OIPR and OI TTS, as applicable, that:

(a) Corporate ExistenceEach of OIPR and OI TTS is duly organized and validly existing and, where applicable, in good standing under the laws of the jurisdiction of its organization. Each of OIPR and OI TTS (a) has the requisite corporate, company, partnership or similar power and authority to own, lease and operate its properties and assets, and to carry on its business as the same is now being conducted and (b) is duly authorized, qualified or licensed to do business in every jurisdiction wherein, by reason of the nature of its business, the same is required, except in each of clauses (a) and (b) where the failure of the foregoing to be true and correct would not, individually or in the aggregate, have a material adverse effect on the financial condition, prospects or business of OIPR.

(b) Financial Statements. Schedule 5.3(b) contains copies of the unaudited pro forma consolidated balance sheets of OIPR as of December 31, 1998 and December 31, 1999 and the related consolidated statements of income for the fiscal years ended on such dates (collectively, the "OIPR Financial Statements"). The OIPR Financial Statements present fairly in all material respects the financial condition and the results of operations of the Business as of such dates and for such periods in accordance with GAAP, consistently applied, except that they will not include all of the information required to be included in the footnotes required by GAAP.

(c) Encumbrances. OIPR has, or at the Closing will have, good title to the real and personal property owned by it, free and clear of all Encumbrances, except (i) as disclosed in the OIPR Financial Statements, (ii) Encumbrances for taxes, assessments and other governmental charges not yet due and payable or, if due, (A) not delinquent or (B) being contested in good faith by appropriate proceedings during which collection or enforcement against the property is stayed and for which OIPR has established appropriate reserves to the extent required by GAAP, (iii) mechanics', workmen's, repairmen's, warehousemen's, carriers' or other like Encumbrances, including all statutory Encumbrances, arising or incurred in the ordinary course of business and (iv) Encumbrances that do not materially affect the value or use of the underlying asset or Encumbrances which would not, individually or in the aggregate, have a material adverse effect on the financial condition, prospects or business of OIPR.

(d) Litigation. There is no litigation pending or, to such Owens's knowledge, threatened to which OIPR or any of its Affiliates is a party which, if adversely determined, would have a material adverse effect on the financial condition, prospects or business of OIPR or the Company.

ARTICLE VI

Covenants Pending Closing

6.1 Satisfaction of Conditions to Closing. Each party shall take all actions reasonably necessary or appropriate to ensure that the conditions to Closing set forth herein (other than Subsections 4.2(c) and 4.3(c)) to be satisfied by such party are satisfied on or prior to the Closing Date and to obtain (and cooperate with the other parties in obtaining) any Governmental Approvals required to be obtained or made by it in connection with the contemplated transactions.

6.2 Constitutive Documents. Prior to the Closing, each party will assist in incorporating the Company and registering the By-laws substantially in the form of Exhibit A hereto.

6.3 Conduct of Business Prior to the Closing.

(a) The parties shall operate their respective businesses in a manner consistent with past practice, consult one another with respect to any potential departure from such past practice and not depart from such past practice except with the prior written consent of the other party.

(b) Other than the purchase of Inland's partnership interests as set forth in Section 4.1(d), Owens shall not make any commitment to, agree to, authorize, or take any action with respect to OIPR that would be considered a Fundamental Issue pursuant to Section 3.7, except with the prior written consent of Zanzibar.

(c) Zanzibar shall not make any commitment to, agree to, authorize, or take any action with respect to ZDR that would be considered a Fundamental Issue pursuant to Section 3.7; except with the prior written consent of Owens.

6.4 Access to Information.

(a) From the date hereof until the Closing, upon reasonable notice, Owens shall cause OIPR and its officers, directors, employees, agents, representatives, accountants and counsel to afford the officers, employees and authorized agents, accountants, counsel, and representatives of Zanzibar and ZDR reasonable access, during normal business hours, to (i) the properties, offices and other facilities, and the books and records of OIPR and (ii) the officers, directors, employees, accountants and counsel of OIPR who have material relevant knowledge relating to OIPR.

(b) From the date hereof until the Closing, upon reasonable notice, Zanzibar shall cause ZDR and its officers, directors, employees, agents, representatives, accountants and counsel to afford the officers, employees and authorized agents, accountants, counsel, and representatives of Owens and OIPR reasonable access, during normal business hours, to (i) the properties, offices and other facilities, and the books and records of and ZDR and (ii) the officers, directors, employees, accountants and counsel of ZDR who have material relevant knowledge relating to ZDR.

(c) Owens shall cause OIPR to permit at least one observer from Zanzibar to attend Board or similar management meetings held after the date hereof and prior to the Closing; provided, however, OIPR shall not be required to permit any observer to attend any meeting or part of a meeting at which OIPR is to discuss any matters (x) relating to Zanzibar, ZDR or the transactions contemplated by this Agreement or (y) the disclosure of which OIPR believes would harm its interests.

(d) Zanzibar shall cause ZDR to permit at least one observer from Owens to attend Board or similar management meetings held after the date hereof and prior to the Closing; provided, however, ZDR shall not be required to permit any observer to attend any meeting or part of a meeting at which ZDR is to discuss any matters (x) relating to Owens, OIPR or the transactions contemplated by this Agreement or (y) the disclosure of which ZDR believes would harm its interests.

6.5 Further Action. Each of the parties hereto shall use all commercially reasonable efforts to take, or cause to be taken, all appropriate action, do or cause to be done all things necessary, proper or advisable under Applicable Law, and execute and deliver such documents and other papers, as may be required to carry out the provisions of this Agreement and consummate and make effective the transactions contemplated by this Agreement.

ARTICLE VII

Joint Venture Covenants

7.1 Additional Cash Contributions. The Shareholders anticipate that capital expenditures in addition to the initial cash contributions of the Shareholders will be necessary in order to meet the expectations of the parties for growth in the Company, which capital expenditures are expected to be of the magnitude reflected on Exhibit E attached hereto (which exhibit is attached for illustrative purposes only, and is intended to constitute the agreement of the Shareholders as to the relative magnitude of the total capital expenditure program, but not to commit the Company or the Shareholders to the specific capital expenditures set forth therein). Such expenditures shall be made at such times and for such specific purposes as the Board of Directors of the Company shall from time to time approve. It is anticipated that the additional capital expenditures will be financed through credit facilities with financial institutions. To the extent that any additional capital contributions in the form of equity are necessary to make such approved capital expenditures, the issuance of additional capital must be approved by the Shareholders in accordance with Section 3.7; provided, however, if the Shareholders are deadlocked on the issue of additional capital, in lieu of invoking the terms of Section 7.8 hereof,

either Shareholder may loan the necessary funds to the Company. If both Shareholders desire to make such a loan to the Company, each Shareholder shall have the right to loan up to its proportionate amount of the total funds necessary to fund the approved capital expenditures. Such loans shall bear interest at the rate then available to the Company on comparable bank debt. Such loans shall not entitle the lending Shareholder any greater equity share in the Company, but such amounts shall be repaid as a preference item out of income earned by the Company, as set forth in Section 7.2 hereof.

7.2 Repayment of Loans and Notes. Prior to the declaration or payment of any dividends or other distributions by the Company to the Shareholders, the Shareholders shall cause the Company to repay, in full, any amounts loaned to the Company by one or more Shareholders pursuant to Section 7.1 of this Agreement.

7.3 Confidentiality. Each Shareholder acknowledges that it may have access to confidential information concerning the other Shareholder's and /or its Affiliates' business and agrees to treat such information as confidential, preserve the confidentiality thereof and not duplicate, use or disclose such information to any non-Shareholder, except in connection with, and in furtherance of, the business and affairs of Company. Each Shareholder hereby agrees that its obligations pursuant to this Section 7.3 shall survive the withdrawal or departure of a Shareholder (or its Affiliates) from, or the dissolution of. Company. A Shareholder's confidentiality obligations with respect to the other Shareholders and their Affiliates, as described in this Section 7.3, shall be perpetual; provided, however, the Shareholders shall have no obligation with respect to any information that (a) is or becomes within the public domain through no act of such Shareholder in breach of this Agreement, (b) was in the possession of such Shareholder prior to its disclosure or transfer hereunder, (c) is independently developed by such Shareholder, (d) is received from another source without restriction on use or disclosure, or (e) is required to be disclosed by law, regulatory body or legal process.

7.4 Indemnification of Board of Directors. The Shareholders agree to cause the Company to indemnify each Member of the Board of Directors against all liability for any claim, demand, loss, damage, liability or expense (including, without limitation, amounts paid in settlement, reasonable costs of investigation and reasonable legal expenses) resulting from any threatened, pending or completed action, suit or proceeding naming any of them as defendant by reason of acts or omissions made or omitted in good faith within the scope of their authority as set forth in this Agreement to the maximum extent permitted by law.

7.5 Transactions With Shareholders or their Affiliates. The Shareholders agree that the Company may enter into contracts and agreements with either Shareholder or their Affiliates; provided, that any such contract or agreement is on terms fair and equitable under the circumstances and is on terms and conditions comparable to those available from unaffiliated third parties dealing at arm's length. The Shareholders agree that the Operative Agreements were negotiated on an arm's length basis and on terms fair and equitable in the circumstances.

7.6 Transfers and Encumbrances of Interests.

(a) Transfers. Except as otherwise provided herein and the By-laws, no Shareholder or Affiliate may transfer all or any portion of its interest in the Company or its rights under this Agreement, or agree to do so, other than pursuant to Sections 7.7 and 7.8 hereof.

(b) Encumbrance. No Shareholder may encumber, mortgage, pledge, hypothecate or place a lien (or make any disposition similar thereto; collectively an "Encumbrance") upon all or any portion of its interest in the Company or rights under this Agreement, or agree to do so, without the prior written consent of the other Shareholder, which consent shall not be unreasonably withheld or delayed but may be subject to such reasonable conditions as the other Shareholder may require.

(c) Violation. Any purported transfer or Encumbrance not in accordance with this Agreement shall be null and void and shall not be recognized by the Company.

7.7 Shareholders First Option to Purchase.

(a) Definitions. In this Section 7.7 the following words shall bear the following meanings:

"Prescribed Price" refers to the price per Sale Share specified in the Transfer Notice;

"Proposing Transferor" refers to a Shareholder proposing to transfer or dispose of all or any portion of its shares in Company;

"Purchaser" refers to a Shareholder willing to purchase shares of Company comprised in, or offered for purchase pursuant to the serving of, a Transfer Notice;

"Sale Shares" refers to all shares of Company comprised in a Transfer Notice;

"Transfer Notice" refers to a written notice served by a Shareholder in accordance with Section 7.7 of this Agreement;

"100% Group" refers to, in the case of the Series A Shares, Owens-Illinois and its wholly-owned subsidiaries (the "Owens 100% Group"), and in the case of the Series B Shares, Antillian Holding Corp. and its wholly-owned subsidiaries (the "Zanzibar 100% Group").

(b) Limitation on Transfers. The right to transfer or dispose of shares of Company or any interest therein shall (save in respect of transfers made pursuant to Subsection 7.7(j) hereof) be subject to the restrictions set forth in this Section 7.7.

(c) First Option. Before transferring or disposing of any shares in Company (or any interest therein), the Proposing Transferor shall serve a Transfer Notice on each of the other Shareholders specifying the number of shares in question and stipulating the Prescribed Price. Upon receipt of a Transfer Notice, the other Shareholder shall have the right and first option for a period of thirty (30) days to purchase, at the Prescribed Price, all or a portion of the

Sale Shares determined by the ratio of the number of shares held by such other Shareholder to the total number of shares held by all such other Shareholders (other than the Proposing Transferor).

(d) Second Option. If at the time there are three or more shareholders in Company and if for any reason any Shareholder does not timely exercise its option to, or waives its right to, purchase the Sale Shares of the Proposing Transferor, then immediately upon the earlier of the expiration of aforementioned thirty (30) day option period or the effective date of the waiver, any Shareholder who elected to exercise its option under Subsection 7.7(c) of this Agreement shall have the further right and option for a period of fifteen (15) days after the earlier of the expiration date of said thirty (30) day period or the effective date of said waiver to purchase, at the Prescribed Price, a portion of the Sale Shares which were subject to the unexercised options determined by the ratio of the number of shares held by such Shareholder exercising its second option to the total number of shares held by all Shareholders exercising their second options.

(e) Transfer on Exercise of Option. If the Proposing Transferor is given notice under Subsection 7.7(c) and (d) that other Shareholders have exercised their option to purchase all, but not less than all of the Sale Shares, the Proposing Transferor shall be bound, on payment of the Prescribed Price, to transfer the Sale Shares to the respective Purchasers or their designees. The sale and purchase shall be completed at the office of Company, or at such other place as the Proposing Transferor and the Purchasers shall agree, during normal business hours on the first business day after the expiration of sixty (60) days after the expiration of the option period set forth in Subsection 7.7(d) of this Agreement.

(f) Transfer on Expiration or Termination of Option. If options granted by Subsections 7.7(c) and (d) of this Agreement are not exercised as to all of the Sale Shares, then such options as were exercised shall become void ab initio and the Proposing Transferor may sell all of the Sale Shares to any third party free of the restrictions set forth in this Article VII. subject to the following restrictions: (i) the Sale Shares may not be sold after the expiration of one hundred eighty (180) days after the expiration of the option period set forth in Subsection 7.7(d) of this Agreement, (ii) the Sale Shares must be sold in a bona fide sale at a price not being less that the Prescribed Price, and (iii) the third party transferee of the Sale Shares executes and delivers an undertaking under which such third party shall become a party hereto, in place of the Proposing Transferor, to the extent that the Proposing Transferor ceases to hold shares in Company as a result of such transfer.

(g) Exercise. An option granted by Subsection 7.7(c) or (d) of this Agreement may be exercised only by the holder thereof and only by the delivery of a written notice of exercise to the Proposing Transferor prior to the expiration of the relevant option period.

(h) Waiver. The restrictions imposed by this Article may be waived in relation to any proposed transfer of shares of Company with the consent of all Shareholders who would otherwise have been entitled to have shares offered to them in accordance herewith.

(i) Failure to Timely Exercise. Failure of a Shareholder to exercise an option granted by Subsections 7.7(c) or (d) of this Agreement prior to the expiration of the relevant

option period provided in said Subsections 7.7(c) or (d) shall be deemed to be a waiver of that option as of the date the option period expired.

(j) Intra-Group Transfers. Notwithstanding the foregoing, shares of Company may be transferred to any member of the Owens 100% Group (in the case of Series A shares held by Owens) and to any member of the Zanzibar 100% Group (in the case of Series B shares held by Zanzibar), but only (i) if the transferee is already a party hereto or shall have first agreed to adhere to and be bound by the provisions hereof by executing and delivering in favor of the other parties hereto an undertaking to the intent and with the effect that from the date of such undertaking, or, if later, the date of the transfer, the transferee shall become a party hereto, in place of the transferor, to the extent that the transferor ceases to hold shares in Company as a result of such transfer; and (ii) on terms that the transferee shall re-transfer the relevant shares to a member of the Owens 100% Group (in the case of Series A shares held by Owens) or to a member of the Zanzibar 100% Group (in the case of Series B shares held by Zanzibar), prior to such transferee ceasing to be a member of the Owens 100% Group or the Zanzibar 100% Group (as the case may be).

7.8 Deadlock

(a) Deadlock Event. A "Deadlock Event" shall be deemed to occur at such time as a Shareholder (the "Notifying Shareholder") delivers to the other Shareholder a notification in writing (the "Deadlock Notice") stating that (i), in the opinion of the Notifying Shareholder, the Shareholders or the Board of Directors, as the case may be, are unable to reach agreement regarding any of the issues set forth in Section 3.7 and setting forth the reasons therefor and (ii) there is no resolution or agreement regarding such issue approved by both Shareholders or the Board of Directors, as the case may be (which approval may be given or withheld, or made subject to such conditions as may be determined by the Shareholders in their respective sole and absolute discretion) within seven (7) days after delivery of the Deadlock Notice or (iii) the Notifying Shareholder elects to trigger a Deadlock Event pursuant to the second to last sentence of Section 3.4 or the last sentence of 3.5(c) and stating the circumstances pursuant to which a Shareholder or Members failed to attend or be represented at the first or second call of any Extraordinary meeting of the shareholders or of the Board of Directors. A Deadlock Event shall be resolved in accordance with the provisions of this Article.

(b) Resolution of Deadlock.. If a Deadlock Event occurs, either Shareholder may deliver notice of a meeting of the Shareholders (an "Emergency Notice" to the other Shareholders), and the Shareholders shall meet as soon as practicable (but in no event more than fifteen (15) business days later) at a mutually agreeable time and place or, if no time and place is mutually agreeable, at the Company's principal place of business at 10:00 a.m. on the fifteenth (15th) business day after such Emergency Notice.

(c) Declaration of Impasse.. If, at the meeting contemplated in Subsection 7.8(b), the Shareholders are unable to agree upon a course of action to address the reason for the meeting, any Shareholder may declare an impasse ("Impasse") by giving written notice to the other Shareholder or Shareholders (an "Impasse Notice"). Within twenty (20) days after receipt of such Impasse Notice, the Chief Executive Officers of the parent corporations of each of the Shareholders or their designees, at each Shareholder's election, shall meet in a good faith effort

to reach accords which will end the Impasse. If a decision is not made by common accord which ends the Impasse within thirty (30) days after the Impasse Notice, either Shareholder may declare a final Impasse ("Final Impasse") by written notice to the other Shareholder.

(d) Final Impasse. Within forty five (45) days after notice of a Final Impasse, the Notifying Shareholder (the "First Shareholder") may offer to the other Shareholder or Shareholders (collectively, the "Other Shareholder") a cash price per share (the "Offer Price"), fully payable sixty (60) days after such notice, for the Other Shareholder's shares in the Company. Within thirty (30) days after such notice, the Other Shareholder may notify the First Shareholder in writing that it will purchase the First Shareholder's shares in the Company for an amount equal to the Offer Price, multiplied by the number of shares then held by the First Shareholder, on said sixtieth (60) day. If the Other Shareholder fails to so notify the First Shareholder of its intent to purchase the First Shareholder's shares, the Other Shareholder shall be compelled to sell its shares to the First Shareholder for the Offer Price, multiplied by the number of shares then held by the Other Shareholder on said sixtieth (60th) day. If no offer has been made by the First Shareholder on or before such forty-fifth (45th) day after the notice of Final Impasse, the Other Shareholder may initiate the above process after the notice of Final Impasse. In such event, the First Shareholder shall then have thirty (30) days in which to respond, that it will purchase the Other Shareholder's shares in Company for an amount equal to the Offer Price, multiplied by the number of shares then held by the Other Shareholder, on said one hundred and twentieth (120th) day. and the sale shall proceed to the First Shareholder if it so responds or to the Other Shareholder if the First Shareholder fails to respond. If no offer is made by any Shareholder on or before such one hundred and twentieth (120th) day after notice of Final Impasse, the status quo shall prevail and no further action may be taken with respect thereto. If either Shareholder notifies the other Shareholder of its intent to purchase the shares but fails to tender the required cash on the required date, the process shall continue as if such notification had not been provided, and the defaulting party shall be liable for damages under Applicable Law.

7.9 Adherence of the Company. The Shareholders agree to cause the Company to adhere to Article VII of this Agreement by adopting the By-laws attached hereto and causing the Company to execute a side letter incorporating Article VII of this Agreement by reference as soon as practicable following Closing.

7.10 Zanzibar Indemnity Obligation. Zanzibar shall defend, indemnify and hold harmless the Company and its Officers and Directors and Owens and its shareholders, equity owners, directors, officers, employees. subcontractors and agents and the successors and assigns of each of them, against any and all claims, demands and judgments for losses, damages, or liability or expense, without duplication, including interest, penalties and reasonable attorney's fees (collectively, "Damages") due to any act or omission, arising out of, or in connection with this Agreement to the extent such Damages were caused by the gross negligence or willful misconduct of Zanzibar, its subcontractors, employees or agents; provided, that this indemnity obligation shall under no circumstances be understood to apply to any "Damages" as defined in Section 4.1 of the Share Purchase Agreement or to any claims that might otherwise be subject to indemnification under that agreement regardless of whether any indemnification thereunder is actually paid. The defense indemnification and save harmless obligation is specifically conditioned on the following: (i) Owens or the Company, as applicable, providing prompt

notification in writing of any such claim or demand when it obtains actual knowledge thereof, unless failure to so notify shall not have materially impaired Zanzibar's ability to defend against such claim; (ii) Zanzibar having control of the defense of any such action, claim or demand and of all negotiations for its settlement or compromise; provided, however, that (x) if Zanzibar fails to accept and diligently present such defense, Owens or the Company, as applicable, may, by written notice to Zanzibar, take over such defense and recover all of the costs, fees and expenses related thereto in addition to any other amount recoverable under this Section from Zanzibar and (y) Owens' or the Company's, as applicable, prior written consent shall be required for any confession of judgment, settlement or waiver by Zanzibar of any claim or right; and (iii) Owens or the Company, as applicable, cooperating, at Zanzibar's expense, in a reasonable way to facilitate the defense of such claim or demand or the negotiations for its settlement.

7.11 Owens Indemnity Obligation. Owens shall defend, indemnify and hold harmless the Company and its Officers and Directors, and Zanzibar and its shareholders, equity owners, directors, officers, employees, subcontractors and agents, and the successors and assigns of each of them, against any and all claims, demands and judgments for Damages due to any act or omission, arising out of, or in connection with this Agreement to the extent such Damages, were caused by the gross negligence or willful misconduct of Owens, its subcontractors, employees or agents; provided, that this indemnity obligation shall under no circumstances be understood to apply to any "Damages" as defined in Section 4.1 of the Share Purchase Agreement or to any claims that might otherwise be subject to indemnification under that agreement regardless of whether any indemnification thereunder is actually paid. The defense indemnification and save harmless obligation is specifically conditioned on the following: (i) Zanzibar or the Company, as applicable, providing prompt notification in writing of any such claim or demand when it obtains actual knowledge thereof, unless failure to so notify shall not have materially impaired Owens' ability to defend against such claim; (ii) Owens having control of the defense of any such action, claim or demand and of all negotiations for its settlement or compromise; provided, however, that (x) if Owens fails to accept and diligently present such defense, Zanzibar or the Company, as applicable, may, by written notice to Owens, take over such defense and recover all of the costs, fees and expenses related thereto in addition to any other amount recoverable under this Section from Owens and (y) Zanzibar's or the Company's, as applicable, prior written consent shall be required for any confession of judgment, settlement or waiver by Owens of any claim or right; and (iii) Zanzibar or the Company, as applicable, cooperating, at Owens' expense, in a reasonable way to facilitate the defense of such claim or demand or the negotiations for its settlement.

7.12 Limitation on Damages. Except for claims brought by third parties against any Person entitled to be indemnified under this Article VII, neither Party shall be liable to the other for any special, consequential, incidental, punitive or indirect damages (including by way of illustration, lost revenues and lost profits) arising out of this Agreement or any obligation arising thereunder, whether in an action for or arising out of breach of contract, strict liability, tort or otherwise.

7.13 Noncompete. (a) Each Shareholder hereby agrees that during the term of this Agreement, other than through the Company, neither party nor its Affiliates will directly or indirectly develop, construct, initiate or acquire any interest in glass container manufacturing in the Caribbean Region; provided, however, that each party may engage in the following:

(1) The acquisition by either party of a noncontrolling interest (under 5%) in any person who has activities competitive with the Company in the Caribbean Region; and

(2) Owens may provide technology and other related assistance to entities who have activities competitive with the Company; provided that such entities are not licensed by Owens to manufacture glass containers in the Caribbean Region using Owens technology; and provided further that this provision shall not be interpreted to permit any conduct by Owens during the pendency of the Technical Assistance Agreement that is otherwise prohibited under that agreement.

(b) Each Shareholder hereby agrees that the Company will not conduct business in or with Cuba or any Cuban based entities until such time as U.S. companies are legally permitted to conduct business with Cuba. The Shareholders intend to and agree to cause the Company to explore business opportunities in or with Cuba if and when they are legally able to do so. Until such time, both Shareholders agree to monitor developments in Cuba and Owens acknowledges and agrees that Zanzibar is not precluded from separately developing its own existing business contacts with Cuba. Zanzibar acknowledges and agrees that an Affiliate of Owens preserves an ownership claim to a glass manufacturing plant in Cuba (the "Cuba Plant") and that this claim, the value of which is currently unknown, is not required to be contributed to the Company. Notwithstanding the foregoing, without the agreement of the parties hereto, neither Owens nor Zanzibar may directly or indirectly, other than through the Company, develop, construct, initiate or acquire any interest in glass container manufacturing in Cuba, subject to the exceptions set forth in Sub-sections 7.13(a)(1) and (2); provided, that Owens may, without violating this provision, reassert full ownership and control over the Cuba Plant.

(c) At such time when the Company is legally able to purchase the Cuba Plant, the Board shall agree to meet in good faith in order to purchase the Cuba Plant at its fixed asset value.

7.14 Change of Control. Promptly upon the occurrence of a Change of Control Event, the party undergoing a Change of Control Event shall provide written notice to the other party of such occurrence. Within twenty (20) days after delivery of the notice of the Change of Control Event, the party receiving such notice shall be entitled, by written notice to the other party, to initiate a sale process according to the method set forth in Section 7.8(d) as though it were the First Shareholder.

7.15 Put Option.

(a) Put Option. At any time after the sixth anniversary of the Closing Date, either Shareholder (the "Put Option Seller") shall have the option (the "Put Option") to require the other Shareholder (the "Put Option Buyer") to purchase all, but not less than all, of the Shares then held by the Put Option Seller for the Purchase Price (as hereinafter defined) and the Shareholders shall thereafter proceed with the determination of the Purchase Price and consummation of such purchase in accordance with this Section 7.15. The Put Option shall be exercised by written notice from the Put Option Seller to the Put Option Buyer (the "Put Option Exercise Notice"). Except as provided in (b) below, the closing of the sale of the shares to the

Put Option Buyer shall occur within thirty (30) days following receipt by the Put Option Buyer of the Put Option Exercise Notice from the Put Option Seller. The Put Option Seller shall take all necessary steps to ensure that its interests in the Company are transferred to the Put Option Buyer (or its designee) free and clear of any and all encumbrances. The title shall be transferred by the endorsement of the stock certificates and the transfer shall be recorded in the Registry of the Company, or as otherwise required under the laws of the country where the Company will be incorporated.

(b) Zanzibar Option. Notwithstanding the foregoing, in the event the Put Option is exercised by Owens, Zanzibar shall have the right to deliver to Owens, within sixty (60) days following Zanzibar's receipt of the Put Option Exercise Notice from Owens, Zanzibar's own Put Option Exercise Notice, which subsequent notice shall supercede and be deemed to cancel the Put Option Exercise Notice delivered by Owens to Zanzibar. Upon delivery of such subsequent Put Option Exercise Notice by Zanzibar, Owens shall become the Put Option Buyer and Zanzibar shall become the Put Option Seller and the closing of the sale by Zanzibar to Owens shall occur within thirty (30) days following receipt by Owens of the Zanzibar Put Option Exercise Notice.

(c) Purchase Price. For purposes of this Section 7.15, the "Purchase Price" will be the greater of (i) the actual value in U.S. dollars resulting from the sum of (A) four and one half (4.5) times the average EBITDA for the prior three full Fiscal Years, plus B Net Working Capital, minus (C) Indebtedness and (ii) the book value of the equity as of the end of the most recent fiscal year, in each case times a percentage, the numerator of which is the number of shares of common stock held by the Put Option Seller and the denominator of which is the total number of shares of common stock then outstanding.

7.16 Distribution Agent(a) Owens shall have a period of one (1) year following the date of execution of this Agreement to either (i) reach a settlement reasonably satisfactory to Zanzibar with its current distribution agents in the Dominican Republic or (ii) provide indemnification against the potential claims of such agents satisfactory to Zanzibar. Until the earlier of such settlement, indemnification or such one (1) year period has ended, neither Zanzibar nor Owens shall register the other party as its distribution agent in the Dominican Republic or register the Technical Assistance Agreement in the Dominican Republic. Notwithstanding the foregoing, the Technical Assistance Agreement shall be considered effective from the Closing Date, and any fees and expenses thereunder shall accrue from such date.

(b) If Owens does not provide Zanzibar with evidence that a settlement has been achieved or, in the absence thereof, with reasonable indemnification against the potential claims of such agents, then Zanzibar may elect to terminate this Agreement and unwind the effect of the transactions contemplated hereby.

(c) In the event of the termination of this Agreement pursuant to this Section, written notice shall be provided by Zanzibar to Owens. Promptly, upon receipt of written notification of such termination: (i) each party will deliver all documents and other material of the other party relating to the transaction contemplated hereby and (ii) the Company shall be dissolved, and the Company shall distribute ZDR to Zanzibar and OIPR to Owens, and shall

distribute any other assets of the Company on a pro rata basis to the Shareholders. No party shall have any liability under this Agreement to the other party, except that nothing herein shall relieve any party from any liability for any breach of any of the representations, warranties, covenants and agreements set forth herein.

ARTICLE VIII

Termination

8.1 Causes of TerminationThis Agreement shall be terminated upon the happening of any of the following events:

(i) the unanimous written consent of the Shareholders;

(ii) by either of the Shareholders if the Closing shall not have occurred by July 31, 2002; provided, however, that the right to terminate this Agreement under this section shall not be available to any party whose failure to fulfill any obligation under this Agreement shall have been the cause of, or shall have resulted in, the failure of the Closing to occur in or prior to such date;

(iii) the disposition by all Shareholders of all of their shares and the payment in full of the purchase price therefor;

(iv) if the Company is declared bankrupt, has a receiver appointed over all or substantially all of its assets or is dissolved;

(v) upon the occurrence of an Event of Default in accordance with Section 8.2(a); or

(vi) by decree of a court of competent jurisdiction.

8.2 Events of Default. The occurrence of any of the following events shall constitute an event of default ("Event of Default") hereunder on the part of the Shareholder with respect to whom such event occurs (the "Defaulting Party") if within thirty (30) days following notice of such default from the other Shareholder, the Defaulting Party fails to commence substantial efforts to cure such default or thereafter fails within a reasonable time to prosecute to completion with diligence and continuity the curing of such default; provided, however, that the occurrence of any of the events described in subparagraphs (b)-(f) below shall constitute an Event of Default immediately upon such occurrence without any requirement of notice or passage of time except as specifically set forth in any such subparagraph:

(a) the violation by a Shareholder of any of the restrictions set forth in Section 7.6 of this Agreement;

(b) the institution by a Shareholder of a case or other proceeding in bankruptcy against the Company;

(c) the institution against a Shareholder of a case or other proceeding in bankruptcy, which proceeding is not dismissed, stayed or discharged within a period of sixty (60) days after the filing thereof or if stayed, which stay is thereafter lifted without a contemporaneous discharge or dismissal of such proceeding;

(d) a proposed plan of arrangement or other action by a Shareholder's creditors taken as a result of a general meeting of the creditors of such Shareholder, which arrangement or other action is not dismissed, stayed or discharged within a period of sixty (60) days after such general meeting;

(e) the appointment of a receiver, custodian, trustee or like officer, to take possession of assets of a Shareholder if the pendency of said receivership would reasonably tend to have a materially adverse effect upon the performance by said Shareholder of its obligations under this Agreement; which receivership remains undischarged for a period of ninety (90) days form the date of its imposition;

(f) attachment, execution or other judicial seizure of all or any substantial part of a Shareholder's assets or of a Shareholder's shares of Company, or any part thereof, such attachment, execution or seizure remaining undismissed or undischarged for a period of ninety (90) days after the levy thereof, if the occurrence of such materially adverse effect upon the performance by said Shareholder of its obligations under this Agreement; provided, however, that said attachment, execution or seizure shall not constitute an Event of Default hereunder if said Shareholder posts a bond sufficient to fully satisfy the amount of such claim or judgement within sixty (60) days after the levy thereof and the Shareholder's assets are thereby released from the lien of such attachment; and

(g) material default in performance or a failure to comply with any other agreements, obligations or undertakings of a Shareholder herein contained.

8.3 Remedy on Default. (a) Upon the occurrence of an Event of Default by any party to this Agreement (other than the Company), any other party, other than the Company (the "Aggrieved Party") shall be entitled to terminate this Agreement (save for and subject to the provisions of this Section 8.3) against the Defaulting Party or to claim specific performance of the Defaulting Party's obligations under this Agreement, in either event without prejudice to the Aggrieved Party's right to claim damages. The foregoing is without prejudice to such other rights as the Aggrieved Party may have at law, provided always, that notwithstanding anything to the contrary contained in this Agreement, the Aggrieved Party shall not be entitled to terminate this Agreement or to invoke the terms of Subsection 8.3(b) hereof for any breach by the Defaulting Party unless such breach is a material breach going to the root of this Agreement and is incapable of being remedied by a payment in money or, if it is capable of being remedied by a payment in money, the Defaulting Party fails to pay, or procure the payment of, the amount concerned within ten (10) business days after such amount has been determined.

(b) If an Aggrieved Party elects to terminate this Agreement as provided in this Section 8.3 such Aggrieved Party may elect, at its sole option, between the procedures set forth in Section 7.8 (Deadlock) and the procedures set forth in Section 8.3(c) (Valuation Sale).

(c) A valuation sale shall proceed as follows:

(i) Within sixty (60) days of obtaining knowledge of the Event of Default, the Aggrieved Party may elect to have a merchant bank or broker determine Fair Market Value of the Company in accordance with Subsection 8.3(e) hereof by providing written notice of such election to the Defaulting Party (such notice, the "Valuation Notice"). Upon receipt by the Defaulting Party of the Valuation Notice, the Aggrieved Party and the Defaulting Party shall meet to select a mutually agreeable merchant bank or broker to determine such Fair Market Value (such merchant bank or broker, the "Valuer"). If the parties are unable to agree on a mutually agreeable Valuer within fifteen (15) days after the receipt by the Defaulting Party of the Valuation Notice, each of the Aggrieved Party and the Defaulting Party shall appoint a merchant bank or broker, who shall jointly determine Fair Market Value (such merchant banks or brokers referred to collectively as the "Valuer"). In the event the Defaulting Party fails to so appoint a merchant bank or broker within thirty (30) days after receipt of the Valuation Notice or fails to notify the Aggrieved Party of such appointment, the merchant bank or broker selected by the Aggrieved Party shall appoint a second merchant bank or broker. The Valuer shall act as an expert and not as an arbitrator. The cost of each merchant bank or broker shall be borne by the party appointing such merchant bank or broker (or, in the case of the failure of the Defaulting Party to so appoint a merchant bank or broker, by the party on whose behalf such merchant bank or broker is appointed). The joint determination of the Valuer shall be final and binding on all Shareholders, except in the case of manifest error. The Aggrieved Party and the Defaulting Party shall each promptly give notice to the other of the identity of the merchant bank or broker so appointed by it.

(ii) The price determined pursuant to Subsection 8.3(c)(i) shall be notified in writing by the Valuer to both the Aggrieved Party and the Defaulting Party and the Aggrieved Party shall for a period of sixty (60) days from receipt by it of the notification of the price be entitled by giving written notice to the defaulting party either (A) to require the Defaulting Party to sell to the Aggrieved Party all of the Defaulting Party's shares (but not some only) in the Company at the price per share so determined; or (B) to require the Defaulting Party to purchase from the Aggrieved Party all of the Aggrieved Party's shares (but not some only) in the Company at the price per share so determined, and the Defaulting Party shall be obliged to so sell or purchase, as the case may be.

(iii) Upon the purchase of shares by either the Aggrieved Party or the Defaulting Party hereunder, this Agreement shall automatically terminate without further action by either Owens or Zanzibar.

(d) If the Aggrieved Party fails to give written notice to the Defaulting Party in accordance with Subsection 8.3(c)(ii) during the sixty (60) day period then there shall be no mandatory sale or purchase of shares and the Aggrieved Party shall be deemed to have waived its right to sell or purchase shares under Subsection 8.3(b) hereof and its right to terminate this

Agreement, but not any other rights hereunder, including, without limitation, those set forth in Section 8.3(a) hereof, with respect to such Event of Default.

(e) "Fair Market Value" shall be determined on the basis of the open market value of the relevant shares which would be payable by a willing buyer to a willing seller on arms' length terms. For the purpose of determining Fair Market Value, the Valuer appointed pursuant to Subsection 8.3(c)(i) shall consider, but shall not be obliged to follow, written representations from each of Zanzibar and Owens as to relevant factors which should be taken into account by the Valuer in determining Fair Market Value. The same written representations shall be submitted to each Valuer. The Valuer shall not be bound to consider any written representations received from either party more than twenty (20) business days after the date on which the Valuer is appointed.

ARTICLE IX

Miscellaneous Provisions

9.1 Governing Language. This Agreement and all its Attachments are formulated in the English language. Notwithstanding the translation of this Agreement into Spanish or any other language, the English language version of this Agreement shall be controlling and shall govern in any legal proceeding.

9.2 Expenses. Whether or not any of the transactions contemplated hereby are consummated, all costs and expenses incurred in connection with the Operative Agreements, shall be paid by the party incurring such cost or expense, except as the parties shall otherwise agree; and, provided, further, that any expenses incurred prior to Closing related directly to the incorporation of the Company or to otherwise obtaining the necessary governmental approvals, permits, authorizations and registrations and processing immigration, tax and labor matters related to the project shall, to the extent allowed under the Applicable Law, be considered as contributions to the share capital of the Company and treated accordingly by the Share Purchase Agreement. The provisions of this Section 9.2 shall remain operative and in full force and effect regardless of the expiration of this Agreement or the consummation of the transactions.

9.3 No Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any person other than the Shareholders and their respective successors and permitted assigns, except to the extent granted to other parties to execute the other Operative Agreement.

9.4 Entire Agreement. This Agreement and its Exhibits constitute the entire agreement among the Shareholders related to the subject matter hereof and supersedes any prior understandings, agreements, or representations by or among the Shareholders, written or oral, that may have related in any way to the subject matter hereof.

9.5 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties named herein and their respective successors and permitted assigns.

9.6 Assignment. No party may assign or otherwise transfer any of its rights or obligations under this Agreement by operation of law or otherwise, without the prior written consent of the other Parties. Any purported or attempted assignment contrary to the terms hereof shall be null and void and of no force or effect.

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

9.8 Headings. The sections headings contained in this Agreement are inserted for convenience only and are not part of this Agreement and shall not affect in any way the meaning or interpretation of this Agreement.

9.9 Notices. Notices given under this Agreement shall be in writing and shall be effective when actually delivered to such party by hand, telex or telecopy to an officer of such party or on the date indicated on the signed receipt if sent by mail, postage prepaid.

If to Owens:

Owens-Illinois, Inc.
One SeaGate
Toledo, Ohio 43666
Tel.: (419) 247-1032
Fax: (419) 247-1463
Attention: James W. Baehren

With a copy to:

Simpson Thacher & Bartlett
425 Lexington Avenue
New York, NY 10017-3954
Tel.: (212) 455-3188
Fax: (212) 455-2502
Attention: Alan M. Klein
S. Todd Crider

or at any subsequent address of which Owens may notify the other parties in writing.

If to Zanzibar:

Industrias Zanzibar S.A.
Autopista Duarte Km. 28
Santo Domingo
Republica Dominicana
Tel: (809) 412-2211
Fax: (809) 559-8048
Attention: Carlos Bermudez

With a copy to:

Troncoso & Caceres
Calle Socorro Sanchez 253
Apartado Postal 1182
Santo Domingo
Republica Dominicana
Tel.: (809) 689-2158
Fax: (809) 688-8985
Attention: Marcos J Troncoso

Grimes & Battersby, LLP
Three Landmark Square
P.O. Box 1311
Stamford, Connecticut 06904
Tel: (203) 324-2828
Fax: (203) 348-2720
Attention: Charles W. Grimes

or at any subsequent address of which Zanzibar may notify the other parties in writing.

9.10 Governing Law. This Agreement shall be governed by, and shall be construed in accordance with, the substantive laws of the State of New York.

9.11 Arbitration. (a) Except as otherwise specifically provided herein for the resolution of deadlocks, any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in accordance with the then existing International Arbitration Rules of the American Arbitration Association (hereinafter "AAA"). The arbitral tribunal shall be composed of three arbitrators. Each party, namely Owens and Zanzibar, shall appoint one Arbitrator. If a party fails to appoint an arbitrator within thirty (30) days after the date the claimant's Demand for Arbitration is communicated to the other parties (hereinafter the "Notification Date"), the AAA shall make such appointment. The two arbitrators thus appointed shall attempt to agree upon the appointment of a third arbitrator to serve as chairman of the arbitral tribunal. If said two arbitrators fail to agree upon the appointment of such third arbitrator within sixty (60) days after the Notification Date, the AAA shall make such appointment. The place of arbitration shall be New York, New York, United States of America. The arbitral proceeding shall be conducted in the English language.

(b) To the extent that they may validly so agree, the parties hereby exclude any right of appeal to any court in connection with any question of law arising in the course of the arbitration or concerning the arbitral award. The arbitrators are hereby authorized by the parties to consolidate any other related actions commenced by and among the parties, including specifically regarding any of the Operative Agreements, into a single arbitral action to the extent it is in the interests of justice and efficiency. Judgment upon the arbitral award may be entered in any court having jurisdiction thereof or having jurisdiction over any party or any party's assets; provided that if Owens is required to enforce a judgment rendered by the arbitral tribunal

against Zanzibar, Owens and Zanzibar agree that Owens shall enforce such judgment by arbitration in and in accordance with the then existing rules of the Santo Domingo Chamber of Commerce.

(c) Each of the parties hereto acknowledges and agrees that (x) monetary damages would be an inadequate remedy for a breach of any of the provisions of this Agreement, (y) in addition to being entitled to exercise all of their rights granted by law, including recovery of damages, the other parties shall therefore be entitled to specific performance of its rights under this Agreement and (z) in the event of any action for specific performance it shall waive the defense that a remedy at law would be adequate.

9.12 Amendments and Waivers. This Agreement may be amended, modified, superseded or canceled and any of its terms, covenants, representations, warranties, undertakings or conditions may be waived only by an instrument in writing signed by (or by some person duly authorized by) all of the parties hereto or, in the case of a waiver, by the party waiving compliance.

9.13 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If the final judgment of a court of competent jurisdiction declares that any term or provision hereof is invalid or unenforceable, the parties agree that the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration, or area of the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be enforceable as so modified after the expiration of the time within which the judgment may be appealed.

9.14 Exhibits and Schedules. The Exhibits and Schedules identified in this Agreement are incorporated herein by reference and made a part hereof.

9.15 No Violation of Law. This Agreement shall not be construed to require either party to be compelled to do any act or remain in any situation in violation of any law applicable to such party.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

OI PUERTO RICO STS, INC.

By: _____
Name: Edward C. White
Title: Assistant Secretary

ANTILLIAN HOLDING CORP.

By: _____
Name: Carlos Bermudez
Title: Director

EXHIBIT A

See Tab 12

EXHIBIT B

See Tab 4

EXHIBIT C

See Tab 5

EXHIBIT D

Carlos Bermudez

Aquiles Bermudez

Gilberto Restrepo

Edward White

Exhibit E
2001 Projected Capital Expenditures
(In '000 US$)

	OIPR	ZDR
Batch House	200	100
Forming Equipment	200	
Cold-end Equipment	700	
Manufacturing Systems	100	1,100
Environmental and other	1,200	100
Computer System & Software		500
Subtotal	2,400	1,800
Molds and Variable Equipment	900	300
Total CAPEX	3,300	2,100

Exhibit F
Example of Free Cash Flow Statement (reference to 3.13)
(In '000 US$)

	Example 1	Example 2
EBIT From Operations	4,500	4,900
Depreciation	4,100	4,400
Goodwill Amortization	-	-
EBITDA	8,600	9,300
Receivables, (incr)decr	500	(3,000)
Inventories (Includes Mach Parts)	(600)	(3,000)
Payables incr(decr)	(2,100)	500
Working Capital	(2,200)	(5,500)
Capital Expenditure	(3,900)	(3,600)
Other Sources (Uses)	(400)	(1,000)
EBIT CASH	2,100	(800)
Net Cash Interest	1,100	1,100
Total Cash Taxes	300	100
FREE CASH FLOW	**700**	**(2,000)**
Short Term Borrowings, incr/(decr)	1,500	(1,200)
Long Term Borrowings, incr/(decr)	(2,200)	3,600
Total Change in Cash & Debt	(700)	2,400
Beginning Cash	62	96
Change in Cash	-	400
Final Cash	62	496

Example 1: $700k free cash available for dividends
Example 2: no free cash available; $2,000k cash shortfall to be covered through borrowing

AMENDMENT TO JOINT VENTURE AGREEMENT

AMENDMENT, dated as of July 5, 2002 (this "Amendment"), to the Joint Venture Agreement, dated as of August 13, 2001 (as amended, supplemented, or otherwise modified from time to time, the "Joint Venture Agreement"), between OI PUERTO RICO STS INC., a Delaware corporation ("Owens") and ANTILLIAN HOLDING CORP. a British Virgin Islands company ("Zanzibar").

WITNESSETH:

WHEREAS, Owens and Zanzibar are parties to the Joint Venture Agreement;

WHEREAS, Owens and Zanzibar each desire to amend the Joint Venture Agreement as set forth herein;

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein, Owens and Zanzibar hereby agree as follows:

1. Defined Terms. Unless otherwise defined herein, capitalized terms which are defined in the Joint Venture Agreement are used herein as therein defined.

2. Amendment to Section 1.1. The following definition is hereby added to Section 1.1: "Inland": Inland Paperboard and Packaging, Inc., a Delaware Corporation.

3. Amendment to Section 2.2(a). Section 2.2(a) is hereby amended by deleting it in its entirety and substituting in lieu thereof the following paragraph:

> "Owens together with OI TTS will contribute, or cause to be contributed, 100% of the partnership interests in OIPR and Owens will contribute 100% of the membership interests in OI TTS and Zanzibar will contribute 99.9% of the capital stock of ZDR as their respective initial contributions (each, the "Initial Contribution"). The remaining 0.1% of the capital stock of ZDR will be transferred by Zanzibar, in accordance with the Share Purchase Agreement, to six persons to be designated by Owens and Zanzibar to comply with Dominican legal diversity of ownership requirements. The Shareholders agree that their Initial Contributions shall be deemed of equivalent value so long as, with respect to OIPR, the amount of Net Working Capital minus Indebtedness as of the Closing Date is no less than US$9,000,000 (or its equivalent) and, with respect to ZDR, Indebtedness minus Net Working Capital is no greater than US$22,000,000 (or its equivalent) for ZDR. If, as of the Closing Date, OIPR's Net Working Capital minus Indebtedness is less than such specified amount, it shall within 60 days of the Closing Date, make a payment to the Company in order to compensate for the deficiency in its Initial Contribution. If, as of the Closing Date, ZDR's Indebtedness minus Net Working Capital is greater than such specified amount, it shall within 60 days of the Closing Date, make a payment to the Company in order to compensate for the deficiency in its Initial

Contribution. The Shareholders shall determine the structure of any such payment in a manner beneficial to the tax interests of each Shareholder."

4. Amendment to Section 2.2(b). Section 2.2(b) is hereby deleted in its entirety and replaced with the phrase "Intentionally Omitted"

5. Amendment to Section 2.2(c). Section 2.2(c) is hereby amended by deleting it in its entirety and substituting in lieu thereof the following paragraph:

"Zanzibar shall receive a special management fee (the "Management Fee") from the Company in the amount of US$4,000,000 in consideration for services rendered to the Company. Such Management Fee shall be payable on the date that is 90 days following the Closing Date in the amount of US$2,000,000 and on the date that is 450 days following the Closing Date in the amount of US$2,000,000. Such Management Fee will, to the extent practicable and not contrary to the tax position or interests of the Company, be structured in a manner as requested by Zanzibar. The Management Fee payment will not be considered as part of the normal payment of dividends to the Shareholders as set forth in Section 3.13. Each of the Shareholders shall vote in favor of shareholder resolutions or shall cause its representatives on the Board of Directors to vote in favor of the Board resolutions or take such other corporate actions as are reasonably necessary to cause the Company to carry out the provisions of this Section, including, if necessary, incurring Indebtedness to obtain the capital to fund payment of the Management Fee."

6. Amendment to Section 3.6(a). Section 3.6(a) is hereby amended by deleting it in its entirety and substituting in lieu thereof the following paragraph:

"(a) The Board of Directors shall appoint a general manager (the "General Manager") for the Company who shall have the powers set forth herein. Subject to the general control and authority of the Board of Directors and the shareholders as provided herein, the General Manager of the Company shall have the authority and responsibility to (i) conduct the day-to-day business of the Company, (ii) report to the Board of Directors regarding such business, (iii) make recommendations to the Board on matters requiring action by the Board of Directors including hiring and supervision of senior management for the operations in the Dominican Republic and Puerto Rico, and (iv) perform such other duties and have such other powers as are set forth in the By-laws or as the Board of Directors may from time to time prescribe or delegate."

7. Amendment to Section 3.6(b). Section 3.6(b) is hereby deleted in its entirety and replaced with the phrase "Intentionally Omitted"

8. Amendment to Section 4.1(d). Section 4.1(d) is hereby amended by deleting it in its entirety.

9. Amendment to Section 5.2(b). Section 5.2(b) is hereby amended by replacing the phrase "December 31, 1998 and December 31, 1999" with the phrase "December 31, 2000 and December 31, 2001" and such new financials shall be appended to Schedule 5.2(b).

10. Amendment to Section 5.3(b). Section 5.3(b) is hereby amended by replacing the phrase "December 31, 1998 and December 31, 1999" with the phrase "December 31, 2000 and December 31, 2001" and such new financials shall be appended to Schedule 5.3(b).

11. Amendment to Section 6.3(b). Section 6.3(b) is hereby amended by deleting the phrase "Other than the purchase of Inland's partnership interests as set forth in Section 4.1(d),".

12. Amendment to Section 7.7(a). Section 7.7(a) is hereby amended by deleting the definition of "100% Group" and substituting in lieu thereof:

> "100% Group" refers to, in the case of the Series A Shares, Owens-Illinois, Inc., its wholly-owned subsidiaries and any entity jointly owned by Owens-Illinois, Inc. or one of its wholly-owned subsidiaries and Inland (the "Owens 100% Group"), and in the case of the Series B Shares, Antillian Holding Corp., its wholly-owned subsidiaries or any other wholly-owned subsidiary 100% owned by the Bermudez family; provided that Antillian Holding Corp. or such other wholly-owned subsidiary remains 100% owned by the Bermudez family (the "Zanzibar 100% Group").

13. Amendment to Section 7.16. Section 7.16 is hereby amended by deleting it in its entirety.

14. Amendment to Section 8.1(ii). Section 8.1(ii) is hereby amended by replacing the phrase "July 31, 2002" with the phrase "January 31, 2003."

15. Counterparts. This Amendment may be executed by the parties hereto in any number of separate counterparts, each of which shall be deemed to be an original, and all of which taken together shall be deemed to constitute one and the same instrument. This Amendment may be delivered by facsimile transmission of the relevant signature pages hereof.

16. GOVERNING LAW. **THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

IN WITNESS WHEREOF. the parties hereto have executed this Amendment on the day and year first above written.

OI PUERTO RICO STS, INC.

By: _____
Name: Edward C. White
Title: Assistant Secretary

ANTILLIAN HOLDING CORP.

By: _____
Name: Carlos Bermudez
Title: Director

SECOND AMENDMENT TO JOINT VENTURE AGREEMENT

AMENDMENT, dated as of January 31, 2003 (this "Amendment"), to the Joint Venture Agreement, dated as of August 13, 2001 (as amended, supplemented, or otherwise modified from time to time, the "Joint Venture Agreement"), between OI PUERTO RICO STS INC., a Delaware corporation ("Owens") and ANTILLIAN HOLDING CORP. a British Virgin Islands company ("Zanzibar").

W I T N E S S E T H:

WHEREAS, Owens and Zanzibar are parties to the Joint Venture Agreement;

WHEREAS, Owens and Zanzibar each desire to amend the Joint Venture Agreement as set forth herein;

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein, Owens and Zanzibar hereby agree as follows:

1. Defined Terms. Unless otherwise defined herein, capitalized terms which are defined in the Joint Venture Agreement are used herein as therein defined.

2. Amendment to Section 1.1. (a) The following definition is hereby amended by deleting it in its entirety and substituting in lieu thereof the following definition:

"OIPR": Owens-Illinois de Puerto Rico, a limited liability company organized under the laws of Delaware and, as of the Closing Date, a wholly-owned subsidiary of Owens.

(b) The definition of "OI TTS" is deleted in its entirety.

3. Amendment to Section 2.2(a). Section 2.2(a) is hereby amended by deleting the following sentence: "Owens together with OI TTS will contribute, or cause to be contributed, 100% of the partnership interests in OIPR and Owens will contribute 100% of the membership interests in OI TTS and Zanzibar will contribute 99.9% of the capital stock of ZDR as their respective initial contribution (each, the "Initial Contribution")." and replacing it with the following sentence: "Owens will contribute, or cause to be contributed, 100% of the membership interests in OIPR and an additional US$25,000 and Zanzibar will contribute, or cause to be contributed, 99.9% of the capital stock of ZDR and an additional US$25,000 as their respective initial contributions (each, the "Initial Contribution")."

4. Amendment to Section 5.1. Section 5.1 is hereby amended by deleting the phrase "with respect to OI TTS (as applicable)".

5. Amendment to Section 5.3. Section 5.3 is hereby amended by deleting the phrase "and OI TTS, as applicable,".

6. Amendment to Section 5.3(a). Section 5.3(a) is hereby amended by replacing the phrase "Each of OIPR and OI TTS" on the first and third lines of such Section with the word "OIPR".

7. Counterparts. This Amendment may be executed by the parties hereto in any number of separate counterparts, each of which shall be deemed to be an original, and all of which taken together shall be deemed to constitute one and the same instrument. This Amendment may be delivered by facsimile transmission of the relevant signature pages hereof.

8. GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the day and year first above written.

OI PUERTO RICO STS, INC.

By: _____
Name: Edward C. White
Title: Assistant Treasurer

ANTILLIAN HOLDING CORP.

By: _____
Name: Carlos Bermudez
Title: President

EXHIBIT T

SHARE PURCHASE AGREEMENT

THIS AGREEMENT, dated as of January 31, 2003, by and among OI PUERTO RICO STS INC., a corporation incorporated and existing under the laws of the State of Delaware, United States of America, with its principal place of business at One Seagate, Toledo, Ohio 43666, U.S.A. ("Owens"), ANTILLIAN HOLDING CORP., a company organized and existing under the laws of the British Virgin Islands, with its principal place of business at Autopista Duarte Km. 28, Santo Domingo, República Dominicana ("Zanzibar"), (Owens and Zanzibar together, the "Shareholders") and UNITED CARIBBEAN CONTAINERS LIMITED, a company organized and existing under the laws of the Cayman Islands, (the "Company");

RECITALS

WHEREAS, on August 13, 2001, the Shareholders hereto entered into a Joint Venture Agreement (as amended, supplemented or otherwise modified from time to time, the "Joint Venture Agreement"), pursuant to which the Company has been established to, among others, manufacture, distribute and sell glass containers in the Caribbean Region (as defined in the Joint Venture Agreement);

WHEREAS, the Parties intend to set forth herein the terms and conditions upon which the Company will offer and the Shareholders will subscribe the Shares;

WHEREAS, Owens desires to subscribe and pay for 1,000,000 Series A Shares (as defined below);

WHEREAS, Zanzibar desires to subscribe and pay for 1,000,000 Series B Shares (as defined below);

WHEREAS, the Joint Venture Agreement is subject to, among other conditions, the execution of this Share Purchase Agreement and the Technical Assistance Agreement.

NOW, THEREFORE, in consideration of the mutual promises, the covenants and agreements contained herein together with other consideration, the adequacy and receipt of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

Definitions

1.1 Certain Definitions. As used in this Agreement, the following definitions shall have the following meanings (such definitions to be equally applicable to both singular and plural forms of the terms defined). Any capitalized terms not otherwise defined herein, shall have the meaning set forth under the Joint Venture Agreement:

"Action" shall have the meaning set forth in Section 4.2.

"Agreement" shall mean this Share Purchase Agreement, as amended, supplemented or otherwise modified from time to time.

"Closing" shall mean the date of payment for the Shares pursuant to this Agreement.

"Closing Date" shall mean the date on which the Closing shall occur.

"Company" shall have the meaning set forth in the Recitals.

"De Minimis Amount" shall have the meaning set forth in Section 4.3.

"$DR" shall mean pesos in lawful currency of the Dominican Republic.

"Dollar" or "US$" shall mean dollars in lawful currency of the United States of America.

"Environment" shall mean any surface water, ground water, drinking water supply, land surface or subsurface strata, ambient air and including any indoor location.

"Environmental Claim" shall mean any notice or claim by any person or entity alleging liability (including liability for investigatory costs, cleanup costs, governmental costs, or harm, injuries or damages to any person, property or natural resources, and any fines or penalties) arising out of or relating to (i) the emission, discharge, disposal, or other release in or into the Environment of any Hazardous Materials or (ii) circumstances that would result in any violation of any applicable Environmental Law.

"Environmental Laws" shall mean all national, provincial, local and foreign laws, statutes, codes, regulations, requirements, directives, orders, customary law, and administrative or judicial interpretations thereof that may be enforced by any governmental authority or court relating to pollution, the protection of human health, the protection of the Environment or the emission, discharge, disposal or other release or threatened release of Hazardous Materials in or into the Environment.

"GAAP" shall mean United States generally accepted accounting principles and practices (including, where applicable, prescribed accounting standards) as in effect from time to time, as amended or modified from time to time.

"Governmental Approval" shall mean authorizations, consents, approvals, waivers, exemptions, variances, franchises, permissions, permits and licenses of, and filings and declarations with, any Governmental Authority.

"Governmental Authority" shall mean any nation or government, any state or other political subdivision thereof, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Hazardous Materials" shall mean pollutants, contaminants, or chemicals, that are hazardous or toxic materials or wastes, including asbestos, or asbestos-containing materials, PCBs, and petroleum, oil or oil products, derivatives or constituents.

"Income Tax" shall mean any federal state, local or foreign income tax.

"Indemnity Cap" shall have the meaning set forth in Section 4.3.

"Indemnified Party" shall have the meaning set forth in Section 4.2.

"Indemnifying Party" shall have the meaning set forth in Section 4.2.

"Joint Venture Agreement" shall have the meaning set forth in the Recitals.

"Liens" means any mortgage, pledge, security interest, encumbrances, lien or charge of any kind (including, without limitation, any conditional sale or other title retention agreement or lease in the nature thereof.

"Material Adverse Effect" with respect to any Person shall mean an effect which is materially adverse to the business, assets, liabilities, financial condition, earnings or operations of such Person, other than effects arising out of this Agreement or the transactions contemplated hereby, including the announcement or pendency thereof.

"Notice of Claim" shall have the meaning set forth in Section 4.2.

"OIPR GAAP Financial Statements" shall mean the audited balance sheets of OIPR as of December 31, 2001 and the audited statements of operations and changes in financial position of the OIPR for the fiscal years ended on December 31, 2000 and 2001, prepared in accordance with GAAP together with the notes thereon and the related reports of the auditors, previously delivered to Zanzibar and included in Schedule 3.2(e) hereto.

"OIPR Interim Financial Statements" shall mean the balance sheet of OIPR as of August 31, 2002 (the "OIPR Interim Balance Sheet"), and the statements of operations and changes in financial position of OIPR for the interim periods ended on August 31, 2002, prepared in accordance with GAAP (except for the omission of notes and normal year-end adjustments), previously delivered to Zanzibar and included in Schedule 3.2(e) hereto.

"OIPR Shares" shall have the meaning set forth in Section 3.2(h).

"Operative Agreements": the collective reference to the Technical Assistance Agreement, the Joint Venture Agreement and this Agreement.

"Owens" shall have the meaning set forth in the initial paragraph of this Agreement.

"Series A Shares" shall mean the Series "A" shares of common stock of the Company as set forth in the Articles of Association.

"Series B Shares" shall mean the Series "B" shares of common stock of the Company as set forth in the Articles of Association.

"Shareholders" shall have the meaning set forth in the initial paragraph of this Agreement.

"Shares" shall mean the 1,000,000 Series A Shares and 1,000,000 Series B shares to be offered by the Company and subscribed by the Shareholders pursuant to this Agreement.

"Tax" or "Taxes" shall mean all national, federal, state, local or foreign taxes, including, but not limited to, income, gross receipts, consumption, windfall profits, alternative minimum, value added, property, production, sales, use, license, excise, franchise, employment, withholding, industry and commerce or similar taxes, together with any interest or penalties with respect thereto and any interest in respect of such penalties.

"Tax Authority" shall mean any competent Governmental Authority responsible for the determination, assessment or collection of Taxes.

"Tax Benefits" shall mean, to the extent resulting in an actual current reduction in Taxes or the receipt of a refund of Taxes, any relief, allowance, exemption, set off or deduction from profit, income or gain, credits against or right of repayment of Tax, or other Tax benefits.

"Tax Law" shall mean any Applicable Law relating to Taxes.

"Tax Returns" shall mean all reports and returns (including any schedules, elections or other documents relating thereto) required to be filed with a Tax Authority or required to be prepared and retained in accordance with any applicable Tax Law with respect to Taxes relating to the operations of ZDR or OIPR, as the case may be, as currently conducted.

"Threshold Amount" shall have the meaning set forth in Section 4.3.

"Zanzibar" shall have the meaning set forth in the initial paragraph of this Agreement.

"ZDR GAAP Financial Statements" shall mean the audited balance sheet of ZDR as of December 31, 2001 the ("ZDR Balance Sheet") and the audited statements of operations and changes in financial position of ZDR for the fiscal years ended on December 31, 2000 and 2001, prepared in accordance with GAAP together with the notes thereon, previously delivered to Owens and included in Schedule 3.1(g) hereto.

"ZDR Interim Financial Statements" shall mean the balance sheets of ZDR as of August 31, 2002 (the "ZDR Interim Balance Sheet"), and the statements of operations and changes in financial position of ZDR for the interim period ended on August 31, 2002, prepared in accordance with GAAP (except for the omission of notes and normal year-end adjustments), previously delivered to Owens and included in Schedule 3.1(g) hereto.

"ZDR Shares" shall have the meaning set forth in 3.1(h).

1.2 Other Definitional Provisions.(a) For facility of use certain additional terms are defined within the Agreement at the point of reference. Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings when used in any other document made or delivered pursuant hereto.

(b) The words hereof, herein and hereunder and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Article, Section, Schedule and Exhibit references are to this Agreement unless otherwise specified.

(c) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(d) Except as otherwise specified herein, each reference in this Agreement to the Joint Venture Agreement or the Technical Assistance Agreement shall be deemed (i) to include all exhibits, annexes, schedules or other attachments thereto and (ii) to refer to such Agreement as the same may be amended, supplemented or otherwise modified from time to time in accordance with its terms and the terms of this Agreement.

(e) Each reference in this Agreement to a Person shall be deemed to include such Person's permitted successors and assigns.

(f) The use of the word including in this Agreement means including, without limitation.

ARTICLE II

Subscription of Common Shares

2.1 Subscription by Zanzibar. Upon the terms and subject to the conditions of this Agreement, on the Closing Date, Zanzibar will subscribe for 1,000,000 Series B Shares which shall represent a 50% interest in the outstanding capital stock of the Company. As consideration for the Series B Shares, Zanzibar agrees to contribute, or cause to be contributed, 99.9% of the capital stock of ZDR to the Company in accordance with the Joint Venture Agreement and an additional U.S.$25,000. The subscription and payment of the Series B Shares shall be evidenced by the Company delivering or causing to be delivered to the Shareholder one or more certificates representing the number of Series B Shares subscribed by Zanzibar, such certificate or certificates to be duly registered in the name of Zanzibar on the books of the Company in accordance with the Articles of Association.

2.2 Subscription by Owens. Upon the terms and subject to the conditions of this Agreement, on the Closing Date, Owens will subscribe for 1,000,000 Series A Shares which shall represent its 50% interest in the outstanding capital stock of the Company. As consideration for the Series A Shares, Owens agrees to contribute or cause the contribution of 100% of the membership interests in OIPR and an additional U.S.$25,000. The subscription and payment of the Series A Shares shall be evidenced by the Company delivering or causing to be delivered to Owens one or more certificates representing the number of Series A Shares subscribed and paid for by Owens, such certificate or certificates to be duly registered in the name of Owens on the books of the Company in accordance with the Articles of Association.

2.3 Conditions to Each Shareholder's Obligations. The obligations of Zanzibar and Owens to subscribe and pay their respective interests as set forth in Sections 2.1 and 2.2 hereof, are subject to the satisfaction or waiver, as of the Closing Date, of the following conditions:

(a) The Company. The Company shall be duly incorporated, validly existing and in good standing.

(b) Governmental Approvals. All governmental approvals, if any, necessary for the transactions contemplated by the Joint Venture Agreement, the Technical Assistance Agreement and this Agreement shall have been obtained or made.

(c) Operative Agreements. The parties to the Joint Venture Agreement and the Technical Assistance Agreement shall have entered into the Operative Agreements, each of which shall be in full force and effect (except for any such agreement as may be similarly conditioned upon entering into the other agreements).

(d) Assignment Agreements. The parties shall have caused to be obtained any and all consents from third parties necessary for the assignment by a Shareholder to the Company of the agreements and/or businesses listed in Exhibit A hereto. Such assignments shall take prior to, or concurrently with the Closing.

2.4 Conditions to Zanzibar's Obligations. The obligation of Zanzibar to subscribe the Series A Shares is subject to the satisfaction or waiver, as of the Closing Date, of the following conditions:

(a) Accuracy of Representations and Warranties. The representations and warranties of Owens made in the Joint Venture Agreement and this Agreement executed by it shall be true and correct in all material respects as of the Closing, as if made on the Closing Date.

(b) Performance of Obligations. Owens shall have performed or complied with, in all material respects, its covenants and agreements contained in this Agreement and the Joint Venture Agreement required to be performed or complied with by Owens, on or prior to the Closing Date.

(c) Delivery of Certificates. Owens shall have delivered to Zanzibar the following (in each case dated the Closing Date unless otherwise specified):

(i) a certificate of an officer or managing member of Owens to the effect that the conditions specified in Subsections 2.4(a) and (b) have been satisfied;

(ii) a certificate of the secretary of Owens certifying that (A) the organizational documents of Owens are true and complete as of the date thereof, (B) the resolutions of the members or managing member, as applicable, of Owens authorizing the execution and delivery of this Agreement are true and complete and are the only resolutions adopted by such board regarding this Agreement, and (C) the incumbency of certain officers or authorized signatories of Owens appearing on such agreements are genuine; and

(iii) such other certificates or documents as Zanzibar or its counsel may reasonably request relating to the satisfaction or waiver of the conditions to Closing.

2.5 Conditions to Owens's Obligations. The obligation of Owens to subscribe the Series B Shares is subject to the satisfaction or waiver, as of the Closing Date, of the following conditions:

(a) Accuracy of Representations and Warranties. The representations and warranties of Zanzibar made in the Joint Venture Agreement and in this Agreement executed by it, shall be true and correct in all material respects as of the Closing Date, as if made on the Closing Date.

(b) Performance of Obligations. Zanzibar shall have performed or complied with, in all material respects, its covenants and agreements contained in this Agreement and the Joint Venture Agreement required to be performed or complied with by Zanzibar on or prior to the Closing Date.

(c) Delivery of Certificates. Zanzibar shall have delivered to Owens the following (in each case dated the Closing Date, unless otherwise specified):

(i) a certificate of the chief executive officer and the secretary of the Board of Directors of Zanzibar to the effect that the conditions specified in Subsections 2.5(a) and (b) have been satisfied;

(ii) a certificate of the secretary of the Board of Directors of Zanzibar certifying that (A) the By-laws of Zanzibar are true and complete as of the date thereof, (B) the resolutions of the board of directors or the Shareholders' Meeting of Zanzibar (as the case may be) authorizing the execution and delivery of this Agreement are true and complete and the only resolutions adopted by such board regarding this Agreement, and (C) the incumbency of certain officers or authorized signatories of Zanzibar appearing on agreement are genuine; and

(iii) such other certificates or documents as Owens or its counsel may reasonably request relating to the satisfaction or waiver of the conditions to Closing.

ARTICLE III

Representations and Warranties

3.1 Representations and Warranties of Zanzibar. It is understood and agreed that for purposes of this Agreement and the Joint Venture Agreement, Zanzibar shall be deemed to have the knowledge of Mr. Carlos Bermudez. Zanzibar represents and warrants to Owens that, as of the date of this Agreement and as of the Closing Date:

(a) Organization and Standing. ZDR is duly organized and validly existing under the laws of the jurisdiction of its organization and has all requisite power and authority to own, lease and operate its properties, to carry out its business as it is now being conducted and to perform its obligations hereunder, and under its constituent documents, and to consummate the transactions contemplated hereby and thereby.

(b) Absence of Disputes. There is no litigation pending or, to Zanzibar's knowledge, threatened to which Zanzibar, ZDR or any of their Affiliates is a party which, if adversely determined, would have a Material Adverse Effect on Zanzibar, ZDR or the Company.

(c) Absence of Advisors. All negotiations relating to this Agreement and the transactions contemplated hereby have been carried out without the intervention of any person acting on behalf of Zanzibar in a manner that could give rise to any valid claim against the Company or Owens for any brokerage or finder's commission, fee or similar compensation.

(d) Governmental Approvals. No Governmental Approval or approval of any other Person is required to be obtained or made by Zanzibar or any of its Affiliates in connection with the execution and delivery of this Agreement to which it is a party or the consummation of the transactions contemplated hereby or thereby.

(e) Financial Statements. Except as otherwise set forth therein, ZDR GAAP Financial Statements are based on the books and records of ZDR and fairly present the financial condition and results of operations of ZDR, in each case as of the dates therein or for the periods indicated.

(f) Tax Matters. Except as set forth on Schedule 3.1(f):

(i) All material Tax Returns that are required to have been filed or prepared and retained (taking into account applicable extensions) by or on behalf of ZDR have been timely filed or prepared and retained in the manner prescribed by the appropriate Tax Law and all Taxes shown as due on such Tax Returns have been paid. As of the time of filing or preparing, as applicable, such Tax Returns were true, complete and correct in all material respects. With respect to any period for which Tax Returns have not yet been filed, or for which Taxes are not yet due or owing, ZDR has made due and sufficient accruals for such Taxes on the ZDR Interim Balance Sheet.

(ii) All Taxes owed by ZDR have been timely paid. ZDR files Tax Returns in all jurisdictions where required to file Tax Returns.

(iii) ZDR has not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax Assessment or deficiency. No adjustments or deficiencies of Taxes have been proposed, asserted or assessed in writing by the relevant national, federal, state or local Tax Authority.

(iv) No Tax audit or other proceeding by any court or Governmental Authority is pending or ongoing with respect to any Taxes due from or with respect to ZDR or any Tax Return filed by or with respect to ZDR except as would not, individually or in the aggregate, have a Material Adverse Effect on ZDR.

(v) There are no Liens with respect to Taxes upon any of the assets or properties of ZDR, except as would not, individually or in the aggregate, have a Material Adverse Effect on ZDR.

(vi) All Taxes required to be withheld, collected or deposited by or with respect to ZDR or its employees have been duly and timely withheld, collected or deposited, as the case may be, and, to the extent required, have been paid to the relevant Tax Authority.

(vii) Without limiting the foregoing representations in any way, ZDR has collected all sales, use and value-added Taxes required to be collected, and has remitted, or will remit on a timely basis where required prior to the Closing Date, such amounts to the appropriate Tax Authorities, or have been furnished properly completed exemption certificates.

(viii) Records which are complete and accurate in all material respects and which are necessary or appropriate for compliance with all Tax Laws have been maintained and retained by or on behalf of ZDR for the period required by applicable Tax Law and all other information or evidence required or necessary to support those records, have been so maintained and retained.

(ix) ZDR is not a party to or bound by any tax-sharing agreement, tax indemnity obligation or similar agreement or arrangement with respect to Taxes. ZDR has no liability for Taxes of a consolidated, combined or unitary tax reporting group of which ZDR was a member on or prior to the Closing Date. ZDR is not required to include in a taxable period ending after the Closing Date any taxable income attributable to income that economically accrued in a prior taxable period but was not recognized for tax purposes in any prior taxable period. ZDR has no liability for the Taxes of any person (other than ZDR) incurred by ZDR under any provision of Applicable Law, or as a transferee or successor, by contract or otherwise.

(g) Environmental Matters. Except as set forth on Schedule 3.1(g) to this Agreement;

(i) ZDR and the real estate and other assets used in its businesses, are in compliance with all, and have not violated any, applicable Environmental Laws except

where the failure to be in compliance would not, individually or in the aggregate, have a Material Adverse Effect;

(ii) there is no Environmental Claim that is (i) pending or threatened against ZDR or (ii) pending or threatened against any person or entity whose liability for such Environmental Claim has been retained or assumed by or can be imputed or attributed by law or contract to ZDR, the effect of any of which would, individually or in the aggregate, have a Material Adverse Effect; and

(iii) there are no past or present actions, activities, circumstances, conditions, events or incidents arising out of or relating to the ownership, operation or use of any property or assets currently or formerly owned, operated or used by ZDR (or any predecessor in interest), including the emission, discharge, disposal or other release of any Hazardous Materials into the Environment, that (i) would reasonably be expected to result in the incurrence of costs, fees, expenses or other liability under Environmental Laws which would, individually or in the aggregate, have a Material Adverse Effect or (ii) would reasonably be expected to form the basis of any Environmental Claim against or with respect to ZDR or against any person or entity whose liability for any Environmental Claim has been retained or assumed by or can be imputed or attributed by law or contract to ZDR which would, individually or in the aggregate, have a Material Adverse Effect.

(h) Title. The authorized equity securities of ZDR consist of 1,500,000 shares of common stock, par value $RD100.00 per share, of which 1,135,657 shares are issued and outstanding (the "ZDR Shares"). Intercorp Properties, Ltd., Quality International Management Corporation, Ltd., B. Leather Company Inc., Aquiles Bermudez, C. por A., Destileria del Yaque, C. por A., Debyr Maritime, Inc. and Corporacion El Paseo, C. por A., are and will be on the Closing Date the record and beneficial owners and holders of the ZDR Shares, free and clear of all Liens. No legend or other reference to any purported Lien appears upon any certificate representing equity securities of ZDR. All of the outstanding equity securities of ZDR have been duly authorized and validly issued and are fully paid and nonassessable. There are no contracts or other interests relating to the issuance, sale, or transfer of any equity securities or other securities of ZDR. None of the outstanding equity securities or other securities of ZDR were issued in violation of applicable law or regulation. ZDR does not own, or have any contract or other agreement or right to acquire, any equity securities or other securities of any Person or any direct or indirect equity or ownership interest in any other business.

(i) Undisclosed Liabilities. ZDR has no liabilities or obligations of any nature (whether known or unknown and whether absolute, accrued, contingent or otherwise) except for liabilities or obligations reflected or reserved against in the ZDR Balance Sheet or the ZDR Interim Balance Sheet and current liabilities incurred in the ordinary course of business since the respective dates thereof. Since the date of the ZDR Balance Sheet, there has not been any material adverse change in the business, operations, properties, assets, or condition of ZDR, and no event has occurred or circumstance exists that may result in such a material adverse change.

(j) Compliance with Law. Since December 31, 2001, neither ZDR nor any director, officer, agent or employee of ZDR, or to ZDR's knowledge any other Person associated with or acting for or on behalf of ZDR, has directly or indirectly (a) made any contribution, gift, bribe, rebate, payoff, influence payment, kickback, or other payment to any Person, private or public, regardless of form, whether in money, property or services (i) to obtain favorable treatment in securing business, (ii) to pay for favorable treatment for business secured, (iii) to obtain special concessions or for special concessions already obtained, for or in respect of ZDR or (iv) in violation of any applicable law or regulation or (b) established or maintained any fund or asset that has not been recorded in the books and records of ZDR.

3.2 Representations and Warranties of Owens. . It is understood and agreed that for purposes of this Agreement and the Joint Venture Agreement, Owens shall be deemed to have the knowledge of Mr. Edward C. White. Owens represents and warrants to Zanzibar that, as of the date of this Agreement and as of the Closing Date:

(a) Organization and Standing. OIPR is duly organized and validly existing under the laws of the jurisdiction of its organization and has all requisite power and authority to own, lease and operate its properties, to carry out its business as it is now being conducted and to perform its obligations hereunder, and under its constituent documents, and to consummate the transactions contemplated hereby and thereby.

(b) Absence of Disputes. There is no litigation pending or, to Owens's knowledge, threatened to which Owens, OIPR or any of their Affiliates is a party which, if adversely determined, would have a Material Adverse Effect on Owens, OIPR or the Company.

(c) Absence of Advisors. All negotiations relating to this Agreement and the transactions contemplated hereby have been carried out without the intervention of any person acting on behalf of Owens in a manner that could give rise to any valid claim against the Company or Owens for any brokerage or finder's commission, fee or similar compensation.

(d) Governmental Approvals. No Governmental Approval or approval of any other Person is required to be obtained or made by Owens or any of its Affiliates in connection with the execution and delivery of this Agreement to which it is a party or the consummation of the transactions contemplated hereby or thereby.

(e) Financial Statements. Except as otherwise set forth therein, the OIPR GAAP Financial Statements are based on the books and records of OIPR and fairly present the financial condition and results of operations of OIPR, in each case as of the dates therein or for the periods indicated.

(f) Tax Matters. Except as set forth on Schedule 3.2(f):

(i) All material Tax Returns that are required to have been filed or prepared and retained (taking into account applicable extensions) by or on behalf of OIPR have been timely filed or prepared and retained in the manner prescribed by the appropriate Tax Law and all Taxes shown as due on such Tax Returns have been paid. As of the time of filing or preparing, as applicable, such Tax Returns were true, complete and correct in

all material respects. With respect to any period for which Tax Returns have not yet been filed, or for which Taxes are not yet due or owing, OIPR has made due and sufficient accruals for such Taxes on the OIPR Interim Balance Sheet.

(ii) All Taxes owed by OIPR have been timely paid. OIPR files Tax Returns in all jurisdictions where required to file Tax Returns.

(iii) OIPR has not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax Assessment or deficiency. No adjustments or deficiencies of Taxes have been proposed, asserted or assessed in writing by the relevant national, federal, state or local Tax Authority.

(iv) No Tax audit or other proceeding by any court or Governmental Authority is pending or ongoing with respect to any Taxes due from or with respect to OIPR or any Tax Return filed by or with respect to OIPR, except as would not, individually or in the aggregate, have a Material Adverse Effect on OIPR.

(v) There are no Liens with respect to Taxes upon any of the assets or properties of OIPR, except as would not, individually or in the aggregate, have a Material Adverse Effect on OIPR.

(vi) All Taxes required to be withheld, collected or deposited by or with respect to OIPR or its employees have been duly and timely withheld, collected or deposited, as the case may be, and, to the extent required, have been paid to the relevant Tax Authority.

(vii) Without limiting the foregoing representations in any way, OIPR has collected all sales, use and value-added Taxes required to be collected, and has remitted, or will remit on a timely basis where required prior to the Closing Date, such amounts to the appropriate Tax Authorities, or have been furnished properly completed exemption certificates.

(viii) Records which are complete and accurate in all material respects and which are necessary or appropriate for compliance with all Tax Laws have been maintained and retained by or on behalf of OIPR for the period required by applicable Tax Law and all other information or evidence required or necessary to support those records, have been so maintained and retained.

(ix) OIPR is not a party to or bound by any tax-sharing agreement, tax indemnity obligation or similar agreement or arrangement with respect to Taxes. OIPR has no liability for Taxes of a consolidated, combined or unitary tax reporting group of which OIPR was a member on or prior to the Closing Date. OIPR is not required to include in a taxable period ending after the Closing Date any taxable income attributable to income that economically accrued in a prior taxable period but was not recognized for tax purposes in any prior taxable period. OIPR has no liability for the Taxes of any person (other than OIPR) incurred by OIPR under any provision of Applicable Law, or as a transferee or successor, by contract or otherwise.

(g) Environmental Matters. Except as set forth on Schedule 3.2(g) to this Agreement;

(i) OIPR and the real estate and other assets used in its businesses, are in compliance with all, and have not violated any, applicable Environmental Laws except where the failure to be in compliance would not, individually or in the aggregate, have a Material Adverse Effect;

(ii) there is no Environmental Claim that is (i) pending or threatened against OIPR or (ii) pending or threatened against any person or entity whose liability for such Environmental Claim has been retained or assumed by or can be imputed or attributed by law or contract to OIPR, the effect of any of which would, individually or in the aggregate, have a Material Adverse Effect; and

(iii) there are no past or present actions, activities, circumstances, conditions, events or incidents arising out of or relating to the ownership, operation or use of any property or assets currently or formerly owned, operated or used by OIPR (or any predecessor in interest), including the emission, discharge, disposal or other release of any Hazardous Materials into the Environment, that (i) would reasonably be expected to result in the incurrence of costs, fees, expenses or other liability under Environmental Laws which would, individually or in the aggregate, have a Material Adverse Effect or (ii) would reasonably be expected to form the basis of any Environmental Claim against or with respect to OIPR or against any person or entity whose liability for any Environmental Claim has been retained or assumed by or can be imputed or attributed by law or contract to OIPR which would, individually or in the aggregate, have a Material Adverse Effect.

(h) Title. Owens is and will be on the Closing Date the record and beneficial owner and holder of 100% of the membership interests of OIPR (the "Interests"), free and clear of all Liens. No legend or other reference to any purported Lien appears upon any certificate (if certificated) representing equity securities of OIPR. There are no contracts or other interests relating to the issuance, sale, or transfer of any equity securities or other securities of OIPR. None of the outstanding equity securities or other securities of OIPR were issued in violation of applicable law or regulation. OIPR does not own, or have any contract or other agreement or right to acquire, any equity securities or other securities of any Person or any direct or indirect equity or ownership interest in any other business.

(i) Undisclosed Liabilities. OIPR has no liabilities or obligations of any nature (whether known or unknown and whether absolute, accrued, contingent or otherwise) except for liabilities or obligations reflected or reserved against in the OIPR Balance Sheet or the OIPR Interim Balance Sheet and current liabilities incurred in the ordinary course of business since the respective dates thereof. Since the date of the OIPR Balance Sheet, there has not been any material adverse change in the business, operations, properties, assets, or condition of OIPR, and no event has occurred or circumstance exists that may result in such a material adverse change.

(j) Compliance with Law. Since December 31, 2001, neither OIPR nor any director, officer, agent or employee of OIPR, or to OIPR's knowledge any other Person associated with or acting for or on behalf of OIPR, has directly or indirectly (a) made any contribution, gift, bribe, rebate, payoff, influence payment, kickback, or other payment to any Person, private or public, regardless of form, whether in money, property or services (i) to obtain favorable treatment in securing business, (ii) to pay for favorable treatment for business secured, (iii) to obtain special concessions or for special concessions already obtained, for or in respect of OIPR or (iv) in violation of any applicable law or regulation or (b) established or maintained any fund or asset that has not been recorded in the books and records of OIPR.

ARTICLE IV

Indemnities

4.1 Shareholders Indemnity. Each of the Shareholders shall, and hereby does, indemnify and hold harmless the Company, and the affiliates, directors, partners, members, officers, employees, agents, and representatives of the Company from and against any and all claims, demands or judgments for losses, damages, liability or expense, without duplication, including interest, penalties and reasonable attorney's fees (collectively, "Damages") incurred arising out of (i) any representation or warranty of such Shareholder in this Agreement which is false when made and which has a Material Adverse Effect on the Company, or (ii) the breach of any covenant or agreement of such Shareholder under this Agreement.

4.2 Procedure.

(a) In the event that any Person shall incur or suffer any Damages in respect of which indemnification may be sought hereunder, the party seeking to be indemnified hereunder (the "Indemnified Party") may assert a claim for indemnification by written notice (the "Notice of Claim") to the party from whom indemnification is being sought (the "Indemnifying Party"), stating the nature and basis of such claim and, to the extent practicable, the amount or estimate of the Damages attributable to such claim. In the case of Damages arising or which may arise by reason of any third-party claim, promptly after receipt by an Indemnified Party of written notice of the assertion or the commencement of any claim, action, suit, proceeding, arbitration, investigation or inquiry (collectively, "Actions") with respect to any matter in respect of which indemnification may be sought by such party hereunder, the Indemnified Party shall give the Notice of Claim to the Indemnifying Party and shall thereafter keep the Indemnifying Party reasonably informed with respect thereto; provided, that failure of the Indemnified Party to give the Indemnifying Party prompt notice as provided herein shall not relieve the Indemnifying Party's obligations hereunder, except that if the Indemnifying Party is prejudiced by such failure its obligations shall be reduced to the extent of such prejudice resulting from such failure. In case any such Action is brought against any Indemnified Party, the Indemnifying Party shall be entitled to assume the defense thereof, by written notice of its intention to do so to the Indemnified Party within 30 days after receipt of the Notice of Claim, in which event the Indemnifying Party shall assume all past and future responsibility for such Action, including reimbursing the Indemnified Party for all prior reasonable legal expenses in connection therewith. If the Indemnifying Party shall assume the defense of such Action, it shall not settle such Action unless such settlement includes as an unconditional term thereof the giving by the

claimant or the plaintiff of a release of the Indemnified Party from all liability with respect to such Action. As long as the Indemnifying Party has assumed the defense of such Action, and is contesting any such Action in good faith and on a timely basis, the Indemnified Party shall not pay or settle any claims brought under such Action. Notwithstanding the assumption by the Indemnifying Party of the defense of any Action as provided in this subsection, the Indemnified Party shall be permitted to participate in the defense of such Action and to employ counsel at its own expense; provided, however, that if the defendants in any Action shall include both an Indemnifying Party and any Indemnified Party and such Indemnified Party shall have reasonably concluded that counsel selected by Indemnifying Party has a conflict of interest because of the availability of different or additional defenses to such Indemnified Party which, if asserted, would be adverse to the Indemnifying Party, such Indemnified Party shall have the right to select separate counsel to participate in the defense of such Action on its behalf, at the expense of the Indemnifying Party; provided that the Indemnifying Party shall not be obligated to pay the expenses of more than one separate counsel for all Indemnified Parties. The Indemnifying Party shall not be obligated to incur total expenses and costs in excess of the Indemnity Cap.

(b) If the Indemnifying Party shall fail to notify the Indemnified Party of its desire to assume the defense of any such Action within the prescribed period of time, or shall notify the Indemnified Party that it will not assume the defense of any such Action, then the Indemnified Party may assume the defense of any such Action, in which event it may do so in such manner as it may reasonably deem appropriate, and the Indemnifying Party shall be bound by any determination made in such Action or any settlement thereof effected by the Indemnified Party; provided, that the Indemnified Party shall provide the Indemnifying Party with reasonable advance notice of any proposed settlement; provided, further, that any such determination or settlement shall not affect the right of the Indemnifying Party to dispute the Indemnified Party's claim for indemnification. The failure of the Indemnifying Party to assume the defense of any such Action shall not be deemed a concession that it is required to indemnify the Indemnified Party for the subject matter of such Action. The Indemnifying Party shall be permitted to join in the defense of such Action and to employ counsel at its own expense.

4.3 Limitations to Indemnity. The indemnification provided pursuant to Section 4.1 shall not exceed U.S. $10,000,000 (the "Indemnity Cap").

(b) The Indemnified Party may not make or seek to enforce any claim for Damages until the aggregate amount of all Damages for which the Indemnified Party would otherwise be entitled to indemnification under Section 4.1 are greater than U.S. $250,000 (the "Threshold Amount"). Thereafter, and subject to the other limitations of this Section 4.3, the Indemnified Party may make or seek to enforce claims for Damages only to the extent the amount of all Damages for which the Indemnified Party would otherwise be entitled to under Section 4.1, in the aggregate, exceeds the Threshold Amount.

(c) No Indemnified Party may make or seek to enforce a claim for Damages under Section 4.1 which is an aggregate amount less than U.S.$10,000 (the "De Minimis Amount"); provided that claims for Damages deriving from a single event or transaction shall be considered a single claim for purposes of this claim.

4.4 Net Indemnifiable Losses. The amount of any Damages shall not include, and shall be deemed net of, (i) amounts collected by the Indemnified Party in respect of such Damages pursuant to any applicable insurance coverage or third party indemnification rights and (ii) any proceeds from claims, cross-claims and counterclaims that are actually received by the Indemnified Party pursuant to a final judgment by the Indemnified Party for claims or actions covered by such Damages. Each Indemnified Party further agrees that, in the event any Damages shall have been previously paid by the Indemnifying Party and, thereafter, any insurance proceeds or any proceeds from claims, cross-claims and counterclaims that are actually received by the Indemnified Party, then the Indemnified Party shall, promptly after receipt of such proceeds, reimburse the Indemnifying Party to the extent retention of such proceeds by the Indemnified Party should be duplicative in light of the prior payment of the Damages.

4.5 Survival of Representations and Warranties. Subject to Section 4.6, the representations and warranties contained in Article III shall survive the Closing until the second anniversary of the Closing Date, provided that the representations contained in Sections 3.1(f) and 3.2(f) shall survive the Closing until the expiration of the thirty-day period following the expiration of the applicable statute of limitations (including any extensions or waivers thereof expressly agreed to in writing).

4.6 Environmental Indemnity.

(a) Zanzibar shall, and hereby does, indemnify and hold harmless the Company, and the affiliates, directors, partners, members, officers, employees, agents and representatives of the Company from and against any and all Damages incurred arising out of (i) any breach of the representation and warranty provided in Section 3.1(g); (ii) any Environmental Claim in connection with ZDR, including any Environmental Claim arising out of the exceptions as set forth on Schedule 3.1(g); (iii) any obligation of the Company resulting from any change in Environmental Law in effect as of the date hereof; or (iv) any capital expenditures required to bring the Company into compliance with any Environmental Law, including any expenditure required to comply with any Environmental Law as modified or promulgated subsequent to the date hereof; provided, that any such indemnification under clauses (i), (ii) or (iii) shall only apply to the extent that any such Environmental Claim relates to Hazardous Materials that were emitted, discharged, disposed or otherwise released into the Environment on or before the date hereof.

(b) Owens shall, and hereby does, indemnify and hold harmless the Company, and the affiliates, directors, partners, members, officers, employees, agents and representatives of the Company from and against any and all Damages incurred arising out of (i) any breach of the representation and warranty provided in Section 3.2(g); (ii) any Environmental Claim in connection with OIPR, including any Environmental Claim arising out of the exceptions as set forth on Schedule 3.2(g); (iii) any obligation of the Company resulting from any change in Environmental Law in effect as of the date hereof; or (iv) any capital expenditures required to bring the Company into compliance with any Environmental Law, including any expenditure required to comply with any Environmental Law as modified or promulgated subsequent to the date hereof; provided, that any such indemnification under clauses (i), (ii) or (iii) shall only apply to the extent that any such Environmental Claim relates to Hazardous Materials that were

emitted, discharged, disposed or otherwise released into the Environment on or before the date hereof.

(c) Such indemnification under this Section 4.6 shall be subject to Sections 4.2, 4.3 and 4.4. The indemnification obligations contained in this Section 4.6(a)(i), (ii) and (iii) and (b)(i), (ii) and (iii) shall survive the Closing until the fifteenth anniversary of the Closing Date and the indemnification obligations contained in this Section 4.6(a)(iv) and (b)(iv) shall survive the Closing until the second anniversary of the Closing Date. Neither Zanzibar nor Owens is obligated to pay any Damages under this Section 4.6 unless such Damages arise out of a matter as to which a Notice of Claim has been made to the Indemnifying Party on or before the fifteenth anniversary of the Closing Date with respect to claims made under Section 4.6(a)(i), (ii) and (iii) and (b)(i), (ii) and (iii) and on or before the second anniversary of the Closing Date with respect to claims made under Section 4.6(a)(iv) and (b)(iv).

4.7 Dissolution of the Company.The Shareholders hereby agree that, if the Company, its affiliates, directors, partners, members, officers, employees, agents and representatives incur Damages that would, other than for the Indemnity Cap, be subject to indemnification under Sections 4.1 or 4.6, and such Damages, individually or in the aggregate, are in an amount in excess of the Indemnity Cap (such excess, the "Indemnification Deficit"), then, the Shareholder other than the Indemnifying Party (the "Other Shareholder") shall have the right to petition that the transaction contemplated by this Agreement be unwound and the beneficial ownership of each of ZDR and OIPR to be returned to its previous beneficial holders ("Unwind Transaction"); provided, that the Indemnification Deficit shall be greater than U.S.$5,000,000 for such right to be effective.

(b) In the event that an Indemnification Deficit greater than U.S.$5,000,000 occurs, the Other Shareholder shall (i) provide a written request for indemnification of such amounts exceeding the Indemnity Cap and, (ii) if an acceptable resolution is not reached within thirty days of the delivery of such request for indemnification, provide a written notification to the Indemnifying Party demanding an Unwind Transaction. Promptly following the delivery of such notification, the Shareholders shall meet to negotiate in good faith the implementation of the Unwind Transaction which shall have the overriding objective of unwinding the transaction effected by this Agreement while dividing equally the costs and benefits of the period from the date hereof to the effectiveness of the Unwind Transaction (such period, the "JV Period"). The Unwind Transaction shall include, without limitation, the following characteristics: (A) each of ZDR and OIPR shall be returned to Zanzibar and Owens, respectively, (B) the effects of the gains and losses during the JV Period shall be shared equally, (C) the effects of any capital investments or asset dispositions in the respective operating facilities shall be netted and offsetting credits given to the operating facility receiving the lower number or the higher loss, as the case may be, (D) the unwind structure shall be determined so as to result in the most efficient tax structure for the Shareholders taken together, with offsetting credits provided to such Shareholder as would incur greater tax liabilities due to the Unwind Transaction, (E) any long-term supply contracts will be divided based upon the respective production levels of ZDR and OIPR in the 2001 calendar year and (F) any Damages or potential Damages subject to indemnification under Section 4.1 or 4.6 hereof, as to which compensation shall not have already been paid, shall remain with the Indemnifying Party or the operating company to be beneficially

held by such Indemnifying Party. The Shareholders acknowledge that the previous sentence is a partial listing of the considerations to be taken into account in carrying out the Unwind Transaction. The costs related to the Unwind Transaction shall be borne equally, except for the costs of counsel and other advisors to the Shareholders as to which each shall bear its own costs and expenses.

(c) The rights and obligations set forth in this Section 4.7 shall terminate on the second anniversary of the Closing Date, unless written notification demanding an Unwind Transaction is delivered to the Indemnifying Party prior to such date. In order to be valid, such written notification must (i) relate to Damages that have been incurred or, if not yet incurred, are more likely than not to be incurred and to be subject to indemnification under Sections 4.1 or 4.6 hereof and (ii) when taken together with other Damages previously incurred, will result in an Indemnification Deficit in excess of U.S.$5,000,000.

ARTICLE V

Miscellaneous Provisions

5.1 Governing Language. This Agreement is formulated in the English language. Notwithstanding the translation of this Agreement into Spanish or any other language, the English language version of this Agreement shall be controlling and shall govern in any legal proceeding.

5.2 Expenses. Whether or not any of the transactions contemplated hereby are consummated, all costs and expenses incurred in connection with the Operative Agreements, shall be paid by the party incurring such cost or expense, except as the parties shall otherwise agree; and, provided, further, that any expenses incurred prior to Closing related directly to the incorporation of the Company or to otherwise obtaining the necessary governmental approvals, permits, authorizations and registrations and processing immigration, tax and labor matters related to the project shall, to the extent allowed under the Applicable Law, be considered as contributions to the share capital of the Company and treated accordingly by this Agreement. The provisions of this Section 5.2 shall remain operative and in full force and effect regardless of the expiration of this Agreement or the consummation of the transactions.

5.3 No Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any person other than the Shareholders and their respective successors and permitted assigns, except to the extent granted to other parties to execute the other Operative Agreement.

5.4 Entire Agreement. This Agreement constitutes the entire agreement among the Shareholders related to the subject matter hereof and supersedes any prior understandings, agreements, or representations by or among the Shareholders, written or oral, that may have related in any way to the subject matter hereof.

5.5 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties named herein and their respective successors and permitted assigns.

5.6 Assignment. No party may assign or otherwise transfer any of its rights or obligations under this Agreement by operation of law or otherwise, without the prior written consent of the other Parties. Any purported or attempted assignment contrary to the terms hereof shall be null and void and of no force or effect.

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

5.8 Headings. The sections headings contained in this Agreement are inserted for convenience only and are not part of this Agreement and shall not affect in any way the meaning or interpretation of this Agreement.

5.9 Notices. Notices given under this Agreement shall be in writing and shall be effective when actually delivered to such party by hand, telex or telecopy to an officer of such party or on the date indicated on the signed receipt if sent by mail, postage prepaid.

If to the Company:

United Caribbean Containers Limited
c/o Industrias Zanzibar
Autopista Duarte Km. 28
Santo Domingo
Republica Dominicana
Tel.: (809) 412-2211
Fax: (809) 559-8048
Attention: Carlos Bermudez

If to Owens:

Owens-Illinois, Inc.
One SeaGate
Toledo, Ohio 43666
Tel.: (419) 247-1032
Fax: (419) 247-1463
Attention: James W. Baehren

and to:

Simpson Thacher & Bartlett
425 Lexington Avenue
New York, NY 10017-3954
Tel.: (212) 455-3188
Fax: (212) 455-2502

Attention: Alan M. Klein
S. Todd Crider

or at any subsequent address of which Owens may notify the other parties in writing.

If to Zanzibar:
Industrias Zanzibar S.A.
Autopista Duarte Km. 28
Santo Domingo
Republica Dominicana
Tel: (809) 412-2211
Fax: (809) 559-8048
Attention: Carlos Bermudez

With a copy to:

Troncoso & Caceres
Calle Socorro Sanchez 253
Apartado Postal 1182
Santo Domingo
Republica Dominicana
Tel.: (809) 689-2158
Fax: (809) 688-8985
Attention: Marcos J Troncoso

or at any subsequent address of which Zanzibar may notify the other parties in writing.

5.10. Governing Law. This Agreement shall be governed by, and shall be construed in accordance with, the substantive laws of the State of New York.

5.11. Arbitration. (a) Except as otherwise specifically provided herein for the resolution of deadlocks, any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in accordance with the then existing International Arbitration Rules of the American Arbitration Association (hereinafter "AAA"). The arbitral tribunal shall be composed of three arbitrators. Each party, namely Owens and Zanzibar, shall appoint one Arbitrator. If a party fails to appoint an arbitrator within thirty (30) days after the date the claimant's Demand for Arbitration is communicated to the other parties (hereinafter the "Notification Date"), the AAA shall make such appointment. The two arbitrators thus appointed shall attempt to agree upon the appointment of a third arbitrator to serve as chairman of the arbitral tribunal. If said two arbitrators fail to agree upon the appointment of such third arbitrator within sixty (60) days after the Notification Date, the AAA shall make such appointment. The place of arbitration shall be New York, New York, United States of America. The arbitral proceeding shall be conducted in the English language.

(b) To the extent that they may validly so agree, the parties hereby exclude any right of appeal to any court in connection with any question of law arising in the course of the

arbitration or concerning the arbitral award. The arbitrators are hereby authorized by the parties to consolidate any other related actions commenced by and among the parties, including specifically regarding any of the Operative Agreements, into a single arbitral action to the extent it is in the interests of justice and efficiency. Judgment upon the arbitral award may be entered in any court having jurisdiction thereof or having jurisdiction over any party or any party's assets; provided that if Owens is required to enforce a judgment rendered by the arbitral tribunal against Zanzibar, Owens and Zanzibar agree that Owens shall enforce such judgment by arbitration in and in accordance with the then existing rules of the Santo Domingo Chamber of Commerce.

(c) Each of the parties hereto acknowledges and agrees that (x) monetary damages would be an inadequate remedy for a breach of any of the provisions of this Agreement, (y) in addition to being entitled to exercise all of their rights granted by law, including recovery of damages, the other parties shall therefore be entitled to specific performance of its rights under this Agreement and (z) in the event of any action for specific performance it shall waive the defense that a remedy at law would be adequate.

5.12. Amendments and Waivers. This Agreement may be amended, modified, superseded or canceled and any of its terms, covenants, representations, warranties, undertakings or conditions may be waived only by an instrument in writing signed by (or by some person duly authorized by) all of the parties hereto or, in the case of a waiver, by the party waiving compliance.

5.13. Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If the final judgment of a court of competent jurisdiction declares that any term or provision hereof is invalid or unenforceable, the Parties agree that the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration, or area of the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be enforceable as so modified after the expiration of the time within which the judgment may be appealed.

5.14. No Violation of Law. This Agreement shall not be construed to require either party to be compelled to do any act or remain in any situation in violation of any law applicable to such party.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

ANTILLIAN HOLDING CORP.

By:_____
Name: Carlos Alberto Bermudez
Title: Director

OI PUERTO RICO STS INC.

By:_____
Name: Edward C. White
Title: Assistant Treasurer

UNITED CARIBBEAN CONTAINERS LIMITED

By:_____
Name: Carlos Alberto Bermudez
Title: President

OIDEP OI De Puerto Rico (SEC3-10)

Report ID: INCS

INCOME STATEMENT

As of end of August 2002

Date: 9/18/2002 11:21:21

Data created on: 9/13/2002 11:28:18

		Monthly Balance Current Month	Monthly Balance Prior Year	To Date Net Balance Current Month	Prior Year Year-To-date
	SALES				
1200	CUSTOMER	3,066,356	2,283,013	21,615,189	18,473,903
1204	OTH FOR AFFIL				
1212	DOM AFF CONS				
1216	FOR AFF CONS	375,876	(77,281)	1,056,340	306,614
1220	TOT GROSS SALES	3,442,232	2,205,732	22,671,529	18,780,517
1224	ALLOW-CUSTOMER				
1228	DISC ON SALES	3,298	2,678	24,827	22,011
1225	ALLOW-DOM AFFIL				
1229	ALLOW-FOR AFFIL				
1236	NET SALES	3,438,934	2,203,054	22,646,702	18,758,506
	COST OF SALES				
1454	SUBTL NORM COS	2,936,985	1,870,351	19,386,775	16,562,378
2518	INV COS-FIXED				
2521	DEL COS				
2525	ROYALTY EXP-COS				
2523	OTHER COS				
2522	WHSE & SH COS	81,147	86,090	461,249	546,444
1455	NORM DELIV COS	3,018,132	1,956,441	19,848,024	17,108,822
1464	MFG VAR FR NORM	(522,868)	29,743	(1,744,785)	(321,742)
1456	ACT FIX&PER CST				
1460	NOR FIX&PER CST				
1469	PRODUCT LOSSES				
1470	REV INVTY STDS				
1471	NON REOCC &SPEC				
1472	OTH CS OF SALES	348,783	61,984	1,617,634	1,504,255
2917	PENS EXP STP-UP				
2884	OTHER COS STPUP				
1474	INVTY VALUE VAR				
1476	LIFO VAL ADJUST				
2342	TOTAL COS STPUP	2,844,047	2,048,148	19,720,873	18,291,335
2391	GR PFT SLES STP	594,887	154,906	2,925,829	467,171
1496	GEN SELLG EXP	16,060	15,085	116,180	105,620
1504	BRANCH SELL EXP				
1500	GEN MKTG EXP				
1512	GEN ADMIN EXP	55,496	42,157	536,351	300,505
1494	R, D & E				

INCOME STATEMENT

As of end of August 2002

		Monthly Balance Current Month	Monthly Balance Prior Year	To Date Net Balance Current Month	Prior Year Year-To-date
1523	ADMIN. CHARGES				
2359	OPER. EXP STEP	71,556	57,242	652,531	406,125
1758	CAP. & DIVEST.				
1761	TOTAL CAPACITY				
2356	SBT MFG OPER ST	2,915,603	2,105,390	20,373,404	18,697,460
2392	ERN FR OPR STP	523,331	97,664	2,273,298	61,046
	OTHER DEDUCTIONS				
1521	INT EXP-OTH S-T	24,348	35,961	190,024	255,536
1525	INT EXP-DBT L-T				
1529	INT-DOM AFF CON				
1531	INT-FOR AFF CON	32,711	39,556	248,605	307,807
1536	INT-OTH FOR AFF				
1548	INT-CAP LEASE				
2361	SUBT INTER STP	57,059	75,517	438,629	563,343
1556	INTL COMM-DISC				
1560	DBT DISC&FIN EX				
1564	LOSS(P)-SL ASST				
1568	AM PREOP&ORG EX				
2894	AM PREORG EX ST				
1576	LOSS(P)F EXCH R				
1578	LOSS(P)F EX UNR				
1580	EX COST ACQUIS				
1588	MISC EXPENSE	62,500	0	625,000	23,000,000
1592	EXPOSURE LOSS				
1596	AMOR GOODWILL				
2921	AMT-INTANGIBLES				
2364	SBT OTH EXP STP	62,500	0	625,000	23,000,000
2363	SBT OTH DED STP	119,559	75,517	1,063,629	23,563,343
	ROYALTY & TA INCOME				
1316	ROYALTIES-OTHER				
1320	ROY-FOR AFF CON				
1324	ROY-OTH FOR AFF				
1328	ROY SHR-F AFF C				
1332	ROY-SHR-OTHER				

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INCOME STATEMENT

As of end of August 2002

		Monthly Balance Current Month	Monthly Balance Prior Year	To Date Net Balance Current Month	Prior Year Year-To-date
1340	TA-OTHER				
1348	TA INC-OTHERS				
1352	TA INC-F AFF CO				
1356	TA INC-OTH F AF				
1360	TA-SUSPENSE				
1364	TA-CROSS CHARGE				
1372	SUBT ROY&TA-NET				
	OTHER INCOME				
1238	DIV-OTHER				
1240	DIV-DOM AFF CON				
1244	DIV-FOR AFF CON				
1248	DIV-OTH FOR AFF				
1252	SUBT DIV INCOME				
1256	INT INC-OTHER				
1260	INT-DOM AFF CON				
1264	INT-FOR AFF CON				
1268	INT-OTH FOR AFF				
1272	SUBT INT INCOME				
1282	EQUITY EARN DOM				
1300	FOREIGN AFFIL				
2695	EXCO AMRT FO ST				
2691	AMORT. STIP-UP				
2348	SBT EQU ERNG ST				
1376	GAIN-SALE ASSET				
1385	SUB PFT MCH PTS				
1396	PFT(L)-SALE SEC				
1400	NET RENT-RE&PP				
1408	COMM EARN-AFFIL				
1412	OIL & GAS INC				
1420	INTRA CO-XCHRG				
1424	OTHER MISC				
1425	MISC INC - FAC				
2393	SUB OTH INC STP				
2352	ERN A PLT CL ST	403,772	22,147	1,209,669	(23,502,297)
1620	REGULAR INC TAX				

INCOME STATEMENT

As of end of August 2002

		Monthly Balance Current Month	Monthly Balance Prior Year	To Date Net Balance Current Month	Prior Year Year-To-date
1304	TAX-UND ERN EQ				
2895	REG INC TAX ST				
2826	NT RG TX PRO ST				
1624	INVEST CREDIT				
2365	SBT PRV-DOM STP				
1632	FOREIGN INCOME	0	0	301	24,523
1633	SUBT FORINC TAX	0	0	301	24,523
1636	DEFERRED TAX				
2366	SUB PROV S&L ST	0	0	301	24,523
1648	STATE & LOCAL				
2367	TOT PRV INC STP	0	0	301	24,523
2368	SUB PROV TX STP	0	0	301	24,523
2353	EARN BEF MI ST	403,772	22,147	1,209,368	(23,526,820)
1672	MIN INT SUBS				
2354	ERN BF ALL STP	403,772	22,147	1,209,368	(23,526,820)
2355	ERN BFCHG PR ST	403,772	22,147	1,209,368	(23,526,820)
1724	INC-DISPOSAL DI				
1728	FIT-DISPOS DIV				
1732	NET DISPOS DIV				
1694	NOL CARRYOVER				
1692	GROSS EXT ITEMS				
1696	FED INC TAX				
1740	CUM EFF-RET BEN				
1742	CUM EFF-RET BEN				
1750	NET CUM-RET BEN				

INCOME STATEMENT

As of end of August 2002

		Monthly Balance Current Month	Monthly Balance Prior Year	To Date Net Balance Current Month	Prior Year Year-To-date
1746	CUM EFF-INC TAX				
2360	NET ERN F PR ST	403,772	22,147	1,209,368	(23,526,820)
2400	EBIT STEP-UP	460,831	97,664	1,648,298	(22,938,954)
2410	EBIT BEFORE GW AMORTIZATION	460,831	97,664	1,648,298	(22,938,954)

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CONSOLIDATED BALANCE SHEET

As of end of August 2002

Date: 9/18/2002 11:19:52
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		To-date Net Balance Current Month	To-date Net Balance Prior Month	Prior Year Current Month	Year End Balance Prior Year
	CURRENT ASSETS				
0004	CASH	384,088	381,439	71,218	81,302
0008	EMPLOYEE FUNDS				
0012	IMPREST FUNDS				
0016	TIME DEPOSITS				
0020	SUBTOTAL CASH	384,088	381,439	71,218	81,302
0024	S-T SECURITIES				
0028	U S GOVT SECUR				
0032	CASH & S-T SEC	384,088	381,439	71,218	81,302
	ACCTS & NOTES REC				
0036	CUST NOTE REC				
0040	CUST ACCT REC	8,092,407	7,561,199	5,957,110	6,853,099
0048	TOTAL CUST A/CS	8,092,407	7,561,199	5,957,110	6,853,099
	RESERVES				
	RES FOR ALLOW				
0052	ALLOW-BG 1/1				
0056	PROVISION				
0060	RECL-ACCT REC				
0064	ACQUIRED				
0068	WRITE-OFFS				
0072	ENDING BALANCE				
	RES DOUBT ACCTS				
0076	DOUBT A/C-BG1/1	96,270	96,270	58,433	58,433
0080	PROVISION	128,029	2	0	76,277
0084	RECOVERIES				
0088	ACQUIRED				
0092	WRITE-OFFS	0	0	(38,433)	(38,440)
0096	A/R RESERVE-END	224,299	96,272	20,000	96,270
	RES CASH DISC				
0100	DISC-BG 1/1				
0104	PROVISION				
0108	ACQUIRED				
0112	OTHER				
0116	RESERVE-END BAL				
2707	RES REC STPUP	224,299	96,272	20,000	96,270
0123	INT REC - DAC				
0124	OTHER A/C REC	187,212	211,256	(1,470)	1,272

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CONSOLIDATED BALANCE SHEET

As of end of August 2002

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		To-date Net Balance Current Month	To-date Net Balance Prior Month	Prior Year Current Month	Year End Balance Prior Year
2708	TOT REC STPUP	8,055,320	7,676,183	5,935,640	6,758,101
	INVENTORIES				
0134	F. GOODS TOTAL	9,189,161	8,883,423	11,352,879	8,960,219
0136	PKGS & FITTGS				
0140	SUBT FIN. GOODS	9,189,161	8,883,423	11,352,879	8,960,219
	RES - FIN GOODS				
0156	RESERVE-END BAL				
0160	RES-UNREAL PFT				
0164	LIFO VALUATION				
0176	TOTAL RESERVES				
2710	LIFO VAL STPUP				
2711	TOT RES STPUP				
2712	FIN GOODS STPUP	9,189,161	8,883,423	11,352,879	8,960,219
	WORK IN PROC				
0186	W IN PROC TOTAL				
	RES FOR WIP				
0204	RES-UNREAL PFT				
0208	LIFO VALUATION				
0220	TOTAL RESERVES				
2713	LIFO VAL STPUP				
2714	TOTAL RES STPUP				
2715	NET WIP STPUP				
	RAW MATERIALS				
0230	RAW MAT. TOTAL	1,502,263	1,018,580	1,170,802	1,262,495
	RES-RAW MAT				
0232	BEG BAL 1/1				
0244	ENDING BALANCE				
0246	RES-UNREAL PFT				
0252	LIFO VALUATION				
0264	TOTAL RESERVES				
2716	LIFO VAL STPUP				
2717	TOTAL RES STPUP				
2718	NET R M STPUP	1,502,263	1,018,580	1,170,802	1,262,495
0272	OPERATING SUPP	1,607,049	1,469,018	1,926,260	1,563,430
2720	TOTAL INV STPUP	12,298,473	11,371,021	14,449,941	11,786,144
0284	DOM AFFIL CONS				
0288	FOR AFFIL CONS	31,128	7,577	1,951	127,917
0320	OTHER FOR AFFIL	1,716,988	1,709,888	1,685,655	1,717,520
	RES B&D				

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CONSOLIDATED BALANCE SHEET

As of end of August 2002

		To-date Net Balance Current Month	To-date Net Balance Prior Month	Prior Year Current Month	Year End Balance Prior Year
0292	PREPAID EXPENSE	1,110,418	936,058	380,351	509,943
0300	PREPAID FIT				
2721	PREP FIT STPUP				
2722	TOT PREP STPUP	1,110,418	936,058	380,351	509,943
2724	TOT CR AS STPUP	23,596,415	22,082,166	22,524,776	20,980,927
	INV & OTH ASSET				
0318	LISTED SECURITY				
0328	FOREIGN INVEST				
0332	ADV-OTH FOR AFF				
2683	OTH. FOR. STP-U				
2733	SUB SEC STPUP				
0340	INV-DOM SUB CON				
0348	ADV-DOM AFF CON				
0347	ASA-DOM AFF CON				
2689	ASA - DAC - ST				
0352	INV-FOR AFF CON				
0356	ADV-FOR AFF CON				
2739	INV & ADV STPUP				
	DOM INV & REC				
2753	SUB OTH DOM STP				
0396	OTH REC-DOM				
0400	DEP & OTH ASSET				
2912	NET PENS ASSETS				
2764	INV DEP STPUP				
	PROP PLT & EQ				
2251	MFG PLNTS STPUP	44,981,342	44,800,854	51,320,621	45,461,109
2255	OTHER EQ. STPUP				
0413	LEASED FACIL				
2258	PREC. MET STPUP	210,239	226,431	279,406	242,355
2259	STOT PP&EQSTPUP	45,191,581	45,027,285	51,600,027	45,703,464
0419	CIP	2,202,331	2,040,110	701,666	764,531
2263	TT PP&EQ STPUP	47,393,912	47,067,395	52,301,693	46,467,995
2266	ACCUM DEP STPUP	41,621,680	41,537,964	49,062,751	42,400,728
2267	SBT PP&E STPUP	5,772,232	5,529,431	3,238,942	4,067,267
2268	LND & TMB STPUP	419,226	419,226	419,226	419,226
2272	L OTH RE STPUP				
2275	SUB LAND STPUP	419,226	419,226	419,226	419,226
2277	TOT PP&E STPUP	6,191,458	5,948,657	3,658,168	4,486,493

CONSOLIDATED BALANCE SHEET

As of end of August 2002

		To-date Net Balance Current Month	To-date Net Balance Prior Month	Prior Year Current Month	Year End Balance Prior Year
	DEFR CHARGES				
0436	REP PTS INVENT	316,088	311,945	299,158	323,962
0438	UNA DEB DIS&FIN				
0440	UNA COST OF FAC				
0442	UNA PATENTS				
0444	UNA INT ASSET				
2769	UNA INT STPUP				
0448	UNA PREOPERATE				
0452	DEF OPER-SAND				
0456	UNALLOC PURCH				
2830	UNALOC PURCH ST				
0460	OTH DEF ITEMS	1,169,297	1,242,174	2,043,821	1,877,313
2773	DEF CHGS STPUP	1,485,385	1,554,119	2,342,979	2,201,275
2775	TOT ASS STPUP	31,273,258	29,584,942	28,525,923	27,668,695
	CURRENT LIAB				
0472	S-T LOANS	5,300,000	5,500,000	7,127,184	5,318,498
0476	ACCT PAYABLE	4,561,191	4,309,224	2,494,822	3,345,413
0482	NET A/P SUSP				
0484	WH FR EMPLOYEE	90,700	144,486	100,876	98,782
0492	DOM AFFIL CONS				
0496	FOR AFFIL CONS	1,988,703	809,182	120,967	612,855
0500	OTH FOR AFFIL				
0504	DIV PAYABLE				
0509	SUBT ACCT PAY	11,940,594	10,762,892	9,843,849	9,375,548
0512	ACC SAL & WAGES	545,516	442,050	491,421	495,162
	OTH ACCRUED LIAB				
0513	INT PAY - DAC				
0516	MISC ACCR ITEMS	280,298	245,674	182,185	173,491
0519	ACC ST&LOCAL TX				
0520	MISC ACCR TAX-D	176,238	263,061	126,337	181,598
2303	SUBT O AC L STP	456,536	508,735	308,522	355,089
2889	ACC US&FOR TAX				
0528	ACC US&FOR TAX	46,522	46,522	46,522	46,522
0532	FOR TAX WITHLD				
0536	TOT US &FOR TAX	46,522	46,522	46,522	46,522
0540	L-T DEBT-1 YR	508,970	511,206	508,152	1,026,463
2832	SUBT CUR LIB ST	13,498,138	12,271,405	11,198,466	11,298,784

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CONSOLIDATED BALANCE SHEET

As of end of August 2002

		To-date Net Balance Current Month	To-date Net Balance Prior Month	Prior Year Current Month	Year End Balance Prior Year
2890	INC DEBT-ASS-ST				
0488	INC DEBT - ASA				
0490	TOT INC DT-ASA				
2835	TOT DEBT AL STP				
	LONG TERM DEBT				
2824	TOT LTD-DETL ST	250,000	250,000	1,250,000	250,000
0672	DOM AFFIL CONS				
0673	ASA-DOM AFL CON				
2831	ASA - DAC - ST				
0676	FOR AFFIL CONS	9,399,427	9,359,616	8,898,899	9,096,400
0684	OBLIG CAP LEASE	11,978	11,978	38,441	11,978
2833	TOT L-T DEBT ST	9,661,405	9,621,594	10,187,340	9,358,378
	RESERVES				
	REBUILD FURNACES				
0708	DEF INC TAXES				
2779	DEF TAX STPUP				
2780	DEF TAXES STPUP				
0720	OBL FOR PEN PL	1,222,963	1,204,963	1,280,539	1,330,149
0724	MISC DEF INC				
2782	T PEN&DEF STPUP	1,222,963	1,204,963	1,280,539	1,330,149
	OTH LIAB & RES				
0732	DEF MGMT INCENT				
0736	DEF COMPENSATN				
0740	OTH LIAB & RES				
0744	CONT & INVT RES				
2784	SUB OTHER STPUP				
2787	RES&OTH STPUP	1,222,963	1,204,963	1,280,539	1,330,149
0756	MIN SHRHLDR INT				
0755	MIN INT-FASB 52				
0757	TOT MIN SHR INT				
	SHAREHOLDERS EQUITY				
2219	PRFD SH-END BAL				
2209	PREF SH-END BAL				
2250	TOTAL COMMON	1,755,810	1,755,810	1,755,810	1,755,810

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CONSOLIDATED BALANCE SHEET

As of end of August 2002

		To-date Net Balance Current Month	To-date Net Balance Prior Month	Prior Year Current Month	Year End Balance Prior Year
	CAP IN EX-STATED VAL				
0776	BEGIN BAL				
0780	STOCK OPTIONS				
0788	PURCH TREAS SHR				
0810	ACQUIRED				
0813	CAP EXC-LIQUID				
0808	PURCH COM SHR				
0814	CAP EXC-CONTRIB				
0815	CAP EX-OTH CONT				
0816	STOCK DIVIDEND				
0818	CAP EXC - SPASP				
0824	SUBT CAP EXCESS PRE R.S				
0825	CAP EXCESS-UNRECOGNIZED R.S				
0826	SUBT CAP EXCESS				
	CURRENCY TRANS - FASB 52				
0970	BEG BAL-FASB 52				
0974	CUR YR ACTIVITY				
0976	TAX EFFECT				
0980	END BAL-FASB 52				
0982	BEG BAL-DER VAL BAL				
0984	CUR YR-DER VAL BAL				
0986	TAX EFF-DER VAL BAL				
0990	END BAL-DER VAL BAL				
	RETAINED EARNINGS				
0828	BEGIN BAL	3,925,574	3,925,574	27,630,588	27,630,588
2797	NET B BAL STPUP				
0831	DEF TAX TRANS				
2799	ADJ B BAL STPUP	3,925,574	3,925,574	27,630,588	27,630,588
0836	COM SHR DIV DEC				
0842	TRANS-PD IN CAP				
0844	ACQUIRED				
0846	LIQUIDATIONS				
2803	ACQUIRED STPUP				
2804	LIQUID STPUP				
2805	SUB RET E STPUP	3,925,574	3,925,574	27,630,588	27,630,588
	DIVIDENDS DECLARED				
0856	PREFERRED				

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OIDEP OI De Puerto Rico (SEC3-10)

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CONSOLIDATED BALANCE SHEET

As of end of August 2002

		To-date Net Balance Current Month	To-date Net Balance Prior Month	Prior Year Current Month	Year End Balance Prior Year
0864	COMMON				
0872	STOCK DIVIDEND				
2369	SB RT ERN&DV ST	3,925,574	3,925,574	27,630,588	27,630,588
	EQUITY IN PARENT UNIT				
2360	NET EARN CUR YR STPUP	1,209,368	805,596	(23,526,820)	(23,705,014)
2819	NET EARN CUR YR STPUP				
0923	NET EARN CUR YR				
2866	TOT RET ERN STP	5,134,942	4,731,170	4,103,768	3,925,574
2249	TREAS SHR-END				
2834	TOT SHR EQU STP	6,890,752	6,486,980	5,859,578	5,681,384
2829	TOT LIAB&SHR ST	31,273,258	29,584,942	28,525,923	27,668,695

Industrias Zanzibar
Income Statement
2002

	YTD Jul USD
Sales	
Glass Conatiners	12,898,615
Packaging Material	0
Others	0
Discount	(22,385)
Total Sales	**12,876,230**
STD Cost of Sales	7,715,611
STD Manufacturing Margin	**5,160,619**
Net Packaging	110,532
Manufacturing Variation	(687,819)
Other Cost	406,177
Gross Margin	**5,331,729**
Operating Expenses	361,904
Earnings from Operations	**4,969,825**
Other Income	11,025
Other Deductions	0
Net Interest Expense	(1,069,797)
Income Before Exposure & Taxes	3,911,053
Exposure Gain/(Loss)	(1,015,676)
Income Taxes	0
Net Income	**2,895,377**
EBIT	**3,976,200**

INDUSTRIAS ZANZIBAR
BALANCE SHEET

	July-02		December-01	
	Actual RD$	Actual USD	Actual RD$	Actual USD
Cash Call Deposits	11,431,729	628,117	1,242,374	72,063
Cash Time Deposits	25,000,000	1,373,626	-	-
Total Cash	36,431,729	2,001,743	1,242,374	72,063
		-		-
Customer Accounts Receivable	93,966,835	5,163,013	65,504,186	3,799,547
Customer Notes Receivable	-	-	-	-
Other Accounts and Notes	-	-	-	-
TOTAL NET RECEIVABLES	**93,966,835**	**5,163,013**	**65,504,186**	**3,799,547**
Finished Goods	40,915,510	2,248,105	14,325,336	830,936
Packaging	4,027,132	221,271	4,250,029	246,521
Raw Materials	11,353,818	623,836	14,146,229	820,547
Manufacturing Supplies	23,444,509	1,288,160	3,034,375	176,008
TOTAL INVENTORIES	**79,740,969**	**4,381,372**	**35,755,969**	**2,074,012**
Prepaid Expenses	8,694,662	477,729	2,121,719	123,070
TOTAL CURRENT ASSETS	**218,834,195**	**12,023,857**	**104,624,248**	**6,068,692**
Buildings	64,675,062	3,553,575	64,538,543	3,743,535
Machinery and Equipment	324,572,046	17,833,629	236,669,356	13,727,921
Transportation	1,981,905	108,896	1,727,441	100,200
Office Equipment	2,694,927	148,073	1,834,749	106,424
Total Cost Property, Plant & Equipment	**393,923,940**	**21,644,173**	**304,770,089**	**17,678,079**
Construction in Progress	1,706,811	93,781	79,396,772	4,605,381
Accum Depreciation Buildings	8,442,725	463,886	6,477,553	375,728
Accum Depreciation Machinery and Equipment	97,355,893	5,349,225	69,543,265	4,033,832
Accum Depreciation Transportation	576,933	31,700	354,193	20,545
Accum Depreciation Office Equipment	1,025,214	56,330	697,030	40,431
Accum Depreciation P.P & E	**107,400,765**	**5,901,141**	**77,072,041**	**4,470,536**

NET FIXED ASSETS EXCLUDING LAND	**288,229,986**	**15,836,812**	**307,094,820**	**17,812,925**
Land	10,457,350	574,580	8,853,576	513,549
NET FIXED ASSETS	**298,687,336**	**16,411,392**	**315,948,396**	**18,326,473**
Repair Parts Inventory	8,984,070	493,630	4,764,498	276,363
Miscellaneous Deferred Charges	5,504,282	302,433	4,373,997	253,712
TOTAL DEFERRED CHARGES	**14,488,353**	**796,063**	**9,138,495**	**530,075**
TOTAL ASSETS	**532,009,884**	**29,231,312**	**429,711,139**	**24,925,240**
Bank Overdrafts/Notes Payable	259,938,539	14,282,337	240,377,472	13,943,009
Accounts Payable	79,308,168	4,357,592	40,956,776	2,375,683
Witholdings from Employees and Other	2,634,819	144,770	461,693	26,780
Accrued Interest	3,354,329	184,304	1,764,903	102,373
Accrued Miscellaneous Taxes	4,873,575	267,779	4,324,943	250,867
Long Term Debt Due One Year	15,269,246	838,970	28,926,332	1,677,861
TOTAL CURRENT LIABILITIES	**365,378,676**	**20,075,751**	**316,812,119**	**18,376,573**
Long Term Debt	30,600,677	1,681,356	28,987,245	1,681,395
Capital Stock	113,128,462	7,015,038	113,128,462	7,015,038
FAS 52 Adjustment	-	(799,189)	-	(453,062)
Retained Earnings (unrestricted)	22,902,069	1,258,355	(29,216,687)	(1,694,703)
TOTAL EQUITY	**136,030,531**	**7,474,205**	**83,911,775**	**4,867,272**
TOTAL LIABILITIES & EQUITY	**532,009,884**	**29,231,312**	**429,711,139**	**24,925,240**
Check number	**0**	**0**	**-**	**0**

Year End 2001 Exchange Rate 17.24
Month End Exchange Rate July 02 18.20

EXHIBIT U

INTERNATIONAL CENTRE FOR DISPUTE RESOLUTION
International Arbitration Tribunal

ANTILLIAN HOLDING CORP., **Claimant,** **and** **OI PUERTO RICO STS, INC.,** **Respondent and Counterclaimant.**	**Case No. 50 180 T 00309 07**

PARTIAL FINAL AWARD

WE, THE UNDERSIGNED ARBITRATORS, having been designated in accordance with an arbitration agreement entered into pursuant to a Joint Venture Agreement by and between OI Puerto Rico STS, Inc. ("STS") and Antillian Holding Corp. ("AHC") dated August 13, 2001, as amended (the "JVA"), and a Share Purchase Agreement by and between STS and AHC dated January 31, 2003 (the "SPA"), and having been duly sworn, and having heard the proofs and allegations of the Parties, do hereby FIND and AWARD as follows.

I. THE PARTIES, COUNSEL AND ARBITRATORS

1. STS is a corporation organized and existing under the laws of the State of Delaware. STS is an indirect subsidiary of Owens-Illinois, Inc. ("Owens-Illinois"), a manufacturer of glass containers worldwide. STS is represented by Latham & Watkins LLP, 233 S. Wacker Drive, Suite 5800, Chicago, IL 60606.

2. AHC is a company organized and existing under the laws of the British Virgin Islands with its principal place of business in the Dominican Republic. AHC's offices are located at Autopista Duarte Km. 28, Santo Domingo, Republica Dominicana. AHC is represented by Grimes & Battersby, LLP, 488 Main Avenue, Suite 300, Norwalk, CT 06851.

3. The Arbitrators are:

Richard H. Silberberg, Esq. (Chairman)
Dorsey & Whitney LLP
51 W. 52nd Street
New York, NY 10019

James H. Carter, Esq.
Wilmer Cutler Pickering Hale and Dorr LLP
399 Park Avenue
New York, NY 10022

Hon. James A. Goodman (Ret.)
7776 Lakeside Blvd.
Boca Raton, FL 33434

II. GOVERNING LAW AND ARBITRATION AGREEMENT

4. Both the JVA and the SPA state that the agreements "shall be governed by, and shall be construed in accordance with, the substantive laws of the State of New York."

5. Each of the agreements contains an arbitration clause stating, in identical terms:

> Arbitration. (a) Except as otherwise specifically provided herein for the resolution of deadlocks, any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in accordance with the then existing International Arbitration Rules of the American Arbitration Association (hereinafter "AAA"). The arbitral tribunal shall be composed of three arbitrators. Each party, namely Owens and Zanzibar, shall appoint one Arbitrator. If a party fails to appoint an arbitrator within thirty (30) days after the date the claimant's Demand for Arbitration is communicated to the other parties (hereinafter the "Notification Date"), the AAA shall make such appointment. The two arbitrators thus appointed shall attempt to agree upon the appointment of a third arbitrator to serve as chairman of the arbitral tribunal. If said two arbitrators fail to agree upon the appointment of such third arbitrator within sixty (60) days after the Notification Date, the AAA shall make such appointment. The place of arbitration shall be New York, New York, United States of America. The arbitral proceeding shall be conducted in the English language.
>
> (b) To the extent that they may validly so agree, the parties hereby exclude any right of appeal to any court in connection with any question of law arising in the course of the arbitration or concerning the arbitral award. The arbitrators are hereby authorized by the parties to consolidate any other related actions commenced by and among the parties, including specifically regarding any of the Operative Agreements, into a single arbitral action to the extent it is in the interests of justice and efficiency. Judgment upon the arbitral award may be entered in any court having jurisdiction thereof or having jurisdiction over any party or any party's assets; provided that if Owens is required to enforce a

judgment rendered by the arbitral tribunal against Zanzibar, Owens and Zanzibar agree that Owens shall enforce such judgment by arbitration in and in accordance with the then existing rules of the Santo Domingo Chamber of Commerce.

III. PROCEDURAL HISTORY

6. AHC commenced this arbitration on August 10, 2007, and STS thereafter asserted counterclaims against AHC, based on disputes concerning the glass container manufacturing joint venture by and between them, including disputes arising under the JVA and the SPA, and certain related matters.

7. On December 12, 2007, the Panel consolidated this arbitration with another proceeding pending between an Owens-Illinois subsidiary, Owens-Brockway Glass Container, Inc. ("OBGC"), and the joint venture company United Caribbean Containers Limited ("UCC") and its subsidiaries Owens-Illinois de Puerto Rico, LLC ("OIPR") and Industrias Zanzibar, S.A. ("ZDR") (Procedural Order No. 1).

8. In February 2008, the Parties exchanged requests for documents and, one month later, submitted written objections and commitments to produce responsive documents. On the day before the Parties were to produce responsive documents, AHC requested a stay of discovery for the purpose of allowing the Parties to engage in settlement discussions. Following a hearing on April 2, 2008, the Panel granted AHC's request (Procedural Order No. 5), and the Parties did not produce any documents to each other at that time.

9. After a period of several months, STS informed the Panel of certain concerns it had regarding AHC's refusal to provide information regarding UCC, ZDR and OIPR's operations and to put security in place to protect the assets of the recently-closed OIPR Puerto Rico facility. After conducting a hearing regarding these concerns and reviewing competing proposed interim orders from the Parties, the Panel issued an order: (1) allowing for a representative designated by STS (the "Observer") to have access to UCC and its subsidiaries, including on-site observations of ZDR's glass manufacturing plant in the Dominican Republic;

and (2) permitting STS to engage a third party service to secure OIPR's closed facility. (Interim Order Regarding OIPR Security and STS Observer, July 9, 2008).

10. Settlement discussions came to an end in August of 2008. On August 22, 2008, STS submitted an emergency application for appointment of a receiver to manage UCC and its subsidiaries. After briefing, argument and hearings attended by counsel for AHC and two principals of AHC, Carlos Alberto Bermudez Polanco ("Carlos Bermudez") and Aquiles Bermudez, the Panel issued an order, pursuant to Article 21 of the International Centre for Dispute Resolution's International Arbitration Rules (the "ICDR Rules"), appointing a receiver (the "Temporary Receiver") on October 2, 2008 (Procedural Order No. 9). The Order stated that, in the absence of such relief, there was a danger that "property of the UCC Companies will be lost, materially injured or destroyed." The Temporary Receiver was directed to replace AHC's designated General Manager, Carlos Bermudez, in his positions at UCC and to report to both Parties and the Panel on a monthly basis regarding the operations of the companies.

11. The Panel invited both Parties to propose a candidate for Temporary Receiver. STS proposed Lawrence Beckert, Jr. AHC did not propose any candidates. On October 16, 2008, the Panel appointed Mr. Beckert as the Temporary Receiver (Procedural Order No. 10).

12. Despite the Panel's direction to AHC to allow the Temporary Receiver access to and managerial control of UCC, armed guards denied the Temporary Receiver access to the facilities of UCC and ZDR. Carlos Bermudez and others acting under his direction also interfered with and severely limited the STS Observer's access to ZDR information.

13. STS commenced proceedings in a court in the Dominican Republic to enforce the Panel's Orders No. 9 and No. 10 appointing a Temporary Receiver. According to STS's counsel, these actions remain pending.

14. After STS filed its emergency application for appointment of a Temporary Receiver, but before the Panel granted that application, the law firm then serving as counsel for

AHC informed the Panel that it wished to withdraw its representation of AHC in the arbitration. The Panel permitted AHC's counsel to withdraw on September 19, 2008 (Procedural Order No. 8).

15. On December 10, 2008, the Panel held a hearing to address AHC's refusal to comply with the Panel's orders, including those appointing a Temporary Receiver and permitting STS to have an Observer review the operations of UCC. AHC was given notice of the hearing but did not participate. Following the hearing, the Panel granted STS's request for a stay of AHC's claims because AHC had failed to cooperate with the arbitration in various ways. (Procedural Order No. 12)

16. On May 26, 2009, STS filed a Second Amended Statement of Claims, asserting certain new claims based on AHC's conduct after the filing of its First Amended Statement of Claims. AHC filed its own Second Amended Statement of Claims on June 25, 2009.

17. Shortly after AHC filed its Second Amended Statement of Claims, AHC effectively withdrew from the arbitration proceedings, for a time. STS, in turn, deferred the pursuit of its claims while it sought to enforce the Temporary Receiver Order in the Dominican Republic courts. In the meantime, OBGC submitted a motion for summary judgment on its claims under the Technical Assistance Agreement ("TAA") and, ultimately, requested that its claims be severed from AHC and STS's arbitration for separate consideration. Following the filing of these motions, new counsel for AHC, UCC and ZDR appeared in the arbitration and resumed the active defense of the claims asserted by STS and OBGC.

18. On May 26, 2010, the Panel deconsolidated the two arbitration proceedings, severing the present arbitration from the arbitration among OBGC and UCC, ZDR and OIPR (Procedural Order No. 25). The Panel entered two separate final awards in the OBGC proceeding against UCC and ZDR on December 22, 2010.

19. The Panel directed the Parties in this arbitration to serve discovery requests and produce documents relating to STS's claims and AHC's defenses, while AHC's affirmative claims remained stayed (Procedural Order No. 26, modified by Procedural Order No. 28 to reflect AHC's objection to the stay). A limited number of documents were exchanged in response to those Orders.

20. Upon AHC's request, the Panel lifted the stay of AHC's affirmative claims on October 5, 2010 (Procedural Order No. 29). STS requested that the Panel reconsider that decision, arguing, *inter alia*, that STS should not be forced to bear the costs of AHC's prosecution of its own claims. (AHC had informed the Panel that it had not paid its share of the arbitration fees which were instead being advanced by STS.) On December 17, 2010, pursuant to Article 33(3) of the ICDR Rules, the Panel conditioned the reinstatement of AHC's claims on AHC's payment of its share of deposits for costs associated with the proceeding (Procedural Order No. 31). AHC thereafter did not pay its share of the arbitration deposits, and the Panel stayed AHC's claims once more on March 18, 2011 in accordance with its December 17, 2010 Order (Procedural Order No. 33).

21. Various discovery issues were raised, and the Panel ordered on April 11, 2011 that AHC produce responsive documents in its possession or custody or under its control, including documents from UCC, ZDR and OIPR. The Panel required AHC to meet and confer with STS regarding this ordered production (Procedural Order No. 34). AHC ignored STS's requests to meet and confer and failed to produce any documents following the issuance of the Panel's Order. AHC notified the Panel and STS on May 17, 2011 that it would "no longer participate in this proceeding."

22. The Panel then asked STS to submit: (1) evidence supporting its claims; (2) affirmative statements from its witnesses in support of its claims; and (3) proposed findings of

fact and conclusions of law that STS would request the Panel to enter (Procedural Order No. 36). STS filed its submissions on October 3, 2011. AHC did not submit any evidence in response.

23. The Panel thereafter held a hearing on March 6, 2012, at which STS witnesses Lawrence Beckert, Jr. and L. Richard Crawford, Jr. testified and were questioned by the Panel. Counsel for AHC were notified of the hearing and invited to attend but did not do so.

24. On June 25, 2012, the Panel closed the record, pursuant to Article 24(1) of the ICDR Rules, except for any application the Panel might decide to entertain for attorneys' fees (Procedural Order No. 41).

IV. RELEVANT FACTS

A. AHC and STS Form a Joint Venture.

25. Prior to 2001, members of the Dominican Republic family led by Carlos Alberto Bermudez Pippa ("Carlos Bermudez Sr.") formed ZDR to operate a glass bottle manufacturing plant in Santo Domingo, Dominican Republic (the "Dominican Republic Plant"). Carlos Bermudez Sr.'s son, Carlos Bermudez, was placed in charge of ZDR, and Carlos Bermudez's older brother, Aquiles Bermudez, was designated Secretary of ZDR's Board of Directors.

26. The Bermudez Family is composed of Carlos Bermudez, Sr., his two sons, Carlos Alberto Bermudez Polanco and Aquiles Bermudez, his daughters, various cousins of his sons and daughters and persons who became members of the family by marriage. For more than a century, the Bermudez Family has owned and controlled J. Amando Bermudez & Co., a distiller, manufacturer and wholesaler of rum and other spirits. The Bermudez Family intended for ZDR to become a captive glass manufacturing company that would service the Bermudez Family's liquor business and various other third-party glass customers in the region.

27. Starting in 2000, the Bermudez Family engaged in discussions with Owens-Illinois management regarding a possible joint venture involving the glass manufacturing facilities that the Bermudez Family and Owens-Illinois controlled in the Caribbean. Owens-

Illinois (through its subsidiary OBGC) and ZDR ultimately agreed to form and own a joint venture company that would, in turn, own and operate the two glass bottle manufacturing facilities that the respective companies owned in the Caribbean at that time. The Parties contemplated that Owens-Illinois would contribute OIPR, which operated Owens-Illinois's glass manufacturing plant in Puerto Rico (the "Puerto Rico Plant") to the joint venture, and the Bermudez Family would separately contribute ZDR.

28. The Parties entered into the JVA as of August 13, 2001, and therein agreed to "establish a joint business venture[,] to include [STS's] glass container operations in Puerto Rico and [AHC's] glass operations in the Dominican Republic[,] that will manufacture, decorate, market, distribute and sell glass containers in the Caribbean Region." STS and AHC "agreed to establish a corporation under the laws of the Cayman Islands to serve as the sole joint venture entity" and formed that entity under the name "United Caribbean Containers Limited" ("UCC").

B. The Share Purchase Agreement and Technical Assistance Agreement.

29. Consistent with the JVA, STS and AHC executed a Share Purchase Agreement ("SPA") on January 31, 2003. The JVA and the SPA set forth the manner in which STS and AHC were to incorporate and own UCC. The JVA divided the shares of UCC into Series A and Series B, each representing 50% ownership of UCC, which were to be owned by STS and AHC, respectively. (JVA § 3.1 (Ex. 3))

30. Pursuant to the JVA and SPA, STS and AHC made certain initial contributions to UCC in exchange for shares in UCC. STS contributed 100% of its ownership interest in OIPR, the owner of a glass manufacturing facility in Puerto Rico that was profitable.

31. AHC contributed 99.9% of its ownership interest in ZDR to UCC. The remaining 0.1% ownership interest in ZDR was retained by six members of the Bermudez Family: Carlos Bermudez Sr., Carlos Bermudez, Aquiles Bermudez, Monica Bermudez de Valiente ("Monica Bermudez") (Carlos and Aquiles Bermudez's sister), Pastora Bermudez de Troncoso ("Pastora

Bermudez") (Carlos and Aquiles Bermudez's sister), and Manuel Mena Polanco ("Manuel Mena") (Carlos and Aquiles Bermudez's cousin).

32. Contemporaneous with the execution of the SPA, OBGC, a subsidiary of Owens-Illinois, Inc., and UCC executed the Technical Assistance Agreement ("TAA"), pursuant to which OBGC granted a non-transferable, non-divisible license to UCC, OIPR and ZDR – defined as the "Licensee Group" – to use at licensed plants in the Dominican Republic and Puerto Rico the technical information of OBGC, as well as processes, machines and compositions of matter embodying technical information, including, but not limited to, licensed inventions and trade secrets for the manufacture of glass containers. OBGC agreed to provide the Licensee Group with technical assistance and certain machinery, equipment and components embodying technical information.

C. AHC's Managerial Authority Over UCC, OIPR and ZDR.

33. In addition to establishing the manner in which UCC was incorporated, the JVA "set[] forth the principles governing the organization, management and decision-making in [UCC] and the operation of [UCC]." (JVA at Recital ¶ 6). Pursuant to Sections 3.5(a) and 3.5(b) of the JVA, STS and AHC each appointed two directors to the UCC Board of Directors. In 2001, AHC appointed Carlos Bermudez and Aquiles Bermudez as its two Board members, and STS appointed Edward White and Gilberto Restrepo as its two Board members.

34. AHC insisted that AHC alone be able to appoint the General Manager of UCC, and AHC conditioned its acceptance of the JVA on AHC's ability to appoint the General Manager of UCC. Section 3.6(a) of the JVA provided that the "General Manager of the Company . . . shall have the authority and responsibility to (i) conduct the day-to-day business of [UCC]...".

35. At the outset of the joint venture, AHC appointed Carlos Bermudez as General Manager of UCC, giving AHC the exclusive ability to control the day-to-day operations of UCC

and the manufacturing facilities controlled by the two UCC subsidiaries, OIPR and ZDR, subject to its duties and obligations to the UCC Board of Directors and STS, UCC's other shareholder. Carlos Bermudez subsequently appointed himself as the Chairman of ZDR and the President of OIPR.

36. Whenever the UCC Board of Directors disagreed on issues of management involving UCC, because of the 50/50 split between AHC and STS members of the Board, AHC's designee Carlos Bermudez, as the General Manager of UCC, Chairman of ZDR and President of OIPR, cast the deciding vote.

D. Bermudez Family Members Render UCC, OIPR and ZDR Worthless Through Wrongful Conduct.

37. Following the consummation of the joint venture, Bermudez Family members engaged in a pattern of consistently wrongful conduct that rendered STS's investment in UCC worthless.

1. Carlos Bermudez Mismanages the Operations Of OIPR and ZDR.

38. In the initial years of the UCC joint venture, the Puerto Rico Plant continued to operate and perform profitably, due in part to the OIPR personnel who continued to operate the facility under Carlos Bermudez's supervision. In those same early years of the venture, the Dominican Republic Plant initially improved its operational and financial performance due in part to the incorporation of OBGC technology, parts and equipment obtained through the TAA.

39. However, as Carlos Bermudez, AHC's designated General Manager of UCC, Chairman of ZDR and President of OIPR, exercised his control over the Puerto Rico and Dominican Republic Plants, the facilities' operational and financial performance thereafter deteriorated. Mr. Bermudez mismanaged OIPR's Puerto Rico Plant by, among other things:

- failing to visit the Puerto Rico Plant on any regular basis;
- failing to communicate with the Vice President of Operations at the Puerto Rico

Plant, its financial managers and its outside lawyers regarding the operations and finances of that plant;

- failing to perform appropriate maintenance on the Puerto Rico Plant, causing it to run less efficiently and more expensively, damaging the furnace and related equipment, and ultimately causing the Plant to fall into disrepair;

- failing to ensure that OIPR complied with all United States regulations to which it was subject, including environmental and labor laws;

- failing to provide the STS-appointed members of UCC's Board of Directors with information they requested, including updates on internal audit compliance and environmental compliance relating to the Puerto Rico Plant;

- failing to ensure that OIPR made critical payments, including but not limited to payroll, utilities, supplier invoices, insurance premiums and loan obligations, leading to the termination of OIPR's electricity services on or around June 4, 2008, and water services on or around June 10, 2008;

- diverting to ZDR $500,000 in insurance proceeds that Owens-Illinois, the named insured on the relevant insurance policy, advanced for the express purpose of making repairs and other critical payments at OIPR;

- failing and refusing to engage a third-party security firm to provide basic security services at the Puerto Rico Plant after OIPR effectively ceased operations on February 18, 2008, leading to looting, vandalism and theft of valuable equipment, and requiring STS to advance funds for such services out of its own pocket; and

- causing more than $1.6 million worth of OIPR's soda ash inventory to be diverted to ZDR, a transfer that (i) lacked consideration and (ii) stood in direct violation of a court order entered against OIPR and in favor of Solvay Chemicals International Societé Anonyme ("Solvay") based on OIPR's nonpayment of Solvay's invoices.

40. Carlos Bermudez, in his capacity as General Manager of UCC and Chairman of ZDR, also mismanaged the operations of ZDR by, among other things:

- failing to maintain sufficient spare parts for maintenance of the facility;

- purchasing less expensive equipment for use in the Dominican Republic Plant instead of buying products that had been proven reliable at Owens-Illinois plants in other countries, leading to further inefficiencies and higher manufacturing costs;

- refusing to approve necessary repairs on the "A" furnace at the plant, leading to its ultimate permanent failure;

- failing to run the plant efficiently with the correct number of employees, leading to poor earnings;

- failing to pay the plant's suppliers in the Dominican Republic;
- failing to provide basic amenities such as toilet paper, cups for drinking water, and sufficient restrooms for employees, contributing to poor morale at the plant; and
- failing to pay many of the employees he laid off.

41. The various operational and mismanagement problems described above led to factory downtime and outages at both plants, substandard finished products and many dissatisfied customers. An industry standard measurement of the performance of a glass manufacturing facility is the "pack-to-melt" ratio that measures the weight of glass packed for shipment to customers to the weight of the raw molten glass before it is formed into bottles. Under Carlos Bermudez's management of the facilities, the monthly pack-to-melt ratios in the Puerto Rico and Dominican Republic Plants ranged from the mid 50's to the low 80's, with an average annual pack-to-melt ratio in the low 70's and 80's. In contrast, the average pack-to-melt ratios for the Owens-Illinois plants in North America ranged between 89% and 90%. UCC's pack-to-melt ratio was consistently the lowest of all facilities in which Owens-Illinois had a direct or indirect ownership interest.

42. Owens-Illinois typically conducts annual audits of all glass manufacturing facilities in which it holds an ownership interest. In 2007, UCC failed that audit. UCC's performance in the internal audit report was one of the worst in Owens-Illinois history.

43. In 2007, STS Board representatives attempted to curb Carlos Bermudez's misconduct and change the course of operations at UCC by proposing to remove Carlos Bermudez from his position as General Manager and proposing to give STS operational control over UCC for three years in exchange for additional short-term financing from STS's parent, Owens-Illinois. Carlos and Aquiles Bermudez, the two AHC-appointed Directors of UCC, signed a document on behalf of AHC agreeing to this restructuring plan, subject only to AHC shareholder approval, which was assumed to be merely a formality because Carlos and Aquiles

Bermudez, together with their father, were the only known shareholders of AHC. Within days of approving the restructuring plan, however, Carlos and Aquiles Bermudez reneged and refused to approve the plan to salvage UCC.

44. As a result, OIPR shut down its manufacturing operations in 2007 and ended all other operations in 2008, and ZDR shut down its manufacturing operations in 2009. Since 2009, neither OIPR nor ZDR has manufactured any glass bottles.

45. Faced with unpaid loans and no prospect of payment in the near future, OIPR's primary lender foreclosed on the Puerto Rico Plant, leaving OIPR with no assets. The primary lender to ZDR has commenced foreclosure proceedings with respect to the Dominican Republic Plant, and ZDR is also the subject of claims by other debtors, including several matters relating to former ZDR employees and a number of mortgage and foreclosure proceedings regarding real property owned by ZDR.

46. Both OIPR and ZDR appear to have substantial outstanding liabilities to various parties, including lenders, vendors and various former employees, that far outweigh the value of their very few (if any) remaining assets.

2. AHC Representatives Refuse To Cooperate In Discussing a Possible Sale Of ZDR When It Still Had Value.

47. On October 9, 2007, shortly after this arbitration began, Citigroup Global Markets, Inc. ("Citi") informed UCC that it represented two companies – Cerveceria Nacional Dominicana and Empresas Comegua, S.A. (together, the "Potential Purchasers") – that were interested in purchasing UCC's ownership interest in ZDR (the "Purchase Proposal"). Citi made clear that the Potential Purchasers were only interested in acquiring ZDR, not OIPR or UCC.

48. The sale of ZDR during this time period – late 2007 – would have benefited STS and AHC, each 50% shareholders in UCC, and not AHC alone. However, following Citi's expression of interest, AHC's representatives Carlos Bermudez and Aquiles Bermudez initially

refused to discuss the Purchase Proposal. They then delayed the execution of a confidential nondisclosure agreement ("CDA") that would have allowed the Potential Purchasers to conduct due diligence and submit a bid for ZDR.

49. Nearly six months after the Potential Purchasers expressed interest in ZDR, and four months after the Panel directed the parties to negotiate a reasonable CDA with Citi, the Potential Purchasers withdrew their interest in ZDR after Bermudez Family members representing AHC failed to engage in good-faith, detailed discussions about a reasonable CDA.

3. Carlos Bermudez Causes UCC To Enter Into Transactions With Bermudez Family Members On Favorable Terms Without Adequate Consideration.

50. While OIPR's and ZDR's plants were still in operation, Carlos Bermudez caused UCC, OIPR and ZDR to provide unduly favorable terms in a number of business transactions with various Bermudez Family members and related entities. Most significantly, ZDR and OIPR did not collect more than $1 million of the receivables owed to them for glass that they delivered to J. Armando Bermudez & Co.

51. Carlos Bermudez also authorized a compensation increase for himself without the proper approval of UCC's Board of Directors.

4. The Bermudez Family Loots ZDR Through an Improper Loan Transaction, a Stock Scam and Further Actions Relating To ZDR's Accounts.

52. As described above, on April 1, 2008, – one day before AHC was to produce documents responsive to STS's written discovery requests in this arbitration – AHC asked the Panel to stay discovery to allow the parties to explore the possibility of settlement. AHC did not raise the issue of settlement with STS prior to making this unilateral request of the Panel. The Panel granted AHC's request and stayed discovery pending settlement discussions.

53. The parties then engaged in settlement discussions for several months, and AHC, represented by Carlos and Aquiles Bermudez, suggested that it was amenable to the basic components of a resolution proposal suggested by STS and OBGC.

54. After several months of negotiations without any material progress, STS and OBGC suggested that the stay be lifted and that discovery and settlement negotiations take place simultaneously. AHC objected and urged the Panel to continue the stay and to prohibit discovery. The Panel agreed with AHC, and the stay remained in place.

55. While the discovery stay was in effect and settlement conversations were ongoing, Bermudez Family members engaged in a number of wrongful actions with respect to the management of ZDR, which was one of UCC's joint venture assets. The following is a brief summary of three such actions.

a. Bermudez Family Members Engage In Stock Transactions Purporting To Dilute UCC's Ownership Interest In ZDR.

56. On or about May 8, 2008, Carlos Bermudez purportedly sent a notice convening all ZDR shareholders – including UCC – to discuss, among other things, an increase in capitalization of ZDR through the issuance of new shares in ZDR. But this purported notice never was sent to or received by the UCC Board of Directors or STS, the 50% shareholder of UCC, nor was the UCC Board of Directors or STS made aware of this notice at or about the time it purportedly was sent. Carlos Bermudez purported to give notice to UCC by sending the May 8, 2008 letter only to himself as AHC's agent and designated General Manager of UCC.

57. Thereafter, on or about May 19, 2008, at a secret, extraordinary meeting convened by Carlos Bermudez, the Bermudez Family members who were then shareholders of ZDR (Carlos Bermudez, Sr., Carlos Bermudez (acting on his own behalf and purportedly on behalf of UCC, but without STS's knowledge or approval from the UCC Board of Directors), Aquiles Bermudez, Pastora Bermudez, Monica Bermudez and Manuel Mena) approved an increase in

ZDR's issued shares and set a deadline of June 2, 2008 for any existing shareholders to purchase those shares. Neither the UCC Board of Directors nor STS, the 50% shareholder of UCC, were notified of the May 19, 2008 meeting.

58. On or around June 3, 2008, Carlos Bermudez purportedly sent a letter to ZDR's shareholders notifying them that they must act within 15 days in order to purchase the newly-created ZDR shares. The purported notice was not sent to or received by the UCC Board of Directors or STS, the 50% shareholder of UCC, nor were the UCC Board of Directors or STS made aware of this notice at or about the time it purportedly was sent. As was the case with the May 8, 2008 notice, Carlos Bermudez purported to give notice to UCC by sending the letter only to himself as AHC's agent and designated General Manager of UCC.

59. On or about July 3, 2008, at another secret, extraordinary meeting again convened by Carlos Bermudez, the Bermudez Family members who were then shareholders of ZDR (Carlos Bermudez Sr., Carlos Bermudez (acting on his own behalf and purportedly on behalf of UCC, but without STS's knowledge or approval from the UCC Board of Directors), Aquiles Bermudez, Pastora Bermudez, Monica Bermudez and Manuel Mena) resolved that that the deadline had expired and stated that "the Chairman of Industrias Zanzibar, S.A. [Carlos Bermudez, also AHC's agent and designated General Manager of UCC] is entitled to allocate these new shares to whoever requests to purchase them, whether or not they are shareholders."

60. Carlos Bermudez then allocated new shares in ZDR to two Panamanian companies controlled by members of the Bermudez Family named Birkeland Invest Corp. ("Birkeland") and Portentto Investments, Inc. ("Portentto") in the proportions of 1,057,540 shares for Birkeland and 517,060 shares for Portentto. The record contains no evidence as to whether Birkeland or Portentto paid anything to obtain these shares or who may have received any such consideration.

61. Neither STS nor the STS Directors on UCC's Board of Directors received the notices and letters sent by ZDR regarding the proposed stock transaction, nor did Carlos or Aquiles Bermudez or any other member of the Bermudez Family advise STS or the STS-designated members of the UCC Board of Directors of the meetings of ZDR's shareholders held on or about May 19, 2008 and July 3, 2008, or of the fact that UCC's ownership of ZDR was soon to be diluted. STS and the STS-designated members of the UCC Board of Directors were unaware of and never approved the transactions involving the issuance of new ZDR stock.

62. AHC's appointed Directors on the UCC Board of Directors, Carlos and Aquiles Bermudez, signed the minutes of the ZDR meetings authorizing the issuance of new shares in ZDR to Birkeland and Portentto.

63. Prior to the events in the summer of 2008:

- UCC owned 1,135,597 shares, a 99.9% ownership interest in ZDR;
- Carlos Bermudez Sr. owned 10 shares, less than a 1% ownership interest in ZDR;
- Carlos Bermudez owned 10 shares, less than a 1% ownership interest in ZDR;
- Aquiles Bermudez owned 10 shares, less than a 1% ownership interest in ZDR;
- Pastora Bermudez owned 10 shares, less than a 1% ownership interest in ZDR;
- Monica Bermudez owned 10 shares, less than a 1% ownership interest in ZDR; and
- Manuel Mena owned 10 shares, less than a 1% ownership interest in ZDR.

64. After the events in the summer of 2008, all of which occurred without STS and the UCC Board of Directors' knowledge or approval, to the extent such events are deemed lawful:

- UCC owned 1,135,597 shares, a 41.9% ownership interest in ZDR;
- Birkeland owned 1,057,540 shares, a 39% ownership interest in ZDR;
- Portentto owned 517,050 shares, a 19% ownership interest in ZDR;

- Carlos Bermudez Sr. owned 10 shares, less than a 1% ownership interest in ZDR;
- Carlos Bermudez owned 10 shares, less than a 1% ownership interest in ZDR;
- Aquiles Bermudez owned 10 shares, less than a 1% ownership interest in ZDR;
- Pastora Bermudez owned 10 shares, less than a 1% ownership interest in ZDR;
- Monica Bermudez owned 10 shares, less than a 1% ownership interest in ZDR; and
- Manuel Mena owned 10 shares, less than a 1% ownership interest in ZDR.

65. Following this transaction, UCC's ownership interest in ZDR purportedly was reduced from 99.9% to 41.1%, while the Bermudez Family, which formerly owned 0.1% of ZDR, now, together with certain of its affiliated companies, collectively owned more than 58.9% of ZDR.

b. Bermudez Family Members Divert More Than $3 Million In Cash From ZDR and UCC to AHC and Saddle ZDR With Additional Debt.

66. At a June 26, 2008 hearing, the Panel concluded that, because of AHC and Carlos Bermudez's repeated failures to disclose to STS information regarding UCC, OIPR and ZDR, STS should be permitted to place an observer on-site at ZDR (the "STS Observer") to monitor, among other things, the financial and operational decisions of Carlos Bermudez.

67. At the June 26, 2008 hearing, the Panel asked the Parties to negotiate and submit an agreed order regarding, among other things, the activities of the STS Observer (the "Observer Order"). STS submitted a draft order to AHC on June 27, 2008. In its response, rather than discussing STS's proposed order, AHC proposed an entirely different order that would have denied the Observer any significant access to ZDR.

68. While the parties exchanged drafts and were to discuss the proposed Observer Order, Carlos Bermudez and his brother-in-law, Marcos J. Troncoso Leroux, "negotiated" another transaction between ZDR and the purported third party Birkeland. At a hearing presided

over by this Panel, Carlos Bermudez acknowledged that Birkeland was controlled by the Bermudez Family and managed by his brother-in-law, Mr. Troncoso, who also briefly appeared as counsel for AHC in this arbitration.

69. On June 27, 2008, Carlos Bermudez, without informing STS or the UCC Board of Directors, executed a series of transactions based on his "negotiations" with his brother-in-law that resulted in AHC obtaining $3.1 million in cash, while imposing nearly $3.1 million in new debt on ZDR.

70. As Carlos Bermudez admitted, through the Birkeland transactions, he:

- caused ZDR to borrow $3,067,095.82 from Birkeland, one of the Bermudez-related entities;
- caused ZDR to transfer the $3,067,095.82 in loan proceeds to UCC; and
- caused UCC to transfer the $3,067,095.82 in loan proceeds to AHC.

c. Bermudez Family Members Take Control of ZDR's Bank Accounts.

71. ZDR's Board of Directors – Carlos Bermudez, Sr., Carlos Bermudez and Aquiles Bermudez – met on or about September 18, 2008, September 19, 2008 and September 20, 2008. Neither STS nor the STS Directors on UCC's Board of Directors received any notice of these meetings.

72. At these secret meetings, ZDR's Board of Directors – Carlos Bermudez, Sr., Carlos Bermudez and Aquiles Bermudez – resolved to grant certain members of the Bermudez Family, including Carlos Bermudez, Aquiles Bermudez, Adriana Mena and Monica Bermudez, express power over ZDR's various bank accounts.

5. Carlos Bermudez Refuses To Provide Information To STS as Required By the JVA.

73. STS attempted on a number of occasions to assert its inspection rights under Section 3.11 of the JVA to obtain information about the joint venture's operations, including, but

not limited to, basic financial information concerning ZDR and information relating to the Bermudez stock transactions, the Birkeland loan transaction and the ZDR bank accounts.

74. Carlos Bermudez consistently refused STS access to UCC's books and records or provided incomplete or incorrect information to STS, STS's representatives and various other entities and individuals.

75. Carlos Bermudez also breached Section 3.5 of the JVA by hiring new accountants for ZDR without the approval of the UCC Board of Directors.

E. STS Performs Its Obligations Under the JVA and SPA.

76. STS has, through its designated Board of Directors, attempted to manage the joint venture properly and has advanced substantial monies to the joint venture in an effort to return it to profitability. AHC has offered no evidence in this proceeding of breach by STS of its obligations as a defense to any of STS's claims.

F. Bermudez Family Members' Misconduct Causes the Joint Venture Entity, UCC, To Become Valueless.

77. When STS contributed OIPR to UCC on January 31, 2003, OIPR had an equity value of $25,465,000 and ZDR had an equity value of $25,531,000.

78. Pursuant to the SPA, the joint venture entity, UCC, owned 100% of the stock of OIPR and 99.9% of the stock of ZDR. The equity value of UCC at its inception on January 31, 2003, therefore was $50,970,000: the sum of $25,465,000 and $25,505,000 (99.9% of $25,531,000). Accordingly, the value of STS's ownership interest in UCC as of January 31, 2003, was 50% of $50,970,000, or $25,485,000.

79. While his estimate of the enterprise value appears to have been overstated, Carlos Bermudez stated that, as of the summer of 2008, he believed ZDR was worth more than $100 million.

80. Due to the substantial misconduct of Bermudez Family members described herein, UCC and its subsidiaries are essentially worthless today. All three entities are encumbered with substantial debt and outstanding judgments that appear to exceed the assets available to satisfy those debts.

V. THE PARTIES' CONTENTIONS

81. AHC's claims, as set forth in its Second Amended Statement of Claims, are that (a) STS has breached its fiduciary duty as a joint venturer with AHC in UCC; (b) STS has breached an Environmental Cost Agreement between the Parties and the SPA; and (c) that STS must indemnify AHC and AHC Board members against damages arising from certain environmental matters in Puerto Rico. As discussed above, AHC's claims have been stayed and are not considered in this Award.

82. STS's claims, as set forth in its Amended Statement of Claims, are that (a) AHC, acting primarily through Carlos Bermudez and Aquiles Bermudez, has breached its fiduciary duty as a joint venturer with STS in UCC; (b) AHC has breached the JVA and the SPA, primarily through the activities of Carlos Bermudez and Aquiles Bermudez; (c) AHC has breached a provision of the JVA prohibiting certain competition against the joint venture; (d) in the alternative to the first claim of breach of fiduciary duty against AHC, AHC is responsible as part of a civil conspiracy or for aiding and abetting breach of fiduciary duty by Carlos Bermudez and Aquiles Bermudez individually; (e) AHC has engaged in fraudulent conduct; and (f) alternatively, AHC has engaged in negligent misrepresentations and omissions.

83. AHC denies STS's claims and asserts affirmative defenses of (a) failure to state a cause of action upon which relief can be granted; (b) unclean hands; (c) estoppel; (d) waiver; (e) failure to plead fraud with particularity; and (f) STS's own allegedly wrongful activities.

VI. REASONS FOR THE AWARD

84. The facts set forth above have been established to the Panel's satisfaction by the written evidence, examination of witnesses by the Panel at a hearing and the Panel's personal experience with this arbitration for the past five years, including statements made to the Panel at hearings by Carlos Bermudez and Aquiles Bermudez. The record reflects a pattern of conduct intended to and having the effect of destroying the value of STS's contribution to the assets of the UCC joint venture and the looting of the venture's other assets by members of the Bermudez Family.

A. AHC is Responsible For the Actions Of Its Agents Carlos Bermudez and Aquiles Bermudez.

85. At all times during the pendency of this arbitration, Carlos Bermudez and Aquiles Bermudez have acted as the agents of AHC in taking the actions contrary to the interests of STS described above. Accordingly, AHC is responsible for the actions of Carlos Bermudez and Aquiles Bermudez that have caused damage to STS.

B. AHC Breached Its Fiduciary Duty to STS.

86. Under the laws of New York, "[t]he elements of a breach of fiduciary duty claim are (1) that a fiduciary duty existed between plaintiff and defendant, (2) that defendant breached that duty, and (3) damages" resulted from that breach. *Meisel v. Grunberg*, 651 F. Supp. 2d 98, 114 (S.D.N.Y. 2009). Parties to a joint venture agreement, such as AHC and STS, "owe each other a fiduciary duty, a duty which exists independent of the joint venturer's duty to fulfill his contractual obligations." *Brittany Dying & Printing Corp. v. Griseto*, No. 96 Civ. 9128 (WK), 2000 U.S. Dist. LEXIS 16699, at *11-12 (S.D.N.Y. Nov. 16, 2000) (internal citation omitted).

87. As a 50% shareholder in UCC, the designator of two representative members of the UCC Board of Directors and the co-venturer with managerial control over UCC arising from Carlos Bermudez's role as General Manager of UCC, AHC owed STS fiduciary duties.

88. AHC, through the actions of Carlos Bermudez, breached its fiduciary duties to STS in numerous ways, including by:

- Willfully and deliberately mismanaging UCC through AHC's designated General Manager and agent, Carlos Bermudez, to the detriment of STS and OIPR and to the benefit of AHC, ZDR and the Bermudez Family;
- Willfully and deliberately taking actions known to be detrimental to UCC and, consequently, STS as a shareholder of UCC;
- Willfully and deliberately preventing UCC from considering the October 9, 2007, Purchase Proposal;
- Willfully, deliberately and surreptitiously causing ZDR to obtain a $3.1 million loan from Birkeland and ultimately using those cash proceeds for AHC's exclusive benefit while saddling ZDR with an additional $3.1 million in debt;
- Initiating and willfully, deliberately and surreptitiously assisting in a series of transactions that resulted in companies affiliated with the Bermudez Family obtaining shares in ZDR, thereby diluting the joint venture's ownership interest in ZDR;
- Refusing to take any actions to mitigate or reverse the damage done to UCC, OIPR and STS despite STS's requests;
- Willfully and deliberately refusing to ratify the June 28, 2007 Terms of Agreement previously agreed to by the Board of Directors of UCC to remove Carlos Bermudez as General Manager of UCC and address UCC's poor financial and operational performance;
- Willfully and deliberately frustrating STS's efforts to conduct a meaningful inspection of ZDR's financial books and records and observe UCC and ZDR's operations; and
- Willfully and deliberately refusing to allow the Temporary Receiver to exercise his authority over UCC, ZDR and OIPR, including through the use of armed guards to prevent such exercise of authority.

C. AHC Breached Its Contract With STS.

89. Under New York law, "the same conduct which constitutes a breach of a contractual obligation may also constitute the breach of a duty arising out of the contract relationship which is independent of the contract itself"; *Davis v. Dime Sav. Bank of N.Y.*, 557 N.Y.S.2d 775, 775 (N.Y. App. Div. 1990), *Blank v. Baranowski*, 959 F. Supp. 172, 177

(S.D.N.Y. 1997) (noting the "well-established principle of New York law that where the breach of contract is also a breach of fiduciary duty, a plaintiff may assert a claim for both").

90. AHC and STS are parties to a valid, enforceable contract, the JVA, and STS has performed its obligations under the JVA. Carlos Bermudez and Aquiles Bermudez acted as agents of AHC in breaching its obligations under the JVA.

91. Under New York law, "an action for breach of contract requires proof of (1) a contract; (2) performance of the contract by one party; (3) breach by the other party; and (4) damages." *Rexnord Holdings v. Bidermann*, 21 F.3d 522, 525 (2d Cir. 1994).

92. As members of the Board of Directors of UCC and as agents of AHC, Carlos Bermudez and Aquiles Bermudez had a contractual obligation to direct, manage, control and operate UCC subject to the general oversight of the shareholders of UCC. *See* JVA § 3.5(a) (Ex. 3.)

93. AHC breached the JVA by permitting Carlos Bermudez and Aquiles Bermudez to interfere in the proper management of UCC, OIPR and ZDR and by permitting Carlos Bermudez to grossly mismanage UCC, OIPR and ZDR in his capacity as AHC's appointed General Manager of UCC.

94. AHC breached Section 3.11 of the JVA by denying STS its right to inspect the books and records of UCC and ZDR and otherwise observe the operations of UCC and ZDR. *See Jacob v. Kimberly-Clark Corp.*, 05-CV-1739 (ILG), 2006 U.S. Dist. LEXIS 36345, at *14 (E.D.N.Y. June 5, 2006) (refusing to dismiss a breach of contract claim where Plaintiff alleged a breach based on having placed potentially improper conditions on Plaintiff's access to the corporation's books).

95. AHC breached Section 3.5 of the JVA by permitting Carlos Bermudez to hire new accountants for ZDR without the approval of the Board of Directors.

96. AHC further breached Section 7.13 of the JVA by assisting and allowing its Affiliates to engage in a competitive enterprise in the region. Section 7.13(a) of the JVA provides, in relevant part, that:

> Each Shareholder hereby agrees that during the term of this Agreement, other than through [UCC], neither party or its Affiliates will directly or indirectly develop, construct, initiate or ***acquire any interest in glass container manufacturing*** in the Caribbean Region . . . .

JVA § 7.13(a) (emphasis added) (Ex. 3). "Affiliate" is defined in the JVA to mean, "when used with respect to a specified Person, that directly, or indirectly through one or more intermediaries, controls or is controlled by or is under common control with the Person specified." *Id.* § 1.1.

97. AHC breached Section 7.13 of the JVA by assisting and allowing certain affiliates of AHC, including, but not limited to Birkeland and Portentto, to obtain ownership interests in ZDR – which engages in glass container manufacturing in the Caribbean Region – other than by subscribing to shares in the company, UCC.

D. AHC Intentionally Defrauded STS.

98. AHC owed STS a fiduciary duty which included, among other things, an obligation to disclose to STS all material information regarding UCC, OIPR and ZDR. *See Watts*, 579 F. Supp. 2d at 352 ("The duty to disclose arises...where a party has a fiduciary duty to another"); *see also Blue Chip Emerald LLC v. Allied Partners Inc.*, 750 N.Y.S.2d 291, 294 (N.Y. App. Div. 2002), *abrogated in part regarding principal's ability to release fiduciary from liability by Centro Empresarial Cempresa S.A. v. Am. Movil, S.A.B. de C.V.*, 2011 N.Y. LEXIS 1383 (N.Y. June 7, 2011) (finding the coventurer defendant and plaintiff, who each owned 50% of a joint venture, were fiduciaries "in matters relating to the Venture . . . and therefore [Defendant] owed [Plaintiff] a duty of undivided and undiluted loyalty" which included the obligation to "make full disclosure of all material facts" when the "fiduciary, in furtherance of its

individual interests, deals with the beneficiary of the duty in a matter relating to the fiduciary relationship.") (internal quotation marks and citations omitted).

99. AHC knowingly and fraudulently concealed numerous material facts from STS and STS's representatives concerning various matters related to UCC, OIPR and ZDR, including, but not limited to, the following:

- the financial operations of UCC, OIPR and ZDR;
- aspects of Carlos Bermudez's mismanagement of UCC, OIPR and ZDR, including Carlos Bermudez's diversion of assets from OIPR to ZDR;
- certain extraordinary meetings of ZDR's shareholders and Board of Directors, at which the Bermudez Family members stripped UCC of its majority ownership of ZDR and transferred that ownership to companies affiliated with Bermudez Family members;
- the loan that ZDR obtained from Birkeland on or around June 27, 2008 and the ultimate diversion of the cash proceeds of that loan to AHC; and
- the extraordinary meetings of ZDR's shareholders and Board of Directors, at which the Bermudez Family members awarded themselves exclusive power over ZDR and its bank accounts.

100. AHC concealed this information with the intent to defraud STS, and STS justifiably relied upon and was deceived by the material omissions of AHC. *See Meisel*, 651 F. Supp. 2d at 118 (noting that "where a fiduciary relationship exists, the mere failure to disclose facts which one is required to disclose may constitute actual fraud, provided the fiduciary possesses the requisite intent to deceive") (internal quotation marks and citation omitted); *Griseto*, 2000 U.S. Dist. LEXIS 16699, at *13 (finding a joint venturer breached the duty to disclose by misrepresenting his conduct in connection with the venture's product sales and instead "pocketing the proceeds," and that the plaintiff venturer "reasonably relied on [Defendant's] representations to its detriment by continuing to perform its responsibilities yet never receiving payment for its out of pocket expenses or costs").

101. AHC's concealment of these occurrences, which inured to the benefit of AHC and its affiliates alone, is indicative of its fraudulent intent. *See Watts*, 579 F. Supp. 2d at 352-53 (noting that "fraudulent intent is rarely susceptible to direct proof and must ordinarily be established by circumstantial evidence and the legitimate inference arising therefrom" and further stating that a "sufficient pleading of motive demonstrates the 'concrete benefits' that a defendant could realize by the false statement or omission") (internal quotation marks and citation omitted).

E. Alternatively, AHC Was Negligent In Making Misrepresentations To STS.

102. "Under New York law, a claim of negligent misrepresentation requires plaintiff to demonstrate that: (1) defendants had a duty, as a result of a special relationship, to give correct information; (2) defendants made a false representation that they should have known was incorrect; (3) defendants knew plaintiff desired for a serious purpose the information supplied in the representation; (4) plaintiff intended to rely and act upon it; and (5) plaintiff reasonably relied on it to his detriment." *Meisel*, 651 F. Supp. 2d at 123-24 (internal quotation marks and citation omitted).

103. As described above, AHC and STS had a special relationship whereby AHC owed STS a fiduciary duty. That duty included, among other things, an obligation to disclose to STS all material information regarding UCC, OIPR and ZDR. *See Blue Chip Emerald LLC*, 750 N.Y.S.2d at 294.

104. In the alternative to the Panel's conclusion that AHC intentionally concealed material facts from STS, the Panel also concludes that AHC at least negligently omitted mentioning such material facts to STS. "In negligent misrepresentation claims based on omissions, New York recognizes a duty by a party to a business transaction to speak . . . [inter alia] when the parties stand in a fiduciary or confidential relationship with each other." *Creative Waste Mgmt., Inc. v. Capitol Envtl. Servs., Inc.*, 429 F. Supp. 2d 582, 609 (S.D.N.Y. 2006).

105. STS reasonably relied upon these material omissions of AHC, and AHC is liable to STS for negligent misrepresentation. *See Grammer v. Turits,* 706 N.Y.S.2d 453, 455 (N.Y. App. Div. 2000) (finding the defendant real estate broker could be liable for negligent representation for failing to disclose the construction occurring next door to the property plaintiff rented, leading the plaintiff to believe the premises would be quiet and private); *In re Coin Phones, Inc.*, 203 B.R. 184, 200-06 (S.D.N.Y. 1996) (finding the defendant utility company liable for negligent misrepresentation where company representatives misrepresented the amount by which plaintiff phone company was indebted, causing a vendor and manufacturer to repudiate business dealings with the plaintiff, resulting in financial harm).

F. Alternatively, AHC Is Liable For Civil Conspiracy and Aiding and Abetting Carlos and Aquiles Bermudez's Breaches Of Fiduciary Duties.

106. Carlos Bermudez and Aquiles Bermudez in their individual capacities as directors of UCC designated by AHC also breached their respective fiduciary duties to STS through the conduct described above. AHC is liable as a co-conspirator or for aiding and abetting such conduct.

107. "To state a claim for aiding and abetting a breach of fiduciary duty under New York law, plaintiff must allege (1) a breach by a fiduciary of obligations to another, (2) defendants knowing inducement of or participation in the breach, and (3) that the plaintiff suffered damages as a result of the breach." *Meisel*, 651 F. Supp. 2d at 114-15; *see also Whitney v. Citibank*, 782 F.2d 1106, 1115 (2d Cir. 1986). It is appropriate to find that AHC provided "substantial assistance . . . in the achievement of the primary violation." *See e.g., Appell v. L.A.G. Assocs., LP*, No. 602846/05, 2008 N.Y. Misc. LEXIS 10033, at *20 (N.Y. Sup. Ct. July 16, 2008) (internal quotation marks and citation omitted). "Inaction constitutes substantial assistance only where the alleged aider and abettor owes a fiduciary duty directly to the plaintiff." *Meisel*, 651 F. Supp. 2d at 115.

108. Similarly, under New York law, civil conspiracy claims are available "where there is evidence of an underlying actionable tort." *Pope v. Rice,* 04 Civ. 4171 (DLC), 2005 U.S. Dist. LEXIS 4011, at *41 (S.D.N.Y. Mar. 14, 2005) (internal quotation marks and citation omitted). "Where there is an underlying tort, the elements of civil conspiracy are: (1) the corrupt agreement between two or more persons, (2) an overt act, (3) their intentional participation in the furtherance of a plan or purpose, and (4) the resulting damage." *Id.* (citing *Kashi v. Gratsos,* 790 F.2d 1050, 1055 (2d Cir.1986)). Liability for civil conspiracy to breach a fiduciary duty requires "all members of the alleged conspiracy [to] independently owe a fiduciary duty to the plaintiff." *Pope*, 2005 U.S. Dist. LEXIS 4011 at *42 (internal quotation marks and citation omitted).

109. Both Carlos Bermudez, as a member of the Board of Directors and as the General Manager of UCC, and Aquiles Bermudez, as a member of the Board of Directors of UCC, owed STS, a shareholder in UCC, fiduciary duties. *Guandong Enters. (N. Am.) Fur Holdings Ltd. v. Hennessy*, 01 Civ. 0620 (SAS), 2002 U.S. Dist. LEXIS 8719, at *75 (S.D.N.Y. May 15, 2002) (holding the defendant directors and officers "had a fiduciary duty to deal fairly, in good faith, and with loyalty towards [the company's] shareholders") (internal quotation marks and citation omitted).

110. The Panel concludes that Carlos and Aquiles Bermudez were appointed by and controlled at all relevant times by AHC when they engaged in the various wrongful acts described above, and AHC is directly liable for a breach of its fiduciary duty to STS. But even if they had not been so controlled and only acted in their individual capacities, AHC alternatively is liable for conspiring with Carlos and Aquiles Bermudez to cause them to commit breaches of their individual fiduciary duties to STS.

111. Carlos Bermudez and Aquiles Bermudez breached their individual fiduciary duties to STS by approving, permitting or engaging in the various acts described above. *See e.g., Appell*, 2008 N.Y. Misc. LEXIS 10033, at *15-16 (finding the defendant corporation, general

partner of a limited partnership, and the other limited partners breached their "fiduciary duty to treat all shareholders equally," by excluding Plaintiff, another limited partner, from certain benefits that the other limited partners received) (internal quotation marks and citation omitted); *Meisel*, 651 F. Supp. 2d at 116 (finding that the partner defendant unreasonably withheld consent from the partner plaintiff "for a fair market sale to a third party so that she could profit on a subsequent sale that excluded plaintiff," which would constitute a breach of fiduciary duty); *see also Natoli v. Carriage House Motor Inn, Inc.*, No. 85-CV-1457, 1988 U.S. Dist. LEXIS 4717, at *20-21 (N.D.N.Y. May 24, 1988) (finding a corporate director and shareholder breached his fiduciary duty of loyalty where director took personal advances and unsecured loans from the corporation for his personal benefit as well as for the benefit of other corporations in which he had a stake).

112. AHC at all times was aware of Carlos Bermudez and Aquiles Bermudez's breaches of their individual fiduciary duties to STS.

113. AHC, with the known plan or purpose of causing Carlos Bermudez and Aquiles Bermudez to breach the fiduciary duties each owe to STS, intentionally participated in and assisted Carlos Bermudez and Aquiles Bermudez's various breaches of fiduciary duties as described above in the following manner:

- Appointing Carlos Bermudez and Aquiles Bermudez as directors on the Board of Directors of UCC;
- Insisting on having the sole power to designate the General Manager of UCC and designating Carlos Bermudez as General Manager of UCC;
- Assisting Carlos Bermudez and Aquiles Bermudez in deliberately mismanaging UCC to benefit AHC, ZDR and the Bermudez Family;
- Assisting Carlos Bermudez and Aquiles Bermudez in deliberately mismanaging UCC to the detriment of STS and OIPR;
- Coordinating with Carlos Bermudez and Aquiles Bermudez to prevent UCC from exploring the October 9, 2007 Purchase Proposal;

- Coordinating with Carlos Bermudez and Aquiles Bermudez to refuse ratification of the June 28, 2007 Terms of Agreement that was previously agreed to by the Board of Directors of UCC;

- Frustrating STS's efforts to conduct a meaningful inspection of UCC's financial books and records; and

- Coordinating with Carlos Bermudez and Aquiles Bermudez to convene secret meetings of ZDR's shareholders, and participating in such meetings to secretly transfer a controlling interest in ZDR out of UCC without STS's knowledge.

See Appell, 2008 N.Y. Misc. LEXIS 10033, at *19 (finding the defendant corporation, general partner of a limited partnership, liable for aiding and abetting a breach of fiduciary duty owed to the limited partner by "knowingly exclud[ing] [Plaintiff] from the opportunity to purchase limited partnership interests" and "render[ing] substantial assistance in connection with the breach of fiduciary duty").

114. AHC alternatively is liable for these breaches either as a co-conspirator or as aider and abettor, in addition to its liability for breaching its own fiduciary duties to UCC.

115. Because allegations of conspiracy to breach a fiduciary duty and aiding or abetting a breach of fiduciary duty are duplicative, *Kew Gardens Hills Apt. Owners, Inc. v. Horing Welikson & Rosen, P.C.*, 828 N.Y.S.2d 98, 101 (N.Y. App. Div. 2006), the evidence is sufficient to support AHC's liability for either claim if and to the extent AHC is not liable for its breaches of its fiduciary duties to STS.

G. STS Is Entitled To Recover the Value Of Its Lost Investment In UCC.

116. As described above, AHC breached its contract with STS as well as its fiduciary duty to STS. "[I]t is not inconsistent" to seek "damages for a breach of fiduciary duty and/or a contractual duty." *Davis*, 557 N.Y.S.2d at 775.

117. Because AHC has run the UCC joint venture and its subsidiaries OIPR and ZDR into the ground, STS is entitled to recover the value of its share of the formerly operable, profitable, and now essentially destroyed, UCC business both as a breach of contract and a

breach of fiduciary duty. *See Peregrine Mayanmar Ltd. v. Segal,* 95 Civ. 8286 (RPP), 1996 US Dist. LEXIS 14811, at *18-20 (S.D.N.Y. Oct. 4, 1996), *aff'd*, 1997 U.S. App. LEXIS 13765 (2d Cir. June 11, 1997) (awarding the value of the plaintiff's lost investments in or related to a joint venture due to the defendant officer's breach of fiduciary duty); *Snyder v. Puente De Brooklyn*, 746 N.Y.S.2d 517, 524 (N.Y. App. Div. 2002) (finding the trial court "reasonably awarded plaintiff her original [monetary] investment in the property" she owned as a cotenant with defendant's corporation, who breached its fiduciary duty, leading to foreclosure); *Indu Craft, Inc. v. Bank of Baroda*, 47 F.3d 490, 496 (2d Cir. 1995) ("when the breach of contract results in the complete destruction of a business enterprise and the business is susceptible to valuation methods, [extrapolating the value of a business as an ongoing entity from the company's past earnings] provides the best method of calculating damages").

118. The damages for AHC's breach of its contract with STS should be "the amount necessary to put [STS] in the same economic position [it] would have been in had [AHC] fulfilled its contract," minus any fixed costs avoided because the breach led to the end of UCC's business. *Indu Craft*, 47 F.3d at 495. Had AHC not breached the JVA in the ways enumerated above, UCC and its two operating subsidiaries would not have devolved from their profitable and successful state to complete shutdown; rather UCC and its two operating subsidiaries would have continued to produce glass profitably for its customers.

119. With regard to AHC's breach of fiduciary duty, under New York law the Panel is afforded broad discretion in determining damages for a breach of fiduciary duty. *See Keizman v. Hershko*, 859 N.Y.S.2d 79, 80 (N.Y. App. Div. 2008) (explaining that "a trial court may be accorded significant leeway in ascertaining a fair approximation of the loss where . . . a breach of fiduciary duty has been proved," modifying the damages finding slightly, but concluding that "the trial court's methodology and findings in reaching the damage amount . . . have substantial

support in the parties' agreements, business and accounting records, and in the credited testimony") (internal citation omitted).

120. Moreover, "[w]hen a difficulty faced in calculating damages is attributable to the defendant's misconduct, some uncertainty may be tolerated." *Whitney*, 782 F.2d at 1118. AHC's multiple acts of serious misconduct, detailed above, including its gross mismanagement of UCC, OIPR and ZDR and their finances, its refusal to provide STS with its contractually mandated access to the financial and operational data of UCC, ZDR and OIPR, its refusal to permit the Temporary Receiver to exercise his authority over UCC, ZDR and OIPR (including through the use of armed guards) and its refusal to participate meaningfully in discovery in this arbitration proceeding are relevant in this regard.

121. In *Peregrine*, the court found that an officer of a joint venture had breached her fiduciary duty, and the plaintiff corporations could recover the lost value of their investments in or related to the joint venture. 1996 US Dist. LEXIS 14811, at *18-20. There, the plaintiff corporations controlled the joint venture, of which the defendant was an officer. The plaintiff corporations made a series of loans and investments in or related to the joint venture, but were not able to make a profit on those loans and investments due to the defendant's breach of fiduciary duty. *Id.* at *9-10 ("The purpose for which [Plaintiffs] invested these sums . . . to profit . . . has been completely frustrated by [Defendant's] unlawful conduct."). In light of the defendant's breach of fiduciary duty, the court concluded that the defendant should be "held responsible for all damages naturally flowing from [her] wrongdoing or misconduct, even though the precise result could not have been foreseen." *Id.* at *10. Such damages included the value of the plaintiff's investments in or related to the joint venture which were squandered by the defendant. *Id.* at *19-21 (noting the fairness of such an award, since "a fiduciary takes in trust the property of another, and will be responsible for its replacement should it be destroyed through the fiduciary's actions and inactions").

122. As in *Peregrine*, STS should recoup the value of its investments that have been completely frustrated by AHC's breach of fiduciary duty. This includes the $500,000 in insurance proceeds that Owens-Illinois advanced for the express purpose of making repairs and other critical payments at OIPR that AHC diverted to ZDR and half the value of the Birkeland loan transaction; *Peregrine*, 1996 US Dist. LEXIS 14811, at *18-20 (finding Plaintiff could recoup advances made to the venture because Plaintiff would not have "made those advances had it known what [Defendant] was planning").

123. Alternatively, STS is entitled to recover the lost value of its investment in UCC due to AHC's co-conspiring or aiding and abetting Carlos and Aquiles Bermudez's breaches of their fiduciary duties. Under New York law, "[a]ny one who knowingly participates with a fiduciary in a breach of trust is liable for the full amount of the damage." *Higgins v. N.Y. Stock Exchange, Inc.*, 806 N.Y.S.2d 339, 364 (N.Y. Sup. Ct. 2005) (citation omitted); *Kashi*, 790 F.2d at 1054 (holding a co-conspirator was "liable for the full extent of [Plaintiff's] damages"); *see Snyder*, 746 N.Y.S.2d at 524 (finding the sole shareholder and officer of the defendant company liable for knowingly aiding and inducing the company to breach its fiduciary duty); *see also Whitney*, 782 F.2d at 1117-18 (finding a third party bank liable for compensatory damages for participating in two partners' breach of fiduciary duty towards the third partner).

124. The equity value of the joint venture at the time that it was formed – *i.e.*, when ZDR and OIPR were contributed to the venture – has been proved through the witness statement of Vladislav Cherolutskiy to be at least $50,970,000. The Panel concludes that STS is entitled to recover half of that amount – $25,485,000 – from AHC as damages for AHC's breach of contract or its breach of its fiduciary duty to STS.

125. In addition to the lost value of its investment, STS is entitled to recover the $500,000 in insurance proceeds that STS contributed to OIPR but that were misappropriated by Carlos Bermudez, as well as one-half of the $3,067,095.82 that was secretly transferred from

ZDR to AHC without STS's knowledge or approval and in violation of AHC's fiduciary duty. Accordingly, STS should recover $2,033,547.91 as additional direct damages for AHC's misconduct regarding misappropriated insurance proceeds and Birkeland loan proceeds.

126. STS is also entitled to prejudgment interest on the damages resulting from AHC's breach of contract and breach of fiduciary duty. *See Josephson v. Marshall*, 95 Civ. 107 90 (RCC), 2002 U.S. Dist. LEXIS 10741, at *13 (S.D.N.Y. June 17, 2002) (awarding prejudgment interest for a breach of fiduciary duty, explaining "[t]he intent of awarding prejudgment interest [under New York law] is to compensate an aggrieved party for damages due to the loss of the use of money or its equivalent, or a loss of the opportunity to realize a fair return on that money") (citation omitted); *Antonios A. Alevizopoulos & Assocs, Inc. v. Comcast Int'l Holdings, Inc.*, 99 Civ. 933 (SAS) (JCF), 2002 U.S. Dist. LEXIS 11167, at *8 (S.D.N.Y. June 13, 2002) ("[a] party found liable for breach of contract is also liable for prejudgment interest under New York Law").

127. Even though AHC's improper conduct commenced shortly after the SPA was signed, the Panel conservatively estimates that the nature of AHC's breaches and improper conduct warrants an award of prejudgment interest starting no later than July 2008, when AHC engaged in the Birkeland and Portentto stock arrangement and the Birkeland $3.1 million loan transaction.

128. The agreements in dispute do not include agreed rates of interest. The Panel has concluded that a commercially reasonable rate for the period in issue is four percent (4%) per annum simple interest. Interest calculated from July 1, 2008 through July 31, 2012 on that basis is $4,494,696.17. AHC also shall pay to STS daily interest of $3,057.62 from the date on which this Award is transmitted to the Parties until the date of payment.

H. STS Is Also Entitled To an Award Of the Costs of This Arbitration, Including Reasonable Attorneys' Fees.

129. Article 31 of the ICDR Rules provides that the "tribunal shall fix the costs of arbitration in its award. The tribunal may apportion such costs among the parties if it determines that such apportionment is reasonable, taking into account the circumstances of the case." Such costs include:

- the fees and expenses of the arbitrators;
- the costs of assistance required by the tribunal, including its experts;
- the fees and expenses of the administrator;
- the reasonable costs for legal representation of a successful party; and
- any such costs incurred in connection with an application for interim or emergency relief pursuant to Article 21.

130. STS is entitled to recover all of the costs of this arbitration, including its reasonable attorneys' fees and costs, pursuant to Article 31. STS is the prevailing Party. In addition, AHC repeatedly has frustrated STS's efforts to prosecute STS's claims against AHC, including AHC's refusal to participate meaningfully in discovery, AHC's failure to abide by various Panel Orders, including those permitting an STS Observer on-site and appointing the Temporary Receiver, and AHC's decision to withdraw from active participation in the proceedings on multiple occasions. AHC's conduct has substantially increased the costs of this arbitration for STS and delayed this arbitration.

I. Nature of This Partial Final Award.

131. This Partial Final Award disposes of all of STS's claims in this arbitration except STS's claim for reasonable attorneys' fees and costs. STS may submit an application for such fees and costs within fourteen (14) days after delivery to the Parties of this Partial Final Award, and AHC may submit any comments on that application within fourteen (14) days after STS's application. After receiving STS's submission and any comments from AHC, the Panel will fix

the amount of STS's reasonable attorneys' fees and costs in this arbitration in accordance with Article 31(d) and (e) of the ICDR Rules as part of a Final Award.

132. The Panel previously stayed AHC's claims against STS, and those remaining claims asserted in AHC's Second Amended Statement of Claims are hereby dismissed without prejudice. All other claims and counterclaims, other than STS's claim for reasonable attorneys' fees and costs, are denied.

VII. AWARD

133. For the above reasons, the Panel awards as follows:

1. AHC shall pay to STS the sum of $27,518,547.91 as damages and $4,494,696.17 as interest through July 31, 2012.
2. AHC also shall pay to STS daily interest of $3,057.62 commencing August 1, 2012, and continuing until the date of payment.
3. AHC's claims against STS are dismissed without prejudice.
4. The administrative fees and expenses of the International Centre for Dispute Resolution, and the compensation and expenses of the Panel, shall be borne entirely by AHC and shall be set forth in a Final Award.
5. The Panel retains jurisdiction to fix the amount of STS's reasonable attorney's fees and costs in this arbitration as set forth in paragraph 131.
6. This Partial Final Award may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

We hereby certify that, for purposes of Article 1 of the New York Convention of 1958, on the Recognition and Enforcement of Foreign Arbitral Awards, this Partial Final Award was made in New York, New York, United States of America.

Dated: July 31, 2012 — Richard H. Silberberg

Dated: July __, 2012 — James H. Carter

Dated: August __, 2012 — James A. Goodman

State of New York)
SS:
County of New York)

On this 31 day of July, 2012, before me personally came and appeared Richard H. Silberberg, to me known and known to me to be the individual described in and who executed the foregoing instrument and acknowledged to me that he executed the same.

July 31, 2012
Dated

Terri-Ann Carapellucci
Notary Public

TERRI-ANN CARAPELLUCCI
Notary Public, State of New York
No.01CA4697461
Qualified in Queens County
Commission Expires March 30, 2015

State of New York)
SS:
County of New York)

On this ___ day of July, 2012, before me personally came and appeared James H. Carter, to me known and known to me to be the individual described in and who executed the foregoing instrument and acknowledged to me that he executed the same.

Dated

Notary Public

State of Maine)
SS:
County of Cumberland)

On this ___ day of August, 2012, before me personally came and appeared James A. Goodman, to me known and known to me to be the individual described in and who executed the foregoing instrument and acknowledged to me that he executed the same.

Dated

Notary Public

the amount of STS's reasonable attorneys' fees and costs in this arbitration in accordance with Article 31(d) and (e) of the ICDR Rules as part of a Final Award.

132. The Panel previously stayed AHC's claims against STS, and those remaining claims asserted in AHC's Second Amended Statement of Claims are hereby dismissed without prejudice. All other claims and counterclaims, other than STS's claim for reasonable attorneys' fees and costs, are denied.

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2. AHC also shall pay to STS daily interest of $3,057.62 commencing August 1, 2012, and continuing until the date of payment.
3. AHC's claims against STS are dismissed without prejudice.
4. The administrative fees and expenses of the International Centre for Dispute Resolution, and the compensation and expenses of the Panel, shall be borne entirely by AHC and shall be set forth in a Final Award.
5. The Panel retains jurisdiction to fix the amount of STS's reasonable attorney's fees and costs in this arbitration as set forth in paragraph 131.
6. This Partial Final Award may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

We hereby certify that, for purposes of Article 1 of the New York Convention of 1958, on the Recognition and Enforcement of Foreign Arbitral Awards, this Partial Final Award was made in New York, New York, United States of America.

Dated: July __, 2012 — Richard H. Silberberg

Dated: July 31, 2012 — James H. Carter

Dated: August 1, 2012 — James A. Goodman

State of New York)
SS:
County of New York)

On this ___ day of July, 2012, before me personally came and appeared Richard H. Silberberg, to me known and known to me to be the individual described in and who executed the foregoing instrument and acknowledged to me that he executed the same.

Dated

Notary Public

State of New York)
SS:
County of New York)

On this 31st day of July, 2012, before me personally came and appeared James H. Carter, to me known and known to me to be the individual described in and who executed the foregoing instrument and acknowledged to me that he executed the same.

7/31/2012
Dated

Notary Public
STANLEY MADERICH
NOTARY PUBLIC, State of New York
No. 01MA6159319
Qualified in Queens County
Commission Expires Jan. 15, 2015

State of Maine)
SS:
County of Cumberland)

On this 1 day of August, 2012, before me personally came and appeared James A. Goodman, to me known and known to me to be the individual described in and who executed the foregoing instrument and acknowledged to me that he executed the same.

August 1, 2012
Dated

Notary Public
HOLLY CHASE
Notary Public, Maine
My Commission Expires May 3, 2016

EXHIBIT V

---On the same date of its execution I issued the first certified copy of this deed at the request of Seagate, Inc.----------
---I ATTEST----------

NOTARY PUBLIC

----------NUMBER TWO (2) ----------

---------- **DEED OF JUDICIAL SALE AND**----------
---- **CANCELLATION OF MORTGAGE AND MORTGAGE NOTE** ---

---In San Juan, Puerto Rico, this twentieth (20th) day of January, two thousand nine (2009).---------

---------- **BEFORE ME**----------

---NÉSTOR J. LO PRESTI REYES, Attorney and Notary Public in and for the Commonwealth of Puerto Rico, with residence at Guaynabo, Puerto Rico, and offices on the Eighth Floor of the American International Plaza Building on two hundred fifty (250) Muñoz Rivera Avenue, Hato Rey, San Juan, Puerto Rico.----------

---------- **APPEAR** ----------

---**AS PARTY OF THE FIRST PART:** UNITED STATES COURT FOR THE DISTRICT OF PUERTO RICO (hereinafter, the "Court"), represented herein by Hans López Stubbe, of legal age, married, self-employed, and resident of Aguas Buenas, Puerto Rico, in his capacity as Special Master (hereinafter, the "Special Master") appointed by the Court pursuant to Order of Public Sale in Execution of Judgment dated September sixteen (16), two thousand eight (2008), as amended by Amended Order of Public Sale in Execution of Judgment dated September thirty (30), two thousand eight (2008), in civil case captioned Seagate, Inc. v. Owens Illinois de P.R., LLC, Case Number 08-1627 (GAG), whose authority to appear herein is evidenced by means of certified copies of the aforesaid Order of Public Sale in Execution of Judgment and Amended Order of Public Sale in Execution of Judgment.----------

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---**AS PARTY OF THE SECOND PART:** SEAGATE, INC., Employer Identification Number 341300476, a corporation organized and existing under the laws

of the State of Ohio, United States of America, with principal offices located at Perrysburg, Ohio (hereinafter, "Seagate"), represented herein by Milagros Marcano Báez, of legal age, married, paralegal, and resident of San Juan, Puerto Rico, whose authority to appear herein is evidenced by a Certificate of Corporate Resolution subscribed by Ryan Haywood, Assistant Secretary of Seagate, on January five (5), two thousand nine (2009), before Notary Public Suzanne Crawford-Wiciak, which has been protocolized pursuant to deed number one (1), executed on January nineteen (19), two thousand nine (2009), before the undersigned Notary Public, a certified copy of which will be filed with the first certified copy of this deed in the corresponding section of the Registry of the Property of Puerto Rico. ----------

---I, the Notary, do hereby certify that I personally know the natural person appearing on behalf of the SECOND PART, and that, since I do not personally know the natural person appearing on behalf of the FIRST PART, I have identified him through his driver's license issued by the Commonwealth of Puerto Rico, in accordance with the provisions of Article 17(c) of the Puerto Rico Notarial Act, and, by their statements, as to their personal circumstances. They assure me that they have, and in my opinion they do have, the necessary capacity to execute this document, and pursuant to which they freely and voluntarily ----

---------- STATE ----------

---**FIRST:** That Owens Illinois de Puerto Rico (hereinafter, the "Mortgagor") constituted a mortgage to secure payment of a demand Mortgage

Note payable to Bearer, in the principal amount of twenty six million five hundred forty nine thousand nine hundred five dollars and sixty six cents ($26,549,905.66), with interest at seven percent (7%) per annum, pursuant to the terms of deed number thirteen (13), executed on December twenty one (21), nineteen seventy seven (1977), before Notary Public Julio L. Aguirre (hereinafter, the "Deed of Mortgage"), recorded at page one hundred forty two (142) of volume one hundred (100) of Vega Alta, Registry of the Property of Puerto Rico, Third Section of Bayamón (hereinafter, the "Registry"), property number six thousand seven hundred twenty four (6,724), first inscription, modified as per the terms of deed number fifty six (56), executed on March nineteen (19), nineteen ninety two (1992), before Notary Public Pedro Morell-Lozada, recorded at the margin of the second inscription (hereinafter, the "Mortgage"). The Mortgage encumbers the real property described at the Registry as follows (hereinafter, the "Property"): ----------

-----RUSTICA: Parcela de terreno de forma irregular radicada en el Barrio Sabana de Vega Alta Puerto Rico compuesta de treinta y tres cuerdas con siete mil seiscientos ochenta y cinco diezmilésimas de otra (33.7685) equivalente a ciento treinta y dos mil setecientos veintitrés metros cuadrados con cuarenta y dos centésimas de otro (132,723.42) equivalentes a su vez a treinta y dos acres con siete mil quinientos cincuenta y cinco diezmilésimas de otro (32.7555) lindes por el Norte, con terrenos propiedad de El Morro Corrugated Box Corporation, por el Sur, con terrenos de Luis Valdejuli, por el Este, igualmente con terrenos propiedad de Luis Valdejuli y por el Oeste, en parte con terrenos igualmente propiedad de Luis Valdejuli y en parte con la carretera Estatal Número Dos (#2) del Sector Cerro Gordo de la Playa de Vega Alta.------

---The Property is recorded at page twenty one (21) of volume one hundred fifty one (151) of the

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Registry, property number seven thousand seven hundred fifteen (7,715).----------

---The Property was formed by grouping of properties number seven thousand seven hundred fifteen (7,715) and six thousand seven hundred twenty four (6,724), recorded at pages twenty one (21) and one hundred forty two (142) of volumes one hundred fifty one (151) and one hundred (100) of the Registry, respectively.----------

---Owens Illinois de Puerto Rico, LLC, a Delaware limited liability company with its place of business in Puerto Rico, acquired title to the Property from the Mortgagor, pursuant to the terms of deed number eleven (11) executed on September eighteen (18), two thousand three (2003), before Notary Public Juan José Forastieri, filed and pending recordation at entry number one hundred twenty three (123) of volume four hundred forty nine (449) of the Book of Daily Entries of the Registry.----------

---The Property is subject to the following liens and encumbrances:----------

-----(a) By its origin, the Property is subject to: (i) right-of-way easement; and (ii) the Mortgage.----------

-----(b) By itself, the Property is free and clear.----------

---SECOND: It appears from the records of the Court, in civil case number 08-1627 (GAG), that on August seven (7), two thousand eight (2008), Seagate filed a Complaint for Collection of Monies and Foreclosure against Owens Illinois de Puerto Rico, LLC (hereinafter, the "Judgment Debtor"). Judgment was entered in favor of Seagate, which

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was filed on August twenty six (26), two thousand eight (2008), a copy of which will be presented as a supplementary document together with the first certified copy of this deed.----------

---**THIRD**: Upon the Judgment became final, the Court ordered the execution of the Mortgage through an Order of Public Sale in Execution of Judgment dated September sixteen (16), two thousand eight (2008), as amended by Amended Order of Public Sale in Execution of Judgment dated September thirty (30), two thousand eight (2008), copies of which will be presented as supplementary documents together with the first certified copy of this deed. ----------

---**FOURTH**: The Clerk of the Court issued the corresponding Writ of Execution of Judgment dated September twenty three (23), two thousand eight (2008), as amended by Writ of Execution of Judgment dated October seven (7), two thousand eight (2008), copies of which will be presented as supplementary documents together with the first certified copy of this deed. Pursuant to said Writs of Execution of Judgment, the Property, encumbered by the Mortgage, was ordered to be sold at public auction to the highest bidder. ---------

---**FIFTH**: In compliance with the aforementioned Writs of Execution of Judgment, the Special Master issued a Notice of Public Sale on October nine (9), two thousand eight (2008), a copy of which will be presented as a supplementary document together with the first certified copy of this deed.----------

---**SIXTH**: Said Notice of Public Sale was published in the "El Nuevo Día" newspaper, on Wednesday,

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October fifteen (15), two thousand eight (2008), Wednesday, October twenty two (22), two thousand eight (2008), and Wednesday, November five (5), two thousand eight (2008). Evidence of the publishing of the Notice of Public Sale was submitted by Seagate to the Court, and a sworn statement was subscribed by Lissette Cortés of said newspaper on November six (6), two thousand eight (2008), before Notary Public Frank González. A copy of the sworn statement subscribed by Lissette Cortés will be presented as a supplementary document together with the first certified copy of this deed. ----------

---**SEVENTH**: Pursuant to the Report of Special Master Upon Sale on Foreclosure dated December ten (10), two thousand eight (2008), as amended by Amended Report of Special Master Upon Sale on Foreclosure dated December twenty three (23), two thousand eight (2008), the Special Master certified to the Court that he posted copies of the Notice of Public Sale on the following localities: (i) the Revenue Collector's Office and City Hall of the Municipality of Vega Alta, Puerto Rico, where Judgment Debtor has its last known address; (ii) the bulletin board of the Superior Court of Dorado, Puerto Rico, judicial district where Vega Alta is located; and (iii) the bulletin board of the Superior Court, City Hall and the Revenue Collector's Office of the Municipality of Bayamón, Puerto Rico, where the public sale proceedings took place. ----------

---Further, on October sixteen (16), two thousand eight (2008), the Special Master delivered copies

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of the Notice of Public Sale to Judgment Debtor's last known addresses, via certified mail. --------

---**EIGHTH:** On November seventeen (17), two thousand eight (2008), at nine thirty in the morning (9:30 a.m.), the First Auction was held at the Office of the Marshall of the Court of First Instance of Puerto Rico, Superior Court of Bayamón. The minimum bid for the First Auction was fixed at twenty nine million two hundred four thousand dollars ($29,204,000.00), which was the foreclosure value stipulated in the deed of mortgage. No bidders appeared nor made an order at the First Auction, so it was declared deserted.

---On November twenty four (24), two thousand eight (2008), at nine thirty in the morning (9:30 a.m.), the Second Auction was held at the Office of the Marshall of the Court of First Instance of Puerto Rico, Superior Court of Bayamón. The minimum bid for the Second Auction was fixed at nineteen million four hundred sixty nine thousand three hundred thirty three dollars and thirty three cents ($19,469,333.33) which is two thirds (2/3) of the foreclosure value. No bidders appeared nor made an order at the Second Auction, so it was declared deserted. ----------

---On December one (1), two thousand eight (2008), at nine thirty in the morning (9:30 a.m.), the Third Auction was held at the Office of the Marshall of the Court of First Instance of Puerto Rico, Superior Court of Bayamón. The minimum bid for the Third Auction was fixed at fourteen million six hundred two thousand dollars ($14,602,000.00), which is half (1/2) of the foreclosure value. No bidders appeared nor made

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an order at the Third Auction, so it was declared deserted. Consequently, consonant with Article Two Hundred Twenty One (221) of the Puerto Rico Mortgage Law, 30 L.P.R.A. § 2721, judgment creditor Seagate, through its counsel and authorized representative Shylene De Jesús, elected to receive the Property subject to the Mortgage and Judgment, in full satisfaction of the Judgment entered by the Court, which amounts to nine million nine hundred ninety nine thousand nine hundred twelve dollars and sixty nine cents ($9,999,912.69) of principal, plus interest due and owed as of August seven (7), two thousand eight (2008), equal to two hundred sixty two thousand eight hundred seventy dollars and twenty four cents ($262,870.24), plus the amount of forty two thousand one hundred eight dollars and eighteen cents ($42,108.18) of interest accrued from August seven (7), two thousand eight (2008), until August twenty six (26), two thousand eight (2008), and the amount of two million six hundred fifty four thousand nine hundred ninety dollars and fifty six cents ($2,654,990.56) for the concept of costs and attorneys fees stipulated by the parties in the Deed of Mortgage, for a grand total of twelve million nine hundred fifty nine thousand eight hundred eighty one dollars and sixty seven cents ($12,959,881.67). ----------

---**NINTH:** As reflected in the aforementioned Report of Special Master Upon Sale on Foreclosure and Amended Report of Special Master Upon Sale on Foreclosure, on October sixteen (16), two thousand eight (2008), the Special Master delivered, via certified mail, copies of the Notice of Public

Sale to Judgment Debtor's last known addresses to wit Post Office (P.O.) Box three hundred eighty seven (387) Vega Alta, Puerto Rico, zero zero six hundred ninety two dash zero three hundred eighty seven (00692-0387); Kilometer (Km.) twenty eight (28) of Duarte Highway, Santo Domingo, Dominican Republic. Copies of said Report of Special Master Upon Sale on Foreclosure and Amended Report of Special Master Upon Sale on Foreclosure will be presented as supplementary documents together with the first certified copy of this deed.----------

---**TENTH**: The Special Master, as appointed by the Court pursuant to the aforementioned Order of Public Sale in Execution of Judgment and Amended Order of Public Sale in Execution of Judgment, and further authorized to appear in this deed by virtue of Order of Confirmation of Sale dated December ten (10), two thousand eight (2008), as amended by Amended Order of Confirmation of Sale dated December twenty nine (29), two thousand eight (2008), and Writ Upon Confirmation of Sale issued on December fifteen (15), two thousand eight (2008), as amended by Writ Upon Confirmation of Sale issued on January eight (8), two thousand nine (2009), hereby ASSIGNS, ADJUDICATES, and TRANSFERS in favor of Seagate the Property described in paragraph FIRST of this deed, with all of its uses, rights, accessions, and easements, and without any condition or limitation whatsoever. Copies of said Order of Confirmation of Sale, Amended Order of Confirmation of Sale, and Writs Upon Confirmation of Sale will be presented as supplementary documents together with the first certified copy of this deed.----------

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---ELEVENTH: That this judicial sale is done free from the Mortgage. Seagate hereby delivers to me, the Notary, the original of the mortgage note described in paragraph FIRST, which is secured by with the Mortgage, and requests to cancel said mortgage note and the Mortgage.----------

---I, the Notary, after having verified the authenticity of said mortgage note, and that Seagate is the bearer and legal holder thereof, proceed to cancel it by writing on its face the word "**CANCELLED**", as per Seagate's request, leaving said mortgage note attached to the original of this deed so as to form part of my protocol of public instruments for the current year.----------

---**TWELFTH**: It is respectfully requested from the Registrar of the Property that the aforementioned mortgage note and the Mortgage be cancelled pursuant to the provisions of Article One Hundred Thirty Four (134) of the Puerto Rico Mortgage Law, 30 L.P.R.A. § 2458, for said lien having been executed at public auction, and that the transfer of title of the Property in favor of Seagate be recorded in the Registry.----------

----------**ACCEPTANCE** ----------

---The appearing parties accept this deed as drafted and confirm that the same has been drawn in accordance with their instructions and I, the Notary, do hereby certify that I have advised the appearing parties (i) that this deed must be recorded in the corresponding section of the Registry of the Property of Puerto Rico, which recording the appearing parties have agreed will be performed by a third party unrelated to the

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Notary, for which reason, such parties herein agreed that the Notary shall not be responsible for such filing; (ii) of the possibility of intervening documents affecting the title of the Property being filed for recordation prior to the execution and/or presentation of this deed and of the preference or seniority that said intervening liens and/or encumbrances may gain by such prior execution or earlier presentation; (iii) of the advisability of verifying the environmental status of the Property; (iv) of the possible existence and pendency of additional unrecorded statutory liens and real property taxes (including the statutory preferred legal mortgage in favor of the Commonwealth of Puerto Rico); (v) of the statutory requirement that the conveying party give notice of this transaction to the Department of the Treasury of the Commonwealth of Puerto Rico; (vi) that the Property described and the liens and encumbrances over the Property are listed herein as reflected by certain recent title report prepared by a third independent party and not by the undersigned Notary; and (vii) that if the Property is located within a floodable zone, any title holder or occupant of the same, present and future, is bound by law to observe and comply with the requirements and provision of the Regulation of Zones Susceptible to Floods, the warning that the violation of the same constitutes an illegal act, in accordance with the provisions of Act Number Three (3) of September twenty seven (27), nineteen sixty one (1961) of Floodable Zones, as amended, 23 L.P.R.A. § 225(g).----------

---I, the Notary, have further advised the appearing parties of the consequences arising from

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the acquisition and/or transfer of a contaminated property as well as of the problems and risks represented by the acquisition of land in such state and have advised them about the convenience of preparing an environmental audit in order to have the protection afforded by the Comprehensive Environmental and Liability Act of the United States, Title Forty Two (42) of the United States Code, Sections Nine Thousand Six Hundred One (9,601) and subsequent. The authorizing Notary also advised the appearing parties of any proprietary interest in any residential property built before the year nineteen seventy eight (1978) that they hereby are duly notified that such property may present exposure to lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a risk to pregnant women. Under Section One Thousand Eighteen (1018) of Title Ten (10) of the United States Code, the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. § 4852(d), the seller of any interest in residential property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazard is recommended prior to purchase. The appearing parties hereby acknowledge that the authorizing Notary has informed them of their rights under the

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aforementioned federal law, and therefore release him of responsibility on that related to the disclosure on lead-based paint. ----------

---I, the Notary, having given the pertinent legal caveats, and the parties hereto having read this deed, after being advised of their right to have witnesses present at its execution, which right they waived, they ratify the contents hereof and find it to be in accordance with their wishes, and they all sign the same and place their initials on each and every one of its pages.----------

---I also certify and attest that the appearing parties and I know and fully understand the English language.----------

---As to everything affirmed or related by me herein, I, the undersigned Notary, DO HEREBY ATTEST. ----------

---I further certify and attest that the Employer --------- Identification Number of Seagate Inc. is 66-0447416. I, -- the Notary, DO HEREBY ATTEST. ----------

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MORTGAGE NOTE

ONE: FOR VALUE RECEIVED, the undersigned, (hereinafter called the Maker(s) promise to pay to the order of the person mentioned in paragraph EIGHT of this Mortgage Note (hereinafter called the Holder), at such place as the Holder may from time to time designate in writing the principal sum and interest established in paragraph NINE of this Mortgage Note; payable as established in said paragraph NINE.

TWO: The Maker(s) or any subsequent owner(s) of the Mortgaged Property (as such term is defined in the Mortgage securing this Mortgage Note) shall have the right to prepay the entire principal sum without penalty on any monthly installment date.

THREE: In the event default be made in the payment of any of the installments under this Note and if such default is not mademade good prior to the date of the next such installment, the entire principal sum and accrued interest shall at once become due and payable without notice at the option of the Holder. Failure to exertise this option, shall not constitute a waiver of the right to exercise same in the event of any subsequent default.

FOUR: Presentment, protest, demand and notice of nonpyament are hereby waived.

FIVE: Should this Mortgage Note be signed by more than one Maker, all the obligations herein contained shall be the joint and several obligations of each signer hereof.

SIX: This Mortgage Note is secured by a mortgage upon real property constituted on this same date, before the subscribing Notary, Deed Number Thirteen.

SEVEN: In case recourse to the courts by the Holder of this Mortgage Note becomes necessary in order to collect the whole or a portion of the amount of this Mortgage Note, the Maker(s) agrees to pay the court expenses, disbursements and attorney's fees which may be incurred in the amount of 10% of the principal sum of this Mortgage Note.

EIGHT: This Mortgage Note is payable to Bearer.

NINE: The principal sum of this Mortgage Note is TWENTY SIX MILLION FIVE HUNDRED FORTY NINE THOUSAND NINE HUNDRED FIVE DOLLARS AND SIXTY SIX CENTS ($26,549,905.66) at the rate of seven percent (7%) per annum, payable on demand.

In San Juan, Puerto Rico, this 21st day of December, 1977.

OWENS ILLINOIS DE PUERTO RICO

by: D E Maxwell
David E. Maxwell
General Manager

COMMONWEALTH OF PUERTO RICO)
)
CITY OF SAN JUAN)

Affidavit No. 2230 :

Subscribed to before me by David E. Maxwell, of legal age, married, business executive, and resident of San Juan, Puerto Rico, as General Manager of Owens Illinois de Puerto Rico, at San Juan, Puerto Rico, this 21st day of December, 1977.

Notary Public

The prescriptive term for the payment of this obligation and the foreclosure of the Mortgage that secures it has been extended until March 19, 2012 pursuant to deed number 56 executed on March 19, 1992 before the undersigned Notary.

PEDRO MORELL LOSADA
PUERTO RICO
ABOGADO NOTARIO

Pedro Morell Losada
Notary