

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended JULY 3, 1994

Commission file number 1-7349

BALL CORPORATION

State of Indiana

35-0160610

345 South High Street, P.O. Box 2407
Muncie, IN 47307-0407
317/747-6100

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No []

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at June 30, 1994
----- Common Stock, without par value	----- 29,697,757 shares

Ball Corporation and Subsidiaries
QUARTERLY REPORT ON FORM 10-Q
For the period ended July 3, 1994

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PART I. FINANCIAL INFORMATION	
Item 1. Financial Statements	

Ball Corporation and Subsidiaries
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF INCOME

(Millions of dollars except per share amounts)

<TABLE>
<CAPTION>

	Three months ended		Six months ended	
	July 3, 1994	July 4, 1993	July 3, 1994	July 4, 1993
<S> Net sales	<C> \$ 676.6	<C> \$ 663.0	<C> \$ 1,263.9	<C> \$ 1,195.9
Costs and expenses				
Cost of sales	605.3	595.3	1,137.2	1,075.9
General and administrative expenses	23.6	25.6	44.2	47.0
Selling and product development expenses	7.7	6.9	13.9	12.2
Interest expense	10.8	12.9	21.4	24.2
	647.4	640.7	1,216.7	1,159.3
Income from continuing operations before taxes on income	29.2	22.3	47.2	36.6
Provision for taxes on income	(11.0)	(8.5)	(17.5)	(13.4)
Minority interest	(0.8)	(0.8)	(2.1)	(1.8)
Equity in earnings (losses) of affiliates	(0.2)	0.3	0.1	1.0
Net income from:				
Continuing operations	17.2	13.3	27.7	22.4
Alltrista operations	--	--	--	2.1
Net income before cumulative effect of changes in accounting principles	17.2	13.3	27.7	24.5
Cumulative effect of changes in accounting principles, net of tax benefit	--	--	--	(34.7)
Net income (loss)	17.2	13.3	27.7	(10.2)
Preferred dividends, net of tax benefit	(0.8)	(0.8)	(1.6)	(1.6)
Net earnings (loss) attributable to common shareholders	\$ 16.4	\$ 12.5	\$ 26.1	\$ (11.8)
Earnings (loss) per share of common stock:				
Continuing operations	\$ 0.55	\$ 0.43	\$ 0.88	\$ 0.74
Alltrista operations	--	--	--	0.08
Cumulative effect of changes in accounting principles, net of tax benefit	--	--	--	(1.24)
	\$ 0.55	\$ 0.43	\$ 0.88	\$ (0.42)
Fully diluted earnings (loss) per share:				
Continuing operations	\$ 0.52	\$ 0.41	\$ 0.83	\$ 0.74
Alltrista operations	--	--	--	0.07
Cumulative effect of changes in accounting principles, net of tax benefit	--	--	--	(1.23)
	\$ 0.52	\$ 0.41	\$ 0.83	\$ (0.42)
Cash dividends declared per common share	\$ 0.15	\$ 0.31	\$ 0.30	\$ 0.62

</TABLE>

See accompanying notes to unaudited condensed consolidated financial statements.

<TABLE>
<CAPTION>

	July 3, 1994	December 31, 1993
<S>	<C>	<C>
ASSETS		
Current assets		
Cash and temporary investments	\$ 8.9	\$ 8.2
Accounts receivable, net	260.8	191.3
Inventories		
Raw materials and supplies	96.4	99.8
Work in process and finished goods	319.4	309.5
Current deferred taxes on income and prepaid expenses	63.5	83.3
	-----	-----
Total current assets	749.0	692.1
	-----	-----
Property, plant and equipment, at cost	1,472.3	1,449.3
Accumulated depreciation	(675.0)	(626.6)
	-----	-----
	797.3	822.7
	-----	-----
Goodwill and purchased intangible assets, net	99.0	101.5
	-----	-----
Other assets	174.5	179.3
	-----	-----
	\$ 1,819.8	\$ 1,795.6
	-----	-----
	-----	-----
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term debt and current portion of long-term debt	\$ 122.2	\$ 123.9
Accounts payable	167.0	157.3
Salaries, wages and accrued employee benefits	90.8	85.8
Other current liabilities	72.0	84.2
	-----	-----
Total current liabilities	452.0	451.2
	-----	-----
Noncurrent liabilities		
Long-term debt	517.0	513.3
Deferred taxes on income	57.8	65.1
Employee benefits and other	196.0	191.4
	-----	-----
Total noncurrent liabilities	770.8	769.8
	-----	-----
Contingencies		
Minority interest	18.0	15.9
	-----	-----
Shareholders' equity		
Series B ESOP Convertible Preferred Stock	68.1	68.7
Unearned compensation - ESOP	(57.1)	(58.6)
	-----	-----
Preferred shareholder's equity	11.0	10.1
	-----	-----
Common stock (issued 30,637,066 shares - 1994; 30,258,169 shares - 1993)	251.0	241.5
Retained earnings	346.0	332.2
Treasury stock, at cost (951,919 shares - 1994; 811,545 shares - 1993)	(29.0)	(25.1)
	-----	-----
Common shareholders' equity	568.0	548.6
	-----	-----
	\$ 1,819.8	\$ 1,795.6
	-----	-----
	-----	-----

</TABLE>

See accompanying notes to unaudited condensed consolidated financial statements.

Ball Corporation and Subsidiaries
 UNAUDITED CONDENSED CONSOLIDATED
 STATEMENT OF CASH FLOWS
 (Millions of dollars)

<TABLE>
 <CAPTION>

	Six months ended	
	July 3, 1994	July 4, 1993
	<C>	<C>
Cash flows from operating activities		
Net income (loss)	\$ 27.7	\$ (10.2)
Reconciliation of net income (loss) to net cash provided by (used in) operating activities:		
Net income from Alltrista operations	--	(2.1)
Cumulative effect of changes in accounting principles, net of tax benefit	--	34.7
Depreciation and amortization	62.1	56.1
Other, net	5.9	(0.7)
Changes in working capital components excluding effects of acquisitions and Alltrista operations	(62.5)	(106.4)
	33.2	(28.6)
Cash flows from financing activities		
Increase in long-term debt, including net increase in amounts outstanding under revolving credit agreements	40.3	160.0
Principal payments of long-term debt (including refinancing of \$84.8 million of Heekin indebtedness in 1993)	(43.2)	(157.4)
Net change in short-term debt	11.0	66.0
Common and preferred dividends	(11.5)	(19.9)
Net proceeds from issuance of common stock under various employee and shareholder plans	9.6	13.3
Other, net	(4.7)	(2.1)
	1.5	59.9
Cash flows from investing activities		
Additions to property, plant and equipment	(45.1)	(54.7)
Net cash provided to Alltrista operations	--	(8.0)
Investment in packaging affiliates	3.5	(7.7)
Investment in company-owned life insurance, net	4.8	33.1
Other, net	2.8	1.0
	(34.0)	(36.3)
Net increase (decrease) in cash	0.7	(5.0)
Cash and temporary investments:		
Beginning of period	8.2	14.5
End of period	\$ 8.9	\$ 9.5

</TABLE>

See accompanying notes to unaudited condensed consolidated financial statements.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL.

The accompanying unaudited condensed consolidated financial statements have been prepared by the company without audit. Certain information and footnote disclosures, including significant accounting policies, normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. However, the company believes that the financial statements reflect all adjustments which are necessary for a fair statement of the results for the interim period. Results of operations for the periods shown are not necessarily indicative of results for the year, particularly in view of some seasonality in packaging operations. It is

suggested that these unaudited condensed consolidated financial statements and accompanying notes be read in conjunction with the consolidated financial statements and the notes thereto included in the company's latest annual report.

2. RECLASSIFICATIONS.

Certain prior year amounts have been reclassified in order to conform with the 1994 presentation of the consolidated statement of income. The operating costs and expenses category was expanded. In addition, freight expense was reclassified from cost of sales and is reported as a reduction in sales. Warehousing and shipping expense was reclassified from selling and product development expenses and is reported as an increase in cost of sales. These changes did not effect reported net income or per share amounts.

3. BALL PACKAGING PRODUCTS CANADA, INC. (BALL CANADA).

Prior to the acquisition on April 19, 1991, of the lenders' position in the term debt and 100 percent ownership of Ball Canada, the company had owned indirectly 50 percent of Ball Canada through a joint venture holding company owned equally with Onex Corporation (Onex). The 1988 Joint Venture Agreement had included a provision under which Onex, beginning in late 1993, could "put" to the company all of its equity in the holding company at a price based upon the holding company's fair value. Onex has since claimed that its "put" option entitled it to a minimum value founded on Onex's original investment of approximately \$22.0 million. On December 9, 1993, Onex served notice on the company that Onex was exercising its alleged right under the Joint Venture Agreement to require the company to purchase all of the holding company shares owned or controlled by Onex, directly or indirectly, for an amount including "approximately \$40 million" in respect of the Class A-2 Preference Shares owned by Onex in the holding company. Such "\$40 million" is expressed in Canadian dollars and would represent approximately \$30 million at the December 31, 1993 exchange rate.

The company's position is that it has no obligation to purchase any shares from Onex or to pay Onex any amount for such shares, since, among other things, the Joint Venture Agreement, which included the "put" option, is terminated. On January 24, 1994, the Ontario Court (General Division Commercial List) ordered that Onex's August 1993 Application for Rectification to reform the Joint Venture Agreement document be stayed, and the Court referred the parties to arbitration on the matter. Under date of January 31, 1994, Onex provided a Notice of Appeal of the Court's order. On July 19, 1994, Onex gave notice to the Court and the company that it was voluntarily abandoning the appeal. Onex is now pursuing its claim in arbitration before the International Chamber of Commerce. The company believes that it has meritorious defenses against Onex's claims, although, because of the uncertainties inherent in the arbitration process, it is unable to predict the outcome of such arbitration or other litigation as may arise.

4. SHAREHOLDERS' EQUITY.

Issued and outstanding shares of the Series B ESOP Convertible Preferred Stock (ESOP Preferred) were 1,852,470 shares at July 3, 1994, and 1,870,085 shares at December 31, 1993.

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5. CONTINGENCIES.

The Environmental Protection Agency has designated the company as a potentially responsible party, along with numerous other companies, for the cleanup of several hazardous waste sites. However, the company's information at this time does not indicate that these matters will have a material, adverse effect upon financial condition, results of operations, capital expenditures or competitive position of the company.

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Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

Consolidated net sales of \$676.6 million for the second quarter of 1994 increased 2.1 percent compared to the second quarter of 1993. For the six month period ended July 3, 1994, net sales increased 5.7 percent to \$1.3 billion. The increases in net sales were due principally to the inclusion of Heekin results for the full period in 1994 and increases in commercial glass container sales partially offset by lower sales in other operations. Heekin's results in 1993 were included in consolidated results of operations from the March 19, 1993, acquisition date. Consolidated operating earnings for the second quarter of 1994 increased 13.6 percent to \$40.0 million from \$35.2 million in the second quarter of 1993. For the year-to-date period, consolidated operating earnings increased 12.8 percent to \$68.6 million from the comparable period in 1993. The

increases were due to improved domestic beverage container and aerospace and communications results, as well as improved results for the commercial glass business, partially offset by the effect of a one-time, pretax charge of \$3.2 million (\$1.9 million after tax or seven cents per share) for costs associated with the early retirement of two former officers. This one-time charge is included in general and administrative expenses on the consolidated statement of income.

Consolidated interest expense for the second quarter and six month periods of 1994 was \$10.8 million and \$21.4 million, respectively, compared to \$12.9 million and \$24.2 million for the second quarter and six month periods of 1993. The decreases were attributable to lower interest rates, as well as a reduction in the average level of borrowings.

Net income from continuing operations increased 29.3 percent and 23.7 percent for the second quarter and year-to-date periods, respectively. The improved results of both periods are primarily due to the aforementioned factors and include after tax severance costs of \$1.9 million, or seven cents per share. Earnings per share from continuing operations increased to 55 cents per share for the second quarter from 43 cents in 1993, reflecting the higher net income from continuing operations and the elimination of losses as a result of the disposition of two lines of the aerospace and communications business described below. For the first six months of 1994, earnings per share from continuing operations increased from 74 cents in 1993 to 88 cents. Net income improved from \$13.3 million in the second quarter of 1993 to \$17.2 million in the 1994 second period. Year-to-date net income improved from a loss of \$10.2 million in 1993 to net earnings of \$27.7 million in 1994. The 1993 six-month period also included \$2.1 million of net income from the discontinued Alltrista operations, which were spun off April 2, 1993, and an after tax charge of \$34.7 million representing the cumulative effect of new accounting standards adopted as of January 1, 1993.

BUSINESS SEGMENTS

The packaging segment reported sales increases of 3.2 percent and 7.3 percent for the second quarter and year-to-date periods of 1994, respectively, relative to the year earlier due primarily to the full-period consolidation of Heekin's sales in 1994 and increased sales in the glass packaging business. Operating earnings improved for the second quarter and six month periods of 1994 as a result of substantially improved domestic beverage container results and improved results in the commercial glass container business. Sales and operating earnings of the Canadian metal packaging business were less than the 1993 second quarter and year-to-date amounts.

Within the packaging segment, operating earnings in the metal container business improved on increased sales of 8.3 percent for the six month period due primarily to the inclusion of Heekin's sales. Sales increased less than 1 percent for the second quarter of 1994. Domestic metal beverage container sales declined slightly despite higher unit volumes. The increase in unit sales reflects strong customer demands. Domestic metal beverage container operating earnings were improved for the three month and six month periods versus the year-earlier as the beneficial effects of increased unit volumes more than offset reduced selling prices. Metal food container sales increased during the second quarter of 1994 as a result of higher shipments due to improved customer demand. During the second quarter of 1994, the company completed the sale of its metal decorating and coating facility in Alsip, Illinois. The impact of this sale on the company's financial position and results of operations was immaterial.

The glass business reported increased sales of 9.2 percent for the second quarter and 5.3 percent for the year-to-date period due to higher unit volumes despite competitive industry pricing. Operating earnings increased for the quarter due to improved sales and higher plant utilization, the effects of which more than offset the increases in freight and warehousing costs and increased labor costs resulting largely from new labor contracts settled in 1993. In addition, the second quarter of 1993 reflected a net operating

loss due to quality difficulties and the slow start-up of operations at the expanded Ruston, Louisiana plant. Improved second quarter 1994 sales contributed to higher year-to-date earnings, despite lower first quarter earnings which resulted from the completion of six furnace rebuilds that temporarily idled a portion of the productive capacity. In August 1994, the Company announced that it will close its glass container manufacturing facility in Okmulgee, Oklahoma in late 1994 as part of its restructuring program. The Asheville, North Carolina plant closed August 5, 1994.

Operating results of the aerospace and communications segment also improved considerably, notwithstanding a decline in sales of 7.7 percent for the second quarter and 6.8 percent year-to-date in 1994 compared to 1993. This improvement was due, in part, to the elimination of the unprofitable visual imaging products and the low light level line of business combined with cost and workforce

reductions. During the second quarter of 1994, the company sold its Visual Image Generating business, which had no material impact on the company's financial position or results of operations as a result of provisions recorded for that purpose in 1993. Lower sales are primarily attributed to the general business environment for aerospace operations. Backlog at the quarter end was approximately \$266 million compared to \$305 million at December 31, 1993.

RESTRUCTURING AND OTHER RESERVES

In 1993 the company recorded aggregate restructuring and other reserves of \$108.7 million pretax. These reserves were charged with \$8.2 million and \$12.2 million of costs for the three months and six months ended July 3, 1994, respectively. These charges included costs related to the disposal of the visual imaging product line of \$4.1 million and \$5.7 million for the quarter and year-to-date, respectively. Other charges consist primarily of the net book value of machinery and equipment made obsolete by changing package specifications in the beverage container industry and costs associated with plant closings.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

The seasonal increase in working capital for 1994 (as reported in the cash flow statement) was \$62.5 million compared to \$106.4 million in the first six months of 1993. The reduced working capital requirement was the primary factor contributing to the increase in cash provided by operations in 1994 of \$33.2 million versus cash used in operations of \$28.6 million in 1993. The working capital ratio was 2.3 at July 3, 1994 compared to 2.1 at December 31, 1993.

Although total debt increased by \$2.0 million to \$639.2 million at July 3, 1994, from \$637.2 million at December 31, 1993, the debt-to-total capitalization ratio decreased to 51.7 percent at July 3, 1994, from 52.6 percent as of December 31, 1993, due to increased shareholders' equity. As of July 3, 1994, the company had committed credit facilities of \$270 million with various banks. Uncommitted credit facilities from various banks of approximately \$430 million, of which \$127 million was outstanding, and a Canadian dollar commercial paper facility of approximately \$87 million, of which \$71 million was outstanding, also were available.

During July and August of 1994 the company replaced its \$270 million revolving credit facilities with revolving facilities of \$300 million consisting of a \$150 million, three-year facility and \$150 million of 364 day facilities. These new committed credit lines include more favorable terms than the prior facility.

The company's board of directors approved a resolution in late July authorizing the repurchase of an additional 1.5 million common shares under an existing share repurchase program. Approximately 8 percent or 2.4 million of the company's outstanding common shares are now authorized for repurchase under the program.

The company anticipates total 1994 capital spending of approximately \$132 million concentrated within the packaging segment.

The Environmental Protection Agency has designated the company as a potentially responsible party, along with numerous other companies, for the cleanup of several hazardous waste sites. However, the company's information at this time does not indicate that these matters will have a material, adverse effect upon financial condition, results of operations, capital expenditures or competitive position of the company.

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PART II. OTHER INFORMATION

Item 1. Legal proceedings

There were no events required to be reported under Item 1 for the quarter ending July 3, 1994.

Item 2. Changes in securities

There were no events required to be reported under Item 2 for the quarter ending July 3, 1994.

Item 3. Defaults upon senior securities

There were no events required to be reported under Item 3 for the quarter ending July 3, 1994.

Item 4. Submission of matters to a vote of security holders

The Company held the Annual Meeting of Shareholders on April 26, 1994. Matters voted upon by proxy were: the election of two directors for three-year terms expiring in 1997; and, the ratification of the appointment of Price Waterhouse as independent accountants in 1994. The results of the vote are as follows:

<TABLE>
<CAPTION>

	Voted For -----	Voted Against -----	Withheld/Abstained -----
<S>	<C>	<C>	<C>
Election of directors for terms expiring in 1997:			
Howard M. Dean	28,694,851	--	354,803
John T. Hackett	28,696,826	--	352,828
Appointment of Price Waterhouse as independent accountants in 1994	28,796,795	124,836	128,023

</TABLE>

Item 5. Other information

There were no events required to be reported under Item 5 for the quarter ending July 3, 1994.

Item 6. Exhibits and reports on Form 8-K

(a) Exhibits

- 10.1 Retirement Agreement dated June 17, 1994 between Delmont A. Davis and Ball Corporation
- 10.2 Ball Corporation 1986 Deferred Compensation Plan (as amended July 1, 1994)
- 10.3 Ball Corporation 1988 Deferred Compensation Plan (as amended July 1, 1994)
- 10.4 Ball Corporation 1989 Deferred Compensation Plan (as amended July 1, 1994)
- 10.5 Ball-InCon Glass Packaging Corp. Deferred Compensation Plan (as amended July 1, 1994)
- 10.6 Retirement Agreement dated July 29, 1994 between H. Ray Looney and Ball Corporation

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- 10.7 Retention Agreement dated June 22, 1994 between Donovan B. Hicks and Ball Corporation
- 11.1 Statement Re: Computation of Earnings per Share.

(b) Reports on Form 8-K

A Current Report on Form 8-K, dated April 29, 1994, filed May 9, 1994, announcing the plan of Mr. Delmont A. Davis to take early retirement from his position as president and chief executive officer of Ball Corporation.

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SIGNATURE

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

Ball Corporation
(Registrant)

By: /s/ R. David Hoover

R. David Hoover
Senior Vice President and
Chief Financial Officer

Date: August 17, 1994

Ball Corporation and Subsidiaries
QUARTERLY REPORT ON FORM 10-Q
July 3, 1994

EXHIBIT INDEX

Description -----	Exhibit -----
Retirement Agreement dated June 17, 1994 between Delmont A. Davis and Ball Corporation	EX-10.1
Ball Corporation 1986 Deferred Compensation Plan (as amended July 1, 1994)	EX-10.2
Ball Corporation 1988 Deferred Compensation Plan (as amended July 1, 1994)	EX-10.3
Ball Corporation 1989 Deferred Compensation Plan (as amended July 1, 1994)	EX-10.4
Ball-InCon Glass Packaging Corp. Deferred Compensation Plan (as amended July 1, 1994)	EX-10.5
Retirement Agreement dated July 29, 1994 between H. Ray Looney and Ball Corporation	EX-10.6
Retention Agreement dated June 22, 1994 between Donovan B. Hicks and Ball Corporation	EX-10.7
Statement Re: Computation of Earnings per Share	EX-11.1

RETIREMENT AGREEMENT

THIS RETIREMENT AGREEMENT (hereinafter referred to as the "Retirement Agreement"), made as of the 17th day of June, 1994 (hereinafter referred to as the "Effective Date"), by and between Delmont A. Davis (hereinafter referred to as "Executive") and Ball Corporation (hereinafter referred to as the "Company").

W I T N E S S E T H :

WHEREAS, Executive has been employed by the Company as the President and Chief Executive Officer of the Company;

WHEREAS, Executive and the Company have agreed that Executive's employment with the Company shall terminate on June 17, 1994 (hereinafter referred to as the "Retirement Date"); and

WHEREAS, Executive and the Company have negotiated and reached an agreement with respect to all rights, duties and obligations arising between them, including, but in no way limited to, any rights, duties and obligations that have arisen or might arise out of or are in any way related to Executive's employment with the Company and the conclusion of that employment.

NOW, THEREFORE, in consideration of the covenants and mutual promises herein contained, it is agreed as follows:

FIRST: Executive hereby resigns as a director of the Company and from all offices, titles and positions that he has been appointed or elected to and now occupies with the Company and any of its affiliates and shall submit a letter of resignation in the form attached hereto as Exhibit A upon the signing of this Retirement Agreement. Upon the Company's request, Executive shall execute any additional documents necessary to effect such resignations. Executive shall remain an employee of the Company until the Retirement Date. Executive understands and agrees that his employment with the Company and its affiliates shall conclude as of the Retirement Date, and as of the Retirement Date he shall no longer be authorized to incur any expenses, obligations or liabilities on behalf of the Company, unless specifically authorized herein or directed by an executive officer of the Company. Unless otherwise specified, as used in this Retirement Agreement, the term "affiliates" shall include any subsidiary, joint venture, division or organization of the Company.

SECOND: The Company hereby agrees to pay Executive a lump sum payment in the amount of \$580,000, less all applicable withholding taxes, within seven working days of the Retirement Date; and from the Retirement Date until the third anniversary thereof (the "Salary Continuation Period"), the amount of \$600,000 annually in equal bi-weekly installments in accordance with the Company's normal payroll practices (collectively, the "Salary Continuation Payments"), less all applicable withholding taxes. The Salary Continuation Payments shall commence on the first payroll date following the Retirement Date. In the event of Executive's death prior to the expiration of the Salary Continuation Period, the Salary Continuation Payments and all other payments

provided hereunder shall be payable to Executive's designated beneficiary, or if none, to his estate in a single discounted (at an interest rate equal to the prime rate promulgated by the First National Bank of Chicago and in effect as of the date of payment, plus one percent (the "Interest Rate")) lump sum payment and, except to the extent benefits contemplated herein are provided by their terms to heirs and beneficiaries, the Company shall have no further obligations to Executive's beneficiaries under this Retirement Agreement.

THIRD: Executive acknowledges and agrees that other than as specifically set forth in this Retirement Agreement, he is not due any compensation, including compensation for unpaid salary, unpaid bonus, or accrued or unused vacation time or vacation pay from the Company or any of its affiliates (except for amounts, if any, unpaid and owing for Executive's employment with the Company and its affiliates prior to the Retirement Date), and as of the Retirement Date, except as provided herein, he shall not be eligible to participate in any of the benefit plans of the Company or any of its affiliates, except that, effective as of the Retirement Date, Executive shall be entitled to receive benefits pursuant to plans of the Company not otherwise addressed herein to the extent retirees of the Company are entitled to such benefits in the ordinary course. In addition, Executive shall be entitled to receive benefits that are vested and accrued prior to the Retirement Date pursuant to plans of the Company or its affiliates.

FOURTH: The Company agrees to pay Executive incentive compensation for the Company's 1994 fiscal year in an amount equal to the 1994 incentive compensation amount that would otherwise be payable to him under the terms of the Company's Economic Value Added Incentive Compensation Plan (the "Incentive Compensation Plan"), multiplied by a fraction the numerator of which is the

number of calendar days from January 1, 1994 until the Retirement Date, and the denominator of which is 365, less all applicable withholding taxes. This amount shall be in lieu of, not in addition to, any other incentive compensation for the 1994 fiscal year previously contemplated by Executive and shall be paid to Executive upon the date, or as soon as practicable thereafter, that incentive compensation is paid generally to participants in the Incentive Compensation Plan. Such incentive compensation earned by Executive, up to the amount specified by Executive on his Deferral and Election Form for 1994 Incentive Compensation dated December 10, 1993, shall be deferred into the Company's 1988 Deferred Compensation Plan. Any remaining balance after such deferral and applicable withholding taxes shall be paid to Executive in cash.

FIFTH: Executive shall continue to accrue credited service and benefits through the Salary Continuation Period under the Company's Pension Plan for Salaried Employees (the "Pension Plan"), as in effect as of the Retirement Date, regardless of whether Salary Continuation Payments are received by Executive as provided in Paragraph Sixteenth hereof. Effective as of the expiration of the Salary Continuation Period, Executive shall be eligible to receive benefits under the Pension Plan as if he had retired from the Company as of such date; provided, however, that to the extent payment of such benefits from the Pension Plan would violate any provision of applicable law, such benefits shall be paid instead by the Company. In addition, Executive shall participate in the Company's Supplemental Executive Retirement Plan (the "SERP") approved by the Board of Directors on April 26, 1994, commencing with the effective date of the SERP and shall continue to accrue credited service and benefits through the Salary Continuation Period under the SERP, and thereafter shall be entitled to retirement and death benefits calculated thereunder; provided, however, that the Company shall not amend the SERP to

retroactively reduce Executive's benefits thereunder. Final average monthly salary as used in such calculations shall include assumed annual salary increases of 5% as of January 1, 1995, 1996 and 1997. Executive's current group term life insurance shall remain in effect until superseded by the SERP death benefit, at no cost to Executive. Such SERP death benefit shall be no less than two times Executive's annual total compensation at target incentive in effect at the Retirement Date.

SIXTH: Effective as of the Retirement Date, Executive's existing stock options that are exercisable as of the Retirement Date shall remain exercisable until their expiration pursuant to the terms of the respective stock option plans and agreements under which they were awarded.

SEVENTH: The Company agrees to pay Executive's premiums under the Company's retiree medical program from the Retirement Date until the expiration of the Salary Continuation Period.

EIGHTH: Executive shall be entitled to keep possession of the following property currently in his office or otherwise in his possession: a Compaq computer, with accessories and software; a Wizard electronic organizer; a Motorola mobile telephone; two Panasonic facsimile machines; and three Hewlett Packard calculators.

NINTH: The Company agrees to purchase Executive's residence, excluding personal property and window and door coverings, but including all other improvements, fixtures, appliances and customized decorating related to such residence, located at 514 S. Elliott Acres Drive, Muncie, Indiana 47302-9291 (the "Muncie Residence") for a purchase price of \$420,000, payable within thirty (30) days from the Retirement Date. Executive shall have a reasonable amount of time to vacate the premises; provided, however, that once the Company has purchased the Muncie Residence, the Company shall have the right to show it to prospective purchasers at such times as the parties shall mutually agree. The Company shall relocate Executive in accordance with Company Policy No. A-02105.0-02, dated March 15, 1993, to the extent that the terms of the policy are not inconsistent with the terms of this Retirement Agreement, but the allowable relocation expense to be paid by the Company shall not exceed \$30,000.

TENTH: For a period of one year commencing on the Retirement Date, the Company agrees to continue to provide Executive with financial counseling and tax preparation services.

ELEVENTH: Commencing as of the Retirement Date until the expiration of the Salary Continuation Period, Executive shall provide consulting services to the Company pursuant to such terms and conditions as are mutually agreed upon by the parties.

TWELFTH: Upon the occurrence of a "Change in Control," as defined below, the Company shall use its best reasonable efforts to ensure that the successor thereto assumes and agrees to perform the terms of this Retirement Agreement. Further, upon the occurrence of a Change in Control, in lieu of the payments and benefits provided under this Retirement Agreement, Executive may elect to receive the present value of all such payments and benefits in the form of a lump sum payment (discounted at the Interest Rate) payable as soon as practicable following such election; provided, however, that in the case of the SERP, Executive may elect to receive either cash sufficient to purchase an

annuity or an annuity providing the benefits due to him under the SERP. For purposes of this Agreement, "Change in Control" shall be deemed to have occurred when any "person," as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1994, as amended (the "Exchange Act") (other than the Company, any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any subsidiary of the Company, or any corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company), is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 35 percent or more of the combined voting power of the Company's then outstanding securities.

THIRTEENTH: At all times hereafter, Executive shall maintain the confidentiality of all information in whatever form concerning the Company or any of its affiliates relating to its or their businesses, customers, finances, strategic or other plans, marketing, employees, trade practices, trade secrets, know-how or other matters that are not publicly known outside the Company, and Executive shall not, directly or indirectly, make any disclosure thereof to anyone, or make any use thereof, on his own behalf or on behalf of any third party, unless specifically requested by or agreed to in writing by an executive officer of the Company; provided, however, that Executive may disclose, discuss or provide the information described above to the extent Executive is compelled by law to do so and, in such event, Executive shall notify the Company immediately upon any request or demand for information so that the Company may seek a protective order or other appropriate remedy.

Except as otherwise provided in Paragraph Eighth hereof, Executive has returned or shall immediately return to the Company all reports, files, memoranda, records and software, credit cards, cardkey passes, door and file keys, computer access codes or disks and instructional manuals, and other physical or personal property that he received or prepared or helped prepare in connection with his employment with the Company, and its affiliates, and Executive has not retained and shall not retain any copies, duplicates, reproductions or excerpts thereof.

FOURTEENTH: Executive acknowledges that (i) the business in which the Company is engaged is intensely competitive, that the Company needs to protect its good will, and that Executive's employment by the Company has required Executive to have access to and knowledge of highly confidential information of the Company including, but not limited to, certain of the Company's confidential business plans, trade secrets, customer lists, strategies and objectives, which are of vital importance to the success of the Company's business; (ii) the direct or indirect disclosure of any such confidential information to existing or potential competitors of the Company could place the Company at a competitive disadvantage and could do material damage, financial and otherwise to the Company's business; and (iii) Executive's services to the Company have been special and unique.

Therefore, in consideration of the terms and conditions of this Retirement Agreement, including the compensation to be paid hereunder, Executive agrees that during the Salary Continuation Period, Executive shall not participate in the management of (with or without pay), or be employed as an employee of (with or without pay), any competitive business, and for a period of one year from the Retirement Date, Executive shall also not act as a consultant (with or without pay) for any competitive business. For purposes of this Paragraph

Fourteenth, a "competitive business" shall mean any business operation of any enterprise if such operation or business competes with businesses of the Company involving the production of metal and glass packaging products and providing aerospace and communications products and services to government and commercial customers in any areas of the United States in which the Company or any affiliate is currently engaged in such business. The parties hereto agree that the provisions of this Paragraph Fourteenth shall be enforceable to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. Accordingly, if any portion of this Paragraph Fourteenth is adjudicated unenforceable in any jurisdiction, such adjudication shall apply only in the particular jurisdiction in which such adjudication is made.

FIFTEENTH: During the Salary Continuation Period, Executive shall not, directly or indirectly, solicit, entice, persuade or induce (or authorize or assist in the taking of any such actions by any third party) any employee of the Company or its affiliates with a view to inducing or encouraging such employee to leave the employ of the Company or its affiliates for the purpose of being hired by Executive or any other person.

SIXTEENTH:

(a) During the Salary Continuation Period, Executive shall not violate the terms of Paragraphs Thirteenth, Fourteenth or Fifteenth above, or the terms of this Paragraph Sixteenth, by, among other things:

- (i) engaging in the activities prohibited by Paragraphs Thirteenth, Fourteenth and Fifteenth above;

- (ii) disparaging or criticizing, orally or in writing, the performance of the Company, the Board of Directors or any director of the Company or of any specific former or current officer of the Company or any operating company or the Company's management as a group to any person; or
- (iii) initiating or participating in discussions of Company business matters with officers of the Company or its affiliates other than at the request of an officer of the Company;

provided, however, that Executive may divulge, discuss or provide the information described in clauses (i) through (iii) above to the extent Executive is compelled by law to do so and, in such event, Executive shall notify the Company immediately upon any request or demand for information so that the Company may seek a protective order or other appropriate remedy.

(b) If the Board of Directors of the Company reasonably believes, which belief shall not be arbitrary or capricious, that Executive has violated any of the terms referred to in (a) above, the Company shall have the option of discontinuing Salary Continuation Payments hereunder and shall immediately notify Executive of the Company's complaints setting forth specifically the allegations. Thereafter Executive shall have twenty (20) days within which to respond in writing to the Board. If the parties agree that the violations have been remedied to the degree that the Company or any of its directors, officers or other executives have not suffered competitive disadvantage or other material damage, financial or otherwise, Salary Continuation Payments shall be resumed retroactively. However, if the parties cannot so agree, within fifteen (15) days of Executive's response, the dispute shall be referred promptly to the American Arbitration Association in accordance with its rules and regulations. The arbitration panel shall determine the seriousness of any

alleged breach and render a decision as it deems appropriate, except that the arbitration panel may not reduce or discontinue the payment of vested and accrued retirement payments under the Pension Plan and the SERP; provided, however, that no liability shall be imposed on the Company beyond possible make up of missed Salary Continuation Payments with interest at the Interest Rate.

(c) During the Salary Continuation Period, neither the Company, nor any directors or officers, shall disparage or criticize, orally or in writing, Executive in a manner likely to harm his reputation; provided, however, that the Company may divulge, discuss or provide the information described above to the extent that the Company is required by law to do so, and, in such event, the Company shall notify Executive immediately upon any request or demand for such information that Executive may seek a protective order or other appropriate remedy.

SEVENTEENTH:

(a) Executive, on behalf of himself, his heirs, executors, administrators, and assigns, does hereby knowingly and voluntarily release, acquit and forever discharge the Company and any affiliates, legal representatives, agents, successors and assigns, past, present and future directors, officers, employees, trustees and shareholders (collectively, the "Releasees") from and against any and all charges, complaints, claims, cross-claims, third-party claims, counterclaims, contribution claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts and expenses of any nature whatsoever (collectively, the "Actions"), known or unknown, suspected or unsuspected, foreseen or unforeseen, matured or unmatured, which, at any time up to and including the date hereof, exists, have existed, or may arise from any matter whatsoever occurring, including, but not limited to, any claims arising out of or in any way related to Executive's employment with the Company or its affiliates and the conclusion thereof, which Executive or any of his heirs, executors, administrators and assigns ever had, now has or at any time hereafter may have, own or hold against the Releasees. Without limiting the foregoing, by executing this Retirement Agreement, Executive is waiving all Actions against the Releasees arising under federal, state and local labor and anti-discrimination laws, including without limitation the Age Discrimination in Employment Act, as amended, Title VII of the Civil Rights Act, as amended, and the Indiana Civil Rights Act, as amended, and under any purported common law restrictions; provided, however, that nothing herein shall release any party from any obligation under this Retirement Agreement, or any claim appropriately brought under any applicable worker's compensation act. In addition, (i) Executive does not hereby waive any benefits vested and accrued prior to the Retirement Date under applicable plans of the Company or its affiliates and Executive is not required to sign this Retirement Agreement in order to receive such vested benefits and (ii) Executive does not hereby waive any benefits under any plans of the Company not specifically addressed elsewhere herein under which retirees of the Company are entitled to benefits in the ordinary course pursuant to the terms of such plans. Executive acknowledges that, in exchange for this release, the Company is providing Executive with a total consideration, financial and otherwise, which exceeds what Executive would have received had Executive not given this release.

(b) Executive agrees that he shall not commence any action or proceeding of any nature whatsoever, and that he shall not seek or be entitled to any award of equitable or monetary relief in any action or proceeding brought on

his behalf, that arises out of the matters released by Executive under this

Retirement Agreement.

EIGHTEENTH: The Company has advised Executive to consult with an attorney of his choosing prior to the signing of this Retirement Agreement and Executive hereby represents to the Company that he has consulted with an attorney prior to the execution of this Retirement Agreement. Executive shall have twenty-one (21) days to consider this Retirement Agreement and once he has signed this Retirement Agreement, Executive shall have seven (7) additional days from the date of execution to revoke his consent to the waiver of the release set forth in Paragraph Seventeenth hereof. Any such revocation shall be made in writing pursuant to Paragraph Twenty-First hereof. If no such revocation occurs, Executive's waiver of the release set forth in Paragraph Seventeenth hereof, this Retirement Agreement shall become effective seven (7) days from the date of execution by the parties. In the event that Executive revokes his waiver of the release set forth in Paragraph Seventeenth hereof, the Company shall have the right to not pay the Salary Continuation Payments set forth in Paragraph Second and to not pay or provide the other benefits set forth in this Retirement Agreement in which case all provisions of this Retirement Agreement shall immediately become void and of no effect and any benefits previously paid to Executive pursuant to this Retirement Agreement prior to the date of such revocation shall be immediately repaid to the Company. Neither Executive, on the one hand, nor the Company, on the other hand, shall have any obligation toward the other under any other agreement except for this Retirement Agreement.

NINETEENTH: This Retirement Agreement shall be governed by and construed and enforced under the laws of the State of Indiana, without regard to its conflict of laws rules.

TWENTIETH: In the event that any one or more of the provisions of this Retirement Agreement is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. Moreover, if any one or more of the provisions contained in this Retirement Agreement is held to be excessively broad as to duration, scope, activity or subject, such provisions will be construed by limiting and reducing them so as to be enforceable to the maximum extent compatible with applicable law. Executive acknowledges and agrees that the Company could suffer irreparable injury in the event of a breach or violation of the provisions set forth in Paragraphs Thirteenth, Fourteenth, Fifteenth and Sixteenth herein and Executive agrees that, in the event of an actual or threatened breach or violation of such provisions, the Company may be awarded injunctive relief in a court of appropriate jurisdiction to prohibit or remedy any such violation or breach or threatened violation or breach, without the necessity of posting any bond or security, and such right to injunctive relief may be in addition to any other right or remedy available to the Company.

TWENTY-FIRST: Any notice to be given hereunder shall be in writing and shall be deemed given when mailed by certified mail, return receipt requested, addressed as follows:

To Executive at:
2178 W. 116th Avenue
Westminster, CO 80234

To the Company at:

Ball Corporation
345 South High Street
Muncie, Indiana 47305-4260
Attention: General Counsel

TWENTY-SECOND: This Retirement Agreement sets forth the entire agreement between the parties hereto and may not be changed without the written consent of the parties. This Retirement Agreement supersedes all prior agreements and understandings concerning the subject matter hereof including, but not limited to, the Severance Agreement between Executive and the Company, dated January 24, 1989. The parties may execute this Retirement Agreement in counterparts.

TWENTY-THIRD: This Retirement Agreement is intended to be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

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

DELMONT A. DAVIS

BALL CORPORATION

By:

- - - - -

Name:

EXHIBIT A

Delmont A. Davis
2178 W. 116th Avenue
Westminster, CO 80234

June 17, 1994

Mr. Alvin Owsley
Chairman of the Board of Directors
Ball Corporation
345 South High Street
Muncie, Indiana 47305

Dear Alvin,

I am hereby submitting my resignation, effective with the signing of the Retirement Agreement between myself and Ball Corporation (the "Company"), as a director of the Company and from all offices, titles and positions to which I have been elected or appointed and now occupy at the Company and any of its affiliates, subsidiaries, joint ventures, groups, divisions or organizations.

Sincerely,

/s/Delmont A. Davis

- - - - -
Delmont A. Davis

BALL CORPORATION 1986 DEFERRED COMPENSATION PLAN
(as Amended July 1, 1994)

BALL CORPORATION 1986 DEFERRED COMPENSATION PLAN

1. Statement of Purpose

The purpose of the 1986 Deferred Compensation Plan (the "Plan") is to aid Ball Corporation (the "Company") and its subsidiaries in attracting and retaining key employees by providing a non-qualified deferred compensation vehicle.

2. Definitions

- 2.1 Beneficiary - "Beneficiary" means the person or persons designated as such in accordance with Section 8.
- 2.2. Class Year - "Class Year" means the year in respect of which compensation is deferred under the Plan.
- 2.3. Compensation - "Compensation" means the Participant's incentive compensation for the Class Year.
- 2.4. Deferral Amount - "Deferral Amount" means the amount of Elective Deferred Compensation deferred by the Participant for each Class Year.
- 2.5. Deferred Compensation Account - "Deferred Compensation Account" means the account for each Class Year maintained by the Company for each Participant pursuant to Section 6.
- 2.6. Disability - "Disability" means a bodily injury or disease, as determined by the Human Resources Committee, that totally and continuously prevents the Participant, for at least six (6) consecutive months, from engaging in an "occupation" for pay or profit. During the first twenty-four (24) months of total disability, "occupation" means the Participant's regular occupation. After that period, "occupation" means any occupation for which the Participant is reasonably fitted based on the Participant's education, training, or experience.
- 2.7. Distribution Date - "Distribution Date" means the date on which the Employer makes distributions from the Participant's Deferred Compensation Account.
- 2.8. Effective Date - "Effective Date" means July 1, 1986, the date on which the Plan commences.
- 2.9. Election Form - "Election Form" means the form or forms attached to this Plan and filed with the Human Resources Committee by the Participant in order to participate in the Plan. The terms and conditions specified in the Election Form(s) are incorporated by reference herein and form a part of the Plan.
- 2.10. Elective Deferred Compensation - "Elective Deferred Compensation" means the amount elected to be deferred by an Eligible Employee in his Election Form.
- 2.11. Eligible Employee - "Eligible Employee" means those employees of the

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Company who have been selected by the Human Resources Committee.

- 2.12. Employer - "Employer" means Ball Corporation and any of its fifty percent (50%) or more owned subsidiaries.
- 2.13. Human Resources Committee - "Human Resources Committee" (also referred to as the "Committee") means the committee appointed by the Board of Directors who will administer the Plan.
- 2.14. Moody's - "Moody's" means the annual average composite yield on Moody's Seasoned Corporate Bond Yield Index for the twelve (12) months ending October 31 immediately preceding the Valuation Date, as determined from Moody's Bond Record published by Moody's Investors Service, Inc. (or any successors thereto), or, if such yield is no longer published, a substantially similar average selected by the Company.

- 2.15. Participant - "Participant" means an Eligible Employee participating in the Plan in accordance with the provisions of Section 4.
- 2.16. Substantially Equal Installments - "Substantially Equal Installments" means a series of annual payments, such that equal payments over the remaining payment period would exactly amortize the Deferred Compensation Account balance as of the Distribution Date if the credited interest rate remained constant at the level credited as of the Valuation Date immediately preceding the Distribution Date for the remainder of the payment period.
- 2.17. Termination of Employment - "Termination of Employment" means the termination of a Participant's employment with Employer for any reason other than Disability.
- 2.18. Valuation Date - "Valuation Date" means the date on which the value of a Participant's Deferred Compensation Account for each Class Year is determined as provided in Section 6 hereof. Unless and until changed by the Committee, the Valuation Date shall be the last day of each calendar year.

3. Administration of the Plan

The Human Resources Committee, by appointment of the Board of Directors of the Company, shall be the sole administrator of the Plan. The Committee shall have full power to formulate additional details and regulations for carrying out this Plan. The Committee shall also be empowered to make any and all of the determinations not herein specifically authorized which may be necessary or desirable for the effective administration of the Plan. Any decision or interpretation of any provision of this Plan adopted by the Committee shall be final and conclusive.

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4. Participation

Participation in the Plan shall be limited to Eligible Employees who elect to participate in the Plan by filing an Election Form prior to the beginning of the Class Year in which the Participant's Compensation is earned. Notwithstanding the foregoing, (a) an election to defer Class Year 1986 Compensation must be made prior to September 1, 1986; and (b) an employee who first becomes an Eligible Employee during any Class Year may elect to participate in the Plan for such Class Year by filing an Election Form within thirty (30) days after becoming an Eligible Employee.

An Eligible Employee, who has also elected to defer incentive compensation attributable to 1985 or prior years under the Company's Incentive Compensation Plan, may elect to transfer, effective July 1, 1986, to this Plan with respect to each Class Year the dollar value of his deferred compensation account, including interest thereon through June 30, 1986. Such amounts, including such interest, shall be deemed to be Deferral Amounts under this Plan. Such election shall be made by delivering to the Company a properly executed Election Form for each Class Year prior to the Plan's Effective Date.

The minimum annual deferral shall be \$1,000, and the maximum deferral shall be one hundred percent (100%) of the Participant's Compensation.

5. Vesting of Deferred Compensation Account

A Participant's interest in his Deferred Compensation Account and interest credited thereto shall vest immediately.

6. Accounts and Valuations

- 6.1. Deferred Compensation Accounts. The Committee shall establish and maintain a separate Deferred Compensation Account for each Participant for each Class Year. Elective Deferred Compensation shall be deemed credited to the Deferred Compensation Account as of the close of business on December 31 of the Class Year, and no interest shall be earned for that calendar year.
- 6.2. Interest Credited. Each Deferred Compensation Account of each Participant shall be credited with interest on each Valuation Date, as provided hereinafter, at an annual rate equal to Moody's plus five (5) percentage points, except as may otherwise be provided under Section 7.7.
- 6.3. Timing of Crediting of Interest. Each Deferred Compensation Account of each Participant shall be revalued as of each Valuation Date. As of each Valuation Date, the value of each Deferred Compensation Account shall consist of the balance of such Deferred Compensation Account as of the immediately preceding Valuation Date (July 1, 1986,

shall be considered an "immediately preceding Valuation Date" for Deferred Compensation Accounts transferred into the Plan on that date), minus the amount of all distributions (except Disability Benefits payable under Section 7.3.), if any, made from such Deferred Compensation Account since the preceding Valuation Date, plus interest credited on the net balance after deducting said distributions. Normal benefit distributions (under Section 7.1) made on or before February 15 of the year of payment will be considered to have been made from the account and deducted from the account balance as of

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January 1 of such year for the purpose of crediting interest under this Section 6.3. Interest on Hardship Benefits distributed will be prorated to the date of distribution for the purpose of crediting interest under this Section 6.3.

7. Benefits

7.1. Normal Benefit

a. A Participant's Deferred Compensation Account shall be paid to the Participant as requested in his Election Form, subject to the terms and conditions set forth in the Plan, including the Election Form. If a Participant elects to receive payment of his Deferred Compensation Account in installments, payments shall be made in Substantially Equal Installments. Unless the Committee determines otherwise, and subject to the provisions of Section 7.6. as to when payments shall commence, distribution payments, whether lump sum or installment, shall be made on or before the fifteenth (15th) day of February of each year. A Participant may elect different payment schedules for different Deferred Compensation Accounts.

b. If a Participant dies before receiving his total Deferred Compensation Account balance, whether or not distributions have earlier commenced, his Beneficiary shall be entitled to the remaining account balance in accordance with the payment elections in the Election Form, except that such payments, if not already commenced, shall commence on or before February 15 next following the date of the Participant's death.

7.2. Contingent Death Benefit. If a Participant dies prior to the commencement of distributions for a Class Year (other than distribution of Disability Benefits payable under Section 7.3.), the Company shall pay to the Beneficiary, in a lump sum, as soon as practicable after death, an amount equal to the amount by which (a) five (5) times the Deferral Amount for that Class Year exceeds (b) the value of the Participant's Deferred Compensation Account for that Class Year. Such excess amount under the above formula shall not be available for any Deferred Compensation Account from which the Participant has been paid any amount of Hardship Benefit pursuant to Section 7.4., below.

In all cases the value of the Participant's Deferred Compensation Account for each Class Year will be payable in accordance with the provisions of Section 7.1.b., above.

7.3 Disability Benefit. In the event of Disability prior to Termination of Employment and prior to the commencement of distributions for a Class Year (other than distribution of a Hardship Benefit under Section 7.4.), a disabled Participant shall receive, as an additional benefit, a monthly benefit equal to two percent (2%) of the Participant's Deferral Amount for that Class Year. Such benefit shall be payable until the earliest of the following events: (a) the Participant attains age sixty-five (65); (b) the Participant's Disability ceases and he resumes employment with the Company; (c) the Participant dies; or (d) the Termination of Employment of the Participant. During the period a Disability Benefit remains payable, the Participant's Deferred Compensation Account shall continue to earn

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interest as provided in Section 6. The Participant's Deferred Compensation Account will not be reduced by the payment of any Disability Benefits.

7.4. Hardship Benefit. In the event that the Committee, upon written request of a Participant or Beneficiary of a deceased Participant, determines in its sole discretion, that such person has suffered an unforeseeable financial emergency, the Company shall pay to such person, from the Deferred Compensation Account designated by the Participant or Beneficiary, as soon as practicable following such

determination, an amount necessary to meet the emergency, not in excess of the amount of the Deferred Compensation Account. The Deferred Compensation Account of the Participant shall thereafter be reduced to reflect the payment as of the date paid of a Hardship Benefit, and the Contingent Death Benefit under Section 7.2., above, shall no longer be available for the Participant's Deferred Compensation Account of that Class Year.

- 7.5. Request to Committee for Delay in Payment. A Participant shall have no right to modify in any way the schedule for the distribution of amounts from his Deferred Compensation Account which he has specified in his Election Form. However, upon a written request submitted by the Participant to the Committee, the Committee may, in its sole discretion, for each Class Year postpone one time the date on which payment shall commence, not beyond the year in which he will attain age seventy-one (71); and at the same time increase the number of installments to a number not to exceed fifteen (15). Any such request(s) must be made prior to the earlier of (a) the beginning of the year which the Participant has elected for distributions to commence, or (b) the Termination of Employment.
- 7.6. Date of Payments. Except as otherwise provided in this Plan, payments under this Plan shall begin on or before the fifteenth (15th) day of February of the calendar year following receipt of notice by the Committee of an event which entitles a Participant (or Beneficiary) to payments under the Plan, or at such earlier date after receipt of such notice as may be determined by the Committee.
- 7.7. Termination of Employment Before Age 55. In the event a Participant has a termination of Employment prior to his attaining age fifty-five (55) (other than by death, for which benefits and/or accounts will be paid in accordance with Section 7.1.b. and/or 7.2., above), then, whether or not distributions have earlier commenced, the Participant's Deferred Compensation Account will be paid to him in a lump sum on or before the fifteenth (15th) day of February in the year following the year in which the Termination of Employment occurred, unless otherwise determined by the Committee. Upon written request of the Participant made within thirty (30) days following Termination of Employment, the Committee may, in its sole discretion, determine that, in lieu of a lump sum, payments shall be made to the Participant in not more than five (5) Substantially Equal Installments, commencing on or before such next fifteenth (15th) day of February following the date of Termination of Employment. The interest credited to the Participant's Deferred Compensation Account on the Valuation Date next following the Termination of Employment shall be as provided in Section 6., above. If payments are to be made in installments, the interest rate credited to the Participant's Deferred Compensation Account on all Valuation Dates subsequent to the Valuation Date next following Termination of

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Employment (and to be considered as the interest rate on such Valuation Date next following Termination of Employment for the sole purpose of calculating Substantially Equal Installments under Section 2.16., above) shall be limited to the daily average of the best interest rate available to the Company during the then calendar year for short-term borrowings.

- 7.8. Taxes; Withholding. To the extent required by law, the Company shall withhold from payments made hereunder any amount required to be withheld by the federal or any state or local government.
- 7.9. Liquidating Distribution. Notwithstanding any provisions of the Plan or the Participant's Election Form to the contrary, the Company shall, as soon as practicable (but not later than 30 days) following the receipt of a written request from a Participant (or Beneficiary) for a Liquidation Distribution, pay to the Participant (or Beneficiary) the Participant's (or Beneficiary's) Liquidating Distribution Account Balance in a lump sum. "Liquidating Distribution" shall mean a distribution requested by the Participant (or Beneficiary following the death of the Participant) in writing directed to the Committee and specifically referencing this section. If the Participant requesting the Liquidating Distribution is, at the time of the request, an active employee of the Employer, "Liquidating Distribution Account Balance" shall mean all of the Deferred Compensation Accounts under the Plan in which the Participant has an undistributed balance, increased by interest credited on the account(s) to the date of distribution from the preceding Valuation Date (based upon the interest rate credited on the preceding Valuation Date), and decreased by a forfeiture penalty equal to six percent (6%) of the value of the Participant's Deferred Compensation Account(s) as of the preceding Valuation Date. If the Participant requesting the Liquidating Distribution is, at the time of the request, no longer an active employee of the Employer, or in the case of a request made by a Participant's Beneficiary, "Liquidating

Distribution Account Balance" shall mean all of the Deferred Compensation Accounts under the Plan in which the Participant (or Beneficiary) has an undistributed balance and all of the Deferred Compensation Accounts under any Comparable Plans maintained by the Employer in which the Participant (or Beneficiary) has an undistributed balance, increased by interest credited on the account(s) to the date of distribution from the preceding Valuation Date, and decreased by a forfeiture penalty equal to six percent (6%) of the value of the Participant's (or Beneficiary's) Deferred Compensation Account(s) as of the preceding Valuation Date. "Comparable Plans" shall mean the Ball Corporation 1988 Deferred Compensation Plan, the Ball Corporation 1989 Deferred Compensation Plan, the Ball-InCon Glass Packaging Corp. Deferred Compensation Plan, and any comparable successor plans so designated by the Committee.

Notwithstanding any provisions of the Plan or the Participant's Election Form to the contrary, if the Participant requesting the Liquidating Distribution is, at the time of the request, an active employee of the Employer, then the Participant shall, for a period of one (1) Class Year beginning with the Class Year during which the request for the Liquidating Distribution is made, be ineligible to participate in the Plan or any Comparable Plans with respect to any Compensation not yet deferred.

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8. Beneficiary Designation

A Participant shall have the right at any time, and from time to time, to designate and/or change or cancel any person, persons, or entity as his Beneficiary or Beneficiaries (both principal and contingent) to whom payment under this Plan shall be paid in the event of his death prior to complete distribution to Participant of the benefits due him under the Plan. Each beneficiary change or cancellation shall become effective only when filed in writing with the Committee during the Participant's lifetime on a form provided by the Committee.

The filing of a new Beneficiary designation form will cancel all Beneficiary designations previously filed. Any finalized divorce of a Participant subsequent to the date of filing of a Beneficiary designation form shall revoke such designation. The spouse of a married Participant domiciled in a community property jurisdiction shall be required to join in any designation of Beneficiary or Beneficiaries other than the spouse in order for the Beneficiary designation to be effective.

If a Participant fails to designate a Beneficiary as provided above, or, if his beneficiary designation is revoked by divorce, or otherwise, without execution of a new designation, or if all designated Beneficiaries predecease the Participant, then the distribution of such benefits shall be made in a lump sum to the Participant's estate.

If any installment distribution has commenced to a Beneficiary and the Beneficiary dies before receiving all installments, any remaining installments shall be paid in a lump sum to the estate of the Beneficiary.

9. Amendment and Termination of Plan

9.1. Amendment. The Board of Directors may at any time amend the Plan in whole or in part, provided, however, that no amendment shall be effective to reduce the value of any Participant's Deferred Compensation Account or to affect the Participant's vested right therein, and, except as provided in 9.2. or 9.3., no amendment shall be effective to decrease the future benefits under the Plan payable to any Participant or Beneficiary with respect to any Elective Deferred Compensation which was deferred prior to the date of the amendment. Written notice of any amendments shall be given promptly to each Participant.

9.2. Termination of Plan

a. Employer's Right to Terminate. The Board of Directors may at any time terminate the Plan as to prospective contributions and credits of interest, if it determines in good faith that the economic acceptability of the Plan has been substantially impaired and that the resulting cost to the Company is substantially and unacceptably greater than the cost anticipated at the Effective Date. No such termination of the Plan shall reduce the balance in a Participant's Deferred Compensation Account or affect the Participant's vested right therein.

b. Payments Upon Termination of Plan. Upon any termination of the Plan under this Section 9.2., Compensation for additional Class Years shall not be deferred under the Plan. With respect to then-existing Deferred Compensation Accounts, the Employer will, depending upon the Participant's election at that time: (i) pay

to the Participant, in a lump sum, the value of each of his Deferred Compensation Accounts; (ii) continue to defer the Compensation under the Plan, but with the interest rate credited on all future Valuation Dates to be equal to the daily average of the best interest rate available to the Company during the then calendar year for short-term borrowings and without the Contingent Death Benefit under Section 7.2 and without the Disability Benefit under Section 7.3; or (iii) make such other arrangement as the Committee determines appropriate.

- 9.3. Successors and Mergers, Consolidations or Change in Control. The terms and conditions of this Plan and Election Form shall enure to the benefit of and bind the Company, the Participants, their successors, assignees, and personal representatives. If substantially all of the stock or assets of the Company are acquired by another corporation or entity or if the Company is merged into, or consolidated with, another corporation or entity, then the obligations created hereunder shall be obligations of the acquiror or successor corporation or entity.

10. Miscellaneous

- 10.1. Unsecured General Creditor. Participants and their beneficiaries, heirs, successors and assigns shall have no legal or equitable rights, interests, or other claims in any property or assets of the Employer, nor shall they be beneficiaries of, or have any rights, claims, or interests in any life insurance policies, annuity contracts, or the policies therefrom owned or which may be acquired by the Company ("policies"). Such policies or other assets shall not be held under any trust for the benefit of Participants, their beneficiaries, heirs, successors, or assigns, or held in any way as collateral security for the fulfilling of the obligations of the Company under this Plan. Any and all of such assets and policies shall be and remain general, unpledged, unrestricted assets of the Employer. The Company's obligation under the Plan shall be that of an unfunded and unsecured promise to pay money in the future.
- 10.2. Obligations to the Employer. If a Participant becomes entitled to a distribution of benefits under the Plan, and if at such time the Participant has outstanding any debt, obligation, or other liability representing an amount owed to the Employer, then the Employer may offset such amounts owing it or an affiliate against the amount of benefits otherwise distributable. Such determination shall be made by the Committee.
- 10.3. Non-Assignability. Neither a Participant nor any other person shall have any right to commute, sell, assign, transfer, pledge, anticipate, mortgage, or otherwise encumber, transfer, hypothecate or convey in advance of actual receipt the amounts, if any, payable hereunder, or any part thereof, which are, and all rights to which are, expressly declared to be unassignable and nontransferable. No part of the amounts payable shall, prior to actual payment, be subject to seizure or sequestration for the payment of any debts, judgments, alimony or separate maintenance owed by a Participant or any other person, nor be transferable by operation of law in the event of a Participant's or any other person's bankruptcy or insolvency.
- 10.4. Employment or Future Eligibility to Participate Not Guaranteed. Nothing contained in this Plan nor any action taken hereunder shall be

construed as a contract of employment or as giving any Eligible Employee any right to be retained in the employ of the Employer. Designation as an Eligible Employee may be revoked at any time by the Committee with respect to any Compensation not yet deferred.

- 10.5. Protective Provisions. In order to be eligible to participate in this Plan, Participant will cooperate with the Company by furnishing any and all information requested by the Company in order to facilitate the payment of benefits hereunder, including taking such physical examinations as the Company may deem necessary and taking such other relevant action as may be requested by the Company. If a Participant refuses to cooperate, the Company shall have no further obligation to the Participant to allow him to begin participation in the Plan.
- 10.6. Gender, Singular and Plural. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, or neuter, as the identity of the person or persons may require. As the context may require, the singular may be read as the plural and the plural as the singular.

- 10.7. Captions. The captions to the articles, sections, and paragraphs of this Plan are for convenience only and shall not control or affect the meaning or construction of any of its provisions.
- 10.8. Applicable Law. This Plan shall be governed and construed in accordance with the laws of the State of Indiana.
- 10.9. Validity. In the event any provision of this Plan is held invalid, void, or unenforceable, the same shall not effect, in any respect whatsoever, the validity of any other provision of this Plan.
- 10.10. Notice. Any notice or filing required or permitted to be given to the Committee shall be sufficient if in writing and hand delivered, or sent by registered or certified mail, to the principal office of the Company, directed to the attention of the Chief Executive Officer of the Company. Such notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification.

BALL CORPORATION 1988 DEFERRED COMPENSATION PLAN
(as Amended July 1, 1994)

BALL CORPORATION 1988 DEFERRED COMPENSATION PLAN

1. Statement of Purpose

The purpose of the 1988 Deferred Compensation Plan (the "Plan") is to aid Ball Corporation (the "Company") and its subsidiaries in attracting and retaining key employees by providing a non-qualified deferred compensation vehicle.

2. Definitions

- 2.1. Beneficiary - "Beneficiary" means the person or persons designated as such in accordance with Section 8.
- 2.2. Class Year - "Class Year" means the year in respect of which compensation is deferred under the Plan.
- 2.3. Compensation - "Compensation" means the Participant's incentive compensation for the Class Year.
- 2.4. Deferral Amount - "Deferral Amount" means the amount of Elective Deferred Compensation deferred by the Participant for each Class Year.
- 2.5. Deferred Compensation Account - "Deferred Compensation Account" means the account for each Class Year maintained by the Company for each Participant pursuant to Section 6.
- 2.6. Distribution Date - "Distribution Date" means the date on which the Employer makes distributions from the Participant's Deferred Compensation Account.
- 2.7. Effective Date - "Effective Date" means December 1, 1987, the date on which the Plan commences.
- 2.8. Election Form - "Election Form" means the form or forms attached to this Plan and filed with the Human Resources Committee by the Participant in order to participate in the Plan. The terms and conditions specified in the Election Form(s) are incorporated by reference herein and form a part of the Plan.
- 2.9. Elective Deferred Compensation - "Elective Deferred Compensation" means the amount elected to be deferred by an Eligible Employee in his Election Form.
- 2.10. Eligible Employee - "Eligible Employee" means those employees of the Company who have been selected by the Human Resources Committee.
- 2.11. Employer - "Employer" means Ball Corporation and any of its fifty percent (50%) or more owned subsidiaries.

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- 2.12. Human Resources Committee - "Human Resources Committee" (also referred to as the "Committee") means the committee appointed by the Board of Directors who will administer the Plan.
- 2.13. Moody's - "Moody's" means the annual average composite yield on Moody's Seasoned Corporate Bond Yield Index for the twelve (12) months ending October 31 immediately preceding the Valuation Date, as determined from Moody's Bond Record published by Moody's Investors Service, Inc. (or any successors thereto), or, if such yield is no longer published, a substantially similar average selected by the Company.
- 2.14. Participant - "Participant" means an Eligible Employee participating in the Plan in accordance with the provisions of Section 4.
- 2.15. Substantially Equal Installments - "Substantially Equal Installments" means a series of annual payments, such that equal payments over the remaining payment period would exactly amortize the Deferred Compensation Account balance as of the Distribution Date if the credited interest rate remained constant at the level credited as of the Valuation Date immediately preceding the Distribution Date for

the remainder of the payment period.

- 2.16. Termination of Employment - "Termination of Employment" means the termination of a Participant's employment with Employer for any reason other than Disability.
- 2.17. Valuation Date - "Valuation Date" means the date on which the value of a Participant's Deferred Compensation Account for each Class Year is determined as provided in Section 6 hereof. Unless and until changed by the Committee, the Valuation Date shall be the last day of each calendar year.

3. Administration of the Plan

The Human Resources Committee, by appointment of the Board of Directors of the Company, shall be the sole administrator of the Plan. The Committee shall have full power to formulate additional details and regulations for carrying out this Plan. The Committee shall also be empowered to make any and all of the determinations not herein specifically authorized which may be necessary or desirable for the effective administration of the Plan. Any decision or interpretation of any provision of this Plan adopted by the Committee shall be final and conclusive.

4. Participation

Participation in the Plan shall be limited to Eligible Employees who elect to participate in the Plan by filing an Election Form prior to the beginning of the Class Year in which the Participant's Compensation is earned. Notwithstanding the foregoing, an employee who first becomes an Eligible Employee during any Class Year may elect to participate in the Plan for such Class Year by filing an Election Form within thirty (30) days after becoming an Eligible Employee.

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The minimum annual deferral shall be \$1,000, and the maximum deferral shall be one hundred percent (100%) of the Participant's Compensation.

5. Vesting of Deferred Compensation Account

A Participant's interest in his Deferred Compensation Account and interest credited thereto shall vest immediately.

6. Accounts and Valuations

- 6.1. Deferred Compensation Accounts. The Committee shall establish and maintain a separate Deferred Compensation Account for each Participant for each Class Year. Elective Deferred Compensation shall be deemed credited to the Deferred Compensation Account as of the close of business on December 31 of the Class Year, and no interest shall be earned for that calendar year.
- 6.2. Interest Credited. Each Deferred Compensation Account of each Participant shall be credited with interest on each Valuation Date, as provided hereinafter, at an annual rate equal to Moody's plus five (5) percentage points, except as may otherwise be provided under Section 7.5.
- 6.3. Timing of Crediting of Interest. Each Deferred Compensation Account of each Participant shall be revalued as of each Valuation Date. As of each Valuation Date, the value of each Deferred Compensation Account shall consist of the balance of such Deferred Compensation Account as of the immediately preceding Valuation Date minus the amount of all distributions, if any, made from such Deferred Compensation Account since the preceding Valuation Date, plus interest credited on the net balance after deducting said distributions. Normal benefit distributions (under Section 7.1) made on or before February 15 of the year of payment will be considered to have been made from the account and deducted from the account balance as of January 1 of such year for the purpose of crediting interest under this Section 6.3. Interest on Hardship Benefits distributed will be prorated to the date of distribution for the purpose of crediting interest under this Section 6.3.

7. Benefits

7.1. Normal Benefit

- a. A Participant's Deferred Compensation Account shall be paid to the Participant as requested in his Election Form, subject to the terms and conditions set forth in the Plan, including the Election Form. If a Participant elects to receive payment of his Deferred Compensation Account in installments, payments shall be made in Substantially Equal Installments. Unless the Committee

determines otherwise, and subject to the provisions of Section 7.4. as to when payments shall commence, distribution payments, whether lump sum or installment, shall be made on or before the fifteenth (15th) day of February of each year. A Participant may elect different payment schedules for different Deferred Compensation Accounts.

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- b. If a Participant dies before receiving his total Deferred Compensation Account balance, whether or not distributions have earlier commenced, his Beneficiary shall be entitled to the remaining account balance in accordance with the payment elections in the Election Form, except that such payments, if not already commenced, shall commence on or before February 15 next following the date of the Participant's death.
- 7.2. Hardship Benefit. In the event that the Committee, upon written request of a Participant or Beneficiary of a deceased Participant, determines in its sole discretion, that such person has suffered an unforeseeable financial emergency, the Company shall pay to such person, from the Deferred Compensation Account designated by the Participant or Beneficiary, as soon as practicable following such determination, an amount necessary to meet the emergency, not in excess of the amount of the Deferred Compensation Account. The Deferred Compensation Account of the Participant shall thereafter be reduced to reflect the payment as of the date paid of a Hardship Benefit.
- 7.3. Request to Committee for Delay in Payment. A Participant shall have no right to modify in any way the schedule for the distribution of amounts from his Deferred Compensation Account which he has specified in his Election Form. However, upon a written request submitted by the Participant to the Committee, the Committee may, in its sole discretion, for each Class Year postpone one time the date on which payment shall commence, not beyond the year in which he will attain age seventy-one (71); and at the same time increase the number of installments to a number not to exceed fifteen (15). Any such request(s) must be made prior to the earlier of (a) the beginning of the year which the Participant has elected for distributions to commence, or (b) the Termination of Employment.
- 7.4. Date of Payments. Except as otherwise provided in this Plan, payments under this Plan shall begin on or before the fifteenth (15th) day of February of the calendar year following receipt of notice by the Committee of an event which entitles a Participant (or Beneficiary) to payments under the Plan, or at such earlier date after receipt of such notice as may be determined by the Committee.
- 7.5. Termination of Employment Before Age 55. In the event a Participant has a Termination of Employment prior to his attaining age fifty-five (55) (other than by death, for which benefits and/or accounts will be paid in accordance with Section 7.1.b.), then, whether or not distributions have earlier commenced, the Participant's Deferred Compensation Account will be paid to him in a lump sum on or before the fifteenth (15th) day of February in the year following the year in which the Termination of Employment occurred, unless otherwise determined by the Committee. Upon written request of the Participant made within thirty (30) days following Termination of Employment, the Committee may, in its sole discretion, determine that, in lieu of a lump sum, payments shall be made to the Participant in not more than five (5) Substantially Equal Installments, commencing on or before such next fifteenth (15th) day of February following the date of Termination of Employment. The interest credited to the Participant's Deferred Compensation Account on the Valuation Date next following the Termination of Employment shall be as provided in Section 6., above. If payments are to be made in installments, the interest rate credited to the Participant's Deferred Compensation Account on all Valuation Dates subsequent to the Valuation Date next following Termination of Employment (and to be considered as the interest rate on such Valuation Date next following Termination of Employment for the sole

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purpose of calculating Substantially Equal Installments under Section 2.15., above) shall be limited to the daily average of the best interest rate available to the Company during the then calendar year for short-term borrowings.

- 7.6. Taxes; Withholding. To the extent required by law, the Company shall withhold from payments made hereunder any amount required to be withheld by the federal or any state or local government.

7.7. Liquidating Distribution. Notwithstanding any provisions of the Plan or the Participant's Election Form to the contrary, the Company shall, as soon as practicable (but no later than 30 days) following the receipt of a written request from a Participant (or Beneficiary) for a Liquidation Distribution, pay to the Participant (or Beneficiary) the Participant's (or Beneficiary's) Liquidating Distribution Account Balance in a lump sum. "Liquidating Distribution" shall mean a distribution requested by the Participant (or Beneficiary following the death of the Participant) in writing directed to the Committee and specifically referencing this section. If the Participant requesting the Liquidating Distribution is, at the time of the request, an active employee of the Employer, "Liquidating Distribution Account Balance" shall mean all of the Deferred Compensation Accounts under the Plan in which the Participant has an undistributed balance, increased by interest credited on the account(s) to the date of distribution from the preceding Valuation Date (based upon the interest rate credited on the preceding Valuation Date), and decreased by a forfeiture penalty equal to six percent (6%) of the value of the Participant's Deferred Compensation Account(s) as of the preceding Valuation Date. If the Participant requesting the Liquidating Distribution is, at the time of the request, no longer an active employee of the Employer, or in the case of a request made by a Participant's Beneficiary, "Liquidating Distribution Account Balance" shall mean all of the Deferred Compensation Accounts under the Plan in which the Participant (or Beneficiary) has an undistributed balance and all of the Deferred Compensation Accounts under any Comparable Plans maintained by the Employer in which the Participant (or Beneficiary) has an undistributed balance, increased by interest credited on the account(s) to the date of distribution from the preceding Valuation Date, and decreased by a forfeiture penalty equal to six percent (6%), of the value of the Participant's (or Beneficiary's) Deferred Compensation Account(s) as of the preceding Valuation Date. "Comparable Plans" shall mean the Ball Corporation 1986 Deferred Compensation Plan, the Ball Corporation 1989 Deferred Compensation Plan, the Ball-InCon Glass Packaging Corp. Deferred Compensation Plan, and any comparable successor plans so designated by the Committee.

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Notwithstanding any provisions of the Plan or the Participant's Election Form to the contrary, if the Participant requesting the Liquidating Distribution is, at the time of the request, an active employee of the Employer, then the Participant shall, for a period of one (1) Class Year beginning with the Class Year during which the request for the Liquidating Distribution is made, be ineligible to participate in the Plan or any Comparable Plans with respect to any Compensation not yet deferred.

8. Beneficiary Designation

A Participant shall have the right at any time, and from time to time, to designate and/or change or cancel any person, persons, or entity as his Beneficiary or Beneficiaries (both principal and contingent) to whom payment under this Plan shall be paid in the event of his death prior to complete distribution to Participant of the benefits due him under the Plan. Each beneficiary change or cancellation shall become effective only when filed in writing with the Committee during the Participant's lifetime on a form provided by the Committee.

The filing of a new Beneficiary designation form will cancel all Beneficiary designations previously filed. Any finalized divorce of a Participant subsequent to the date of filing of a Beneficiary designation form shall revoke such designation. The spouse of a married Participant domiciled in a community property jurisdiction shall be required to join in any designation of Beneficiary or Beneficiaries other than the spouse in order for the Beneficiary designation to be effective.

If a Participant fails to designate a Beneficiary as provided above, or, if his beneficiary designation is revoked by divorce, or otherwise, without execution of a new designation, or if all designated Beneficiaries predecease the Participant, then the distribution of such benefits shall be made in a lump sum to the Participant's estate.

If any installment distribution has commenced to a Beneficiary and the Beneficiary dies before receiving all installments, any remaining installments shall be paid in a lump sum to the estate of the Beneficiary.

9. Amendment and Termination of Plan

9.1. Amendment. The Board of Directors may at any time amend the Plan in whole or in part, provided, however, that no amendment shall be

effective to reduce the value of any Participant's Deferred Compensation Account or to affect the Participant's vested right therein, and, except as provided in 9.2. or 9.3., no amendment shall be effective to decrease the future benefits under the Plan payable to any Participant or Beneficiary with respect to any Elective Deferred Compensation which was deferred prior to the date of the amendment. Written notice of any amendments shall be given promptly to each Participant.

9.2. Termination of Plan

a. Employer's Right to Terminate. The Board of Directors may at any time terminate the Plan as to prospective contributions and credits of interest, if it determines in good faith that the economic acceptability of the Plan has been substantially impaired and that the resulting cost to the Company is substantially and unacceptably greater than the cost anticipated at the Effective Date. No such termination of the Plan shall reduce the balance in a Participant's Deferred Compensation Account or affect the Participant's vested right therein.

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b. Payments Upon Termination of Plan. Upon any termination of the Plan under this Section 9.2., Compensation for additional Class Years shall not be deferred under the Plan. With respect to then-existing Deferred Compensation Accounts, the Employer will, depending upon the Participant's election at that time: (i) pay to the Participant, in a lump sum, the value of each of his Deferred Compensation Accounts; (ii) continue to defer the Compensation under the Plan, but with the interest rate credited on all future Valuation Dates to be equal to the daily average of the best interest rate available to the Company during the then calendar year for short-term borrowings; or (iii) make such other arrangement as the Committee determines appropriate.

9.3. Successors and Mergers, Consolidations or Change in Control. The terms and conditions of this Plan and Election Form shall enure to the benefit of and bind the Company, the Participants, their successors, assignees, and personal representatives. If substantially all of the stock or assets of the Company are acquired by another corporation or entity or if the Company is merged into, or consolidated with, another corporation or entity, then the obligations created hereunder shall be obligations of the acquiror or successor corporation or entity.

10. Miscellaneous

10.1. Unsecured General Creditor. Participants and their beneficiaries, heirs, successors and assigns shall have no legal or equitable rights, interests, or other claims in any property or assets of the Employer, nor shall they be beneficiaries of, or have any rights, claims, or interests in any life insurance policies, annuity contracts, or the policies therefrom owned or which may be acquired by the Company ("policies"). Such policies or other assets shall not be held under any trust for the benefit of Participants, their beneficiaries, heirs, successors, or assigns, or held in any way as collateral security for the fulfilling of the obligations of the Company under this Plan. Any and all of such assets and policies shall be and remain general, unpledged, unrestricted assets of the Employer. The Company's obligation under the Plan shall be that of an unfunded and unsecured promise to pay money in the future.

10.2. Obligations to the Employer. If a Participant becomes entitled to a distribution of benefits under the Plan, and if at such time the Participant has outstanding any debt, obligation, or other liability representing an amount owed to the Employer, then the Employer may offset such amounts owing it or an affiliate against the amount of benefits otherwise distributable. Such determination shall be made by the Committee.

10.3. Non-Assignability. Neither a Participant nor any other person shall have any right to commute, sell, assign, transfer, pledge, anticipate, mortgage, or otherwise encumber, transfer, hypothecate or convey in advance of actual receipt the amounts, if any, payable hereunder, or any part thereof, which are, and all rights to which are, expressly declared to be unassignable and nontransferable. No part of the amounts payable shall, prior to actual payment, be subject to seizure or sequestration for the payment of any debts, judgments, alimony or separate maintenance owed by a Participant or any other person, nor be transferable by operation of law in the event of a Participant's or any other person's bankruptcy or insolvency.

- 10.4. Employment or Future Eligibility to Participate Not Guaranteed. Nothing contained in this Plan nor any action taken hereunder shall be construed as a contract of employment or as giving any Eligible Employee any right to be retained in the employ of the Employer. Designation as an Eligible Employee may be revoked at anytime by the Committee with respect to any Compensation not yet deferred.
- 10.5. Protective Provisions. In order to be eligible to participate in this Plan, Participant will cooperate with the Company by furnishing any and all information requested by the Company in order to facilitate the payment of benefits hereunder, including taking such physical examinations as the Company may deem necessary and taking such other relevant action as may be requested by the Company. If a Participant refuses to cooperate, the Company shall have no further obligation to the Participant to allow him to begin participation in the Plan.
- 10.6. Gender, Singular and Plural. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, or neuter, as the identity of the person or persons may require. As the context may require, the singular may be read as the plural and the plural as the singular.
- 10.7. Captions. The captions to the articles, sections, and paragraphs of this Plan are for convenience only and shall not control or affect the meaning or construction of any of its provisions.
- 10.8. Applicable Law. This Plan shall be governed and construed in accordance with the laws of the State of Indiana.
- 10.9. Validity. In the event any provision of this Plan is held invalid, void, or unenforceable, the same shall not affect, in any respect whatsoever, the validity of any other provision of this Plan.
- 10.10. Notice. Any notice or filing required or permitted to be given to the Committee shall be sufficient if in writing and hand delivered, or sent by registered or certified mail, to the principal office of the Company, directed to the attention of the Chief Executive Officer of the Company. Such notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification.

BALL CORPORATION 1989 DEFERRED COMPENSATION PLAN
(as Amended July 1, 1994)

BALL CORPORATION 1989 DEFERRED COMPENSATION PLAN

1. Statement of Purpose

The purpose of the 1989 Deferred Compensation Plan (the "Plan") is to aid Ball Corporation (the "Company") and its subsidiaries in attracting and retaining key employees by providing a non-qualified deferred compensation vehicle.

2. Definitions

- 2.1. Beneficiary - "Beneficiary" means the person or persons designated as such in accordance with Section 8.
- 2.2. Class Year - "Class Year" means the year in respect of which compensation is deferred under the Plan.
- 2.3. Compensation - "Compensation" means the Participant's compensation for the Class Year.
- 2.4. Deferral Amount - "Deferral Amount" means the amount of Elective Deferred Compensation deferred by the Participant for each Class Year.
- 2.5. Deferred Compensation Account - "Deferred Compensation Account" means the account for each Class Year maintained by the Company for each Participant pursuant to Section 6.
- 2.6. Distribution Date - "Distribution Date" means the date on which the Employer makes distributions from the Participant's Deferred Compensation Account.
- 2.7. Effective Date - "Effective Date" means December 1, 1988 the date on which the Plan commences.
- 2.8. Election Form - "Election Form" means the form or forms attached to this Plan and filed with the Human Resources Committee by the Participant in order to participate in the Plan. The terms and conditions specified in the Election Form(s) are incorporated by reference herein and form a part of the Plan.
- 2.9. Elective Deferred Compensation - "Elective Deferred Compensation" means the amount elected to be deferred by an Eligible Employee in his Election Form.
- 2.10. Eligible Employee - "Eligible Employee" means those employees of the Company who have been selected by the Human Resources Committee.
- 2.11. Employer - "Employer" means Ball Corporation and any of its fifty percent (50%) or more owned subsidiaries.
- 2.12. Human Resources Committee - "Human Resources Committee" (also referred to as the "Committee") means the committee appointed by the Board of Directors who will administer the Plan.
- 2.13. Moody's - "Moody's" means the annual average composite yield on Moody's Seasoned Corporate Bond Yield Index for the twelve (12) months ending October 31 immediately preceding the Valuation Date, as determined from Moody's Bond Record published by Moody's Investors Service, Inc. (or any successors thereto), or, if such yield is no longer published, a substantially similar average selected by the Company.
- 2.14. Participant - "Participant" means an Eligible Employee participating in the Plan in accordance with the provisions of Section 4.
- 2.15. Substantially Equal Installments - "Substantially Equal Installments" means a series of annual payments, such that equal payments over the remaining payment period would exactly amortize the Deferred Compensation Account balance as of the Distribution Date if the credited interest rate remained constant at the level credited as of the Valuation Date immediately preceding the Distribution Date for the remainder of the payment period.

2.16. Termination of Employment - "Termination of Employment" means the termination of a Participant's employment with Employer for any reason other than Disability.

2.17. Valuation Date - "Valuation Date" means the date on which the value of a Participant's Deferred Compensation Account for each Class Year is determined as provided in Section 6 hereof. Unless and until changed by the Committee, the Valuation Date shall be the last day of each calendar year.

3. Administration of the Plan

The Human Resources Committee, by appointment of the Board of Directors of the Company, shall be the sole administrator of the Plan. The Committee shall have full power to formulate additional details and regulations for carrying out this Plan. The Committee shall also be empowered to make any and all of the determinations not herein specifically authorized which may be necessary or desirable for the effective administration of the Plan. Any decision or interpretation of any provision of this Plan adopted by the Committee shall be final and conclusive.

4. Participation

Participation in the Plan shall be limited to Eligible Employees who elect to participate in the Plan by filing an Election Form prior to the beginning of the Class Year in which the Participant's Compensation is earned. Notwithstanding the foregoing, an employee who first becomes an Eligible Employee during any Class Year may elect to participate in the Plan for such Class Year by filing an Election Form within thirty (30) days after becoming an Eligible Employee.

The minimum annual deferral shall be \$1,000, and the maximum deferral shall be one hundred percent (100%) of the Participant's Compensation.

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5. Vesting of Deferred Compensation Account

A Participant's interest in his Deferred Compensation Account and interest credited thereto shall vest immediately.

6. Accounts and Valuations

6.1. Deferred Compensation Accounts. The Committee shall establish and maintain a separate Deferred Compensation Account for each Participant for each Class Year. Elective Deferred Compensation shall be deemed credited to the Deferred Compensation Account as of the close of business on December 31 of the Class Year, and no interest shall be earned for that calendar year.

6.2. Interest Credited. Each Deferred Compensation Account of each Participant shall be credited with interest on each Valuation Date, as provided hereinafter, at an annual rate equal to Moody's.

6.3. Timing of Crediting of Interest. Each Deferred Compensation Account of each Participant shall be revalued as of each Valuation Date. As of each Valuation Date, the value of each Deferred Compensation Account shall consist of the balance of such Deferred Compensation Account as of the immediately preceding Valuation Date minus the amount of all distributions, if any, made from such Deferred Compensation Account since the preceding Valuation Date, plus interest credited on the net balance after deducting said distributions. Normal benefit distributions (under Section 7.1) made on or before February 15 of the year of payment will be considered to have been made from the account and deducted from the account balance as of January 1 of such year for the purpose of crediting interest under this Section 6.3. Interest on Hardship Benefits distributed will be prorated to the date of distribution for the purpose of crediting interest under this Section 6.3.

7. Benefits

7.1. Normal Benefit

a. A Participant's Deferred Compensation Account shall be paid to the Participant as requested in his Election Form, subject to the terms and conditions set forth in the Plan, including the Election Form. If a Participant elects to receive payment of his Deferred Compensation Account in installments, payments shall be made in Substantially Equal Installments. Unless the Committee determines otherwise, and subject to the provisions of Section 7.4. as to when payments shall commence, distribution payments, whether lump sum or installment, shall be made on or before the fifteenth (15th) day of February of each year. A Participant may elect different payment

schedules for different Deferred Compensation Accounts.

b. If a Participant dies before receiving his total Deferred Compensation Account balance, whether or not distributions have earlier commenced, his Beneficiary shall be entitled to the remaining account balance in accordance with the payment elections in the Election Form, except that such payments, if not already commenced, shall commence on or before February 15 next following the date of the Participant's death.

7.2. Hardship Benefit. In the event that the Committee, upon written request of a Participant or Beneficiary of a deceased Participant, determines in its sole discretion, that such person has suffered an unforeseeable financial emergency, the Company shall pay to such

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person, from the Deferred Compensation Account designated by the Participant or Beneficiary, as soon as practicable following such determination, an amount necessary to meet the emergency, not in excess of the amount of the Deferred Compensation Account. The Deferred Compensation Account of the Participant shall thereafter be reduced to reflect the payment as of the date paid of a Hardship Benefit.

7.3. Request to Committee for Delay in Payment. A Participant shall have no right to modify in any way the schedule for the distribution of amounts from his Deferred Compensation Account which he has specified in his Election Form. However, upon a written request submitted by the Participant to the Committee, the Committee may, in its sole discretion, for each Class Year postpone one time the date on which payment shall commence, not beyond the year in which he will attain age seventy-one (71); and at the same time increase the number of installments to a number not to exceed fifteen (15). Any such request(s) must be made prior to the earlier of (a) the beginning of the year which the Participant has elected for distributions to commence, or (b) the Termination of Employment.

7.4. Date of Payments. Except as otherwise provided in this Plan, payments under this Plan shall begin on or before the fifteenth (15th) day of February of the calendar year following receipt of notice by the Committee of an event which entitles a Participant (or Beneficiary) to payments under the Plan, or at such earlier date after receipt of such notice as may be determined by the Committee.

7.5. Termination of Employment Before Age 55. In the event a Participant has a Termination of Employment prior to his attaining age fifty-five (55) (other than by death, for which benefits and/or accounts will be paid in accordance with Section 7.1.b.), then, whether or not distributions have earlier commenced, the Participant's Deferred Compensation Account will be paid to him in a lump sum on or before the fifteenth (15th) day of February in the year following the year in which the Termination of Employment occurred, unless otherwise determined by the Committee. Upon written request of the Participant made within thirty (30) days following Termination of Employment, the Committee may, in its sole discretion, determine that, in lieu of a lump sum, payments shall be made to the Participant in not more than five (5) Substantially Equal Installments, commencing on or before such next fifteenth (15th) day of February following the date of Termination of Employment. The interest credited to the Participant's Deferred Compensation Account on the Valuation Date next following the Termination of Employment shall be as provided in Section 6., above. If payments are to be made in installments, the interest rate credited to the Participant's Deferred Compensation Account on all Valuation Dates subsequent to the Valuation Date next following Termination of Employment (and to be considered as the interest rate on such Valuation Date next following Termination of Employment for the sole purpose of calculating Substantially Equal Installments under Section 2.15., above) shall be limited to the daily average of the best interest rate available to the Company during the then calendar year for short-term borrowings.

7.6. Taxes; Withholding. To the extent required by law, the Company shall withhold from payments made hereunder any amount required to be withheld by the federal or any state or local government.

7.7. Liquidating Distribution. Notwithstanding any provisions of the Plan or the Participant's Election Form to the contrary, the Company shall, as soon as practicable (but not later than 30 days) following the receipt of a written request from a Participant (or Beneficiary) for a

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Liquidation Distribution, pay to the Participant (or Beneficiary) the

Participant's (or Beneficiary's) Liquidating Distribution Account Balance in a lump sum. "Liquidating Distribution" shall mean a distribution requested by the Participant (or Beneficiary following the death of the Participant) in writing directed to the Committee and specifically referencing this section. If the Participant requesting the Liquidating Distribution is, at the time of the request, an active employee of the Employer, "Liquidating Distribution Account Balance" shall mean all of the Deferred Compensation Accounts under the Plan in which the Participant has an undistributed balance, increased by interest credited on the account(s) to the date of distribution from the preceding Valuation Date (based upon the interest rate credited on the preceding Valuation Date), and decreased by a forfeiture penalty equal to six percent (6%) of the value of the Participant's Deferred Compensation Account(s) as of the preceding Valuation Date. If the Participant requesting the Liquidating Distribution is, at the time of the request, no longer an active employee of the Employer, or in the case of a request made by a Participant's Beneficiary, "Liquidating Distribution Account Balance" shall mean all of the Deferred Compensation Accounts under the Plan in which the Participant (or Beneficiary) has an undistributed balance and all of the Deferred Compensation Accounts under any Comparable Plans maintained by the Employer in which the Participant (or Beneficiary) has an undistributed balance, increased by interest credited on the account(s) to the date of distribution from the preceding Valuation Date, and decreased by a forfeiture penalty equal to six percent (6%) of the value of the Participant's (or Beneficiary's) Deferred Compensation Account(s) as of the preceding Valuation Date. "Comparable Plans" shall mean the Ball Corporation 1986 Deferred Compensation Plan, the Ball Corporation 1988 Deferred Compensation Plan, the Ball-InCon Glass Packaging Corp. Deferred Compensation Plan, and any comparable successor plans so designated by the Committee.

Notwithstanding any provisions of the Plan or the Participant's Election Form to the contrary, if the Participant requesting the Liquidating Distribution is, at the time of the request, an active employee of the Employer, then the Participant shall, for a period of one (1) Class Year beginning with the Class Year during which the request for the Liquidating Distribution is made, be ineligible to participate in the Plan or any Comparable Plans with respect to any Compensation not yet deferred.

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8. Beneficiary Designation

A Participant shall have the right at any time, and from time to time, to designate and/or change or cancel any person, persons, or entity as his Beneficiary or Beneficiaries (both principal and contingent) to whom payment under this Plan shall be paid in the event of his death prior to complete distribution to Participant of the benefits due him under the Plan. Each beneficiary change or cancellation shall become effective only when filed in writing with the Committee during the Participant's lifetime on a form provided by the Committee.

The filing of a new Beneficiary designation form will cancel all Beneficiary designations previously filed. Any finalized divorce of a Participant subsequent to the date of filing of a Beneficiary designation form shall revoke such designation. The spouse of a married Participant domiciled in a community property jurisdiction shall be required to join in any designation of Beneficiary or Beneficiaries other than the spouse in order for the Beneficiary designation to be effective.

If a Participant fails to designate a Beneficiary as provided above, or, if his beneficiary designation is revoked by divorce, or otherwise, without execution of a new designation, or if all designated Beneficiaries predecease the Participant, then the distribution of such benefits shall be made in a lump sum to the Participant's estate.

If any installment distribution has commenced to a Beneficiary and the Beneficiary dies before receiving all installments, any remaining installments shall be paid in a lump sum to the estate of the Beneficiary.

9. Amendment and Termination of Plan

9.1. Amendment. The Board of Directors may at any time amend the Plan in whole or in part, provided, however, that no amendment shall be effective to reduce the value of any Participant's Deferred Compensation Account or to affect the Participant's vested right therein, and, except as provided in 9.2. or 9.3., no amendment shall be effective to decrease the future benefits under the Plan payable to any Participant or Beneficiary with respect to any Elective Deferred Compensation which was deferred prior to the date of the amendment. Written notice of any amendments shall be given promptly to each Participant.

9.2. Termination of Plan

- a. Employer's Right to Terminate. The Board of Directors may at any time terminate the Plan as to prospective contributions and credits of interest, if it determines in good faith that the economic acceptability of the Plan has been substantially impaired and that the resulting cost to the Company is substantially and unacceptably greater than the cost anticipated at the Effective Date. No such termination of the Plan shall reduce the balance in a Participant's Deferred Compensation Account or affect the Participant's vested right therein.
- b. Payments Upon Termination of Plan. Upon any termination of the Plan under this Section 9.2., Compensation for additional Class Years shall not be deferred under the Plan. With respect to then-existing Deferred Compensation Accounts, the Employer will, depending upon the Participant's election at that time: (i) pay to the Participant, in a lump sum, the value of each of his Deferred Compensation Accounts; (ii) continue to defer the Compensation under the Plan, but with the interest rate credited on all future

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Valuation Dates to be equal to the daily average of the best interest rate available to the Company during the then calendar year for short-term borrowings; or (iii) make such other arrangement as the Committee determines appropriate.

- 9.3. Successors and Mergers, Consolidations or Change in Control. The terms and conditions of this Plan and Election Form shall enure to the benefit of and bind the Company, the Participants, their successors, assignees, and personal representatives. If substantially all of the stock or assets of the Company are acquired by another corporation or entity or if the Company is merged into, or consolidated with, another corporation or entity, then the obligations created hereunder shall be obligations of the acquiror or successor corporation or entity.

10. Miscellaneous

- 10.1. Unsecured General Creditor. Participants and their beneficiaries, heirs, successors and assigns shall have no legal or equitable rights, interests, or other claims in any property or assets of the Employer, nor shall they be beneficiaries of, or have any rights, claims, or interests in any life insurance policies, annuity contracts, or the policies therefrom owned or which may be acquired by the Company ("policies"). Such policies or other assets shall not be held under any trust for the benefit of Participants, their beneficiaries, heirs, successors, or assigns, or held in any way as collateral security for the fulfilling of the obligations of the Company under this Plan. Any and all of such assets and policies shall be and remain general, unpledged, unrestricted assets of the Employer. The Company's obligation under the Plan shall be that of an unfunded and unsecured promise to pay money in the future.
- 10.2. Obligations to the Employer. If a Participant becomes entitled to a distribution of benefits under the Plan, and if at such time the Participant has outstanding any debt, obligation, or other liability representing an amount owed to the Employer, then the Employer may offset such amounts owing it or an affiliate against the amount of benefits otherwise distributable. Such determination shall be made by the Committee.
- 10.3. Non-Assignability. Neither a Participant nor any other person shall have any right to commute, sell, assign, transfer, pledge, anticipate, mortgage, or otherwise encumber, transfer, hypothecate or convey in advance of actual receipt the amounts, if any, payable hereunder, or any part thereof, which are, and all rights to which are, expressly declared to be unassignable and nontransferable. No part of the amounts payable shall, prior to actual payment, be subject to seizure or sequestration for the payment of any debts, judgments, alimony or separate maintenance owed by a Participant or any other person, or be transferable by operation of law in the event of a Participant's or any other person's bankruptcy or insolvency.
- 10.4. Employment or Future Eligibility to Participate Not Guaranteed. Nothing contained in this Plan nor any action taken hereunder shall be construed as a contract of employment or as giving any Eligible Employee any right to be retained in the employ of the Employer. Designation as an Eligible Employee may be revoked at any time by the Committee with respect to any Compensation not yet deferred.
- 10.5. Gender, Singular and Plural. All pronouns and any variations thereof

shall be deemed to refer to the masculine, feminine, or neuter, as the identity of the person or persons may require. As

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the context may require, the singular may be read as the plural and the plural as the singular.

- 10.6. Captions. The captions to the articles, sections, and paragraphs of this Plan are for convenience only and shall not control or affect the meaning or construction of any of its provisions.
- 10.7. Applicable Law. This Plan shall be governed and construed in accordance with the laws of the State of Indiana.
- 10.8. Validity. In the event any provision of this Plan is held invalid, void, or unenforceable, the same shall not affect, in any respect whatsoever, the validity of any other provision of this Plan.
- 10.9. Notice. Any notice or filing required or permitted to be given to the Committee shall be sufficient if in writing and hand delivered, or sent by registered or certified mail, to the principal office of the Company, directed to the attention of the Chief Executive Officer of the Company. Such notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification.

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BALL-INCON GLASS PACKAGING CORP.
DEFERRED COMPENSATION PLAN
(as Amended July 1, 1994)

BALL-INCON GLASS PACKAGING CORP.
DEFERRED COMPENSATION PLAN

1. Statement of Purpose

The purpose of the Ball-InCon Glass Packaging Corp. Deferred Compensation Plan (the "Plan") is to aid Ball-InCon and any of its fifty-one percent (51%) or more owned subsidiaries (the "Company") in attracting and retaining key employees by providing a non-qualified compensation deferral vehicle.

2. Definitions

- 2.1 Beneficiary - "Beneficiary" means the person or persons designated as such in accordance with Section 8.
- 2.2 Compensation - "Compensation" means the Participant's salary and annual incentive compensation.
- 2.3 Cycle - "Cycle" means the twelve month pay-in period for each deferral; provided, however, that the initial Cycle shall commence on November 16, 1987 and end on December 31, 1988.
- 2.4 Deferral Amount - "Deferral Amount" means the amount of Elective Deferred Compensation actually deferred by the Participant.
- 2.5 Deferred Compensation Account - "Deferred Compensation Account" means the account maintained on the books of account of the Company for each Participant pursuant to Section 6.
- 2.6 Distribution Date - "Distribution Date" means the date on which the Company makes distributions from the Participant's Deferred Compensation Account.
- 2.7 Election Form - "Election Form" means the form or forms attached to this Plan and filed with the Committee by the Participant in order to participate in the Plan. The terms and conditions specified in the Election Form(s) are incorporated by reference herein and form a part of the Plan.
- 2.8 Elective Deferred Compensation - "Elective Deferred Compensation" means the amount elected to be deferred by an Eligible Employee in his Election Form, subject to approval by the Committee.
- 2.9 Eligible Employee - "Eligible Employee" means those employees of the Company who have been selected by the Committee.
- 2.10 Human Resources Committee - "Human Resources Committee" also referred to as the "Committee" means the committee appointed by Ball Corporation's Board of Directors who will administer the Plan pursuant to Section 3.
- 2.11 Moody's - "Moody's" means the annual average composite yield on Moody's Seasoned Corporate Bond Yield Index for the twelve month period ending on the last day of October immediately preceding the Valuation Date, as determined from Moody's Bond Record published by

Moody's Investors Service, Inc. (or any successors thereto), or, if such yield is no longer published, a substantially similar average selected by the Company.

- 2.12 Participant - "Participant" means an Eligible Employee participating in the Plan in accordance with the provisions of Section 4.
- 2.13 Substantially Equal Installments - "Substantially Equal Installments" means a series of annual payments, such that equal payments over the remaining payment period would exactly amortize the Deferred Compensation Account balance as of the Distribution Date if the credited interest rate remained constant at the level credited as of the Valuation Date immediately preceding the Distribution Date for the remainder of the payment period.

- 2.14 Termination of Employment - "Termination of Employment" means the termination of a Participant's employment with the Company for any reason.
- 2.15 Treasury Bill Rate - "Treasury Bill Rate" means the annual average of the weekly twenty-six week Treasury Bill Rates for the twelve month period ending on the last day of October immediately preceding the Valuation Date, as determined from U.S. Financial Data published by the Federal Reserve Bank of St. Louis.
- 2.16 Valuation Date - "Valuation Date" means the date on which the value of a Participant's Deferred Compensation Account for each Cycle is determined as provided in Section 6 hereof. Unless and until changed by the Committee, the Valuation Date for each Cycle shall be the last day of the Cycle.
- 2.17 Restricted Deferred Compensation Account - "Restricted Deferred Compensation Account" means the account maintained on the books of the Company for each Participant with interest credited pursuant to Section 6.2.b. The maximum amount attributed to this account per Cycle shall be determined annually for each Participant by the Committee based upon the Target Benefit.
- 2.18 Unrestricted Deferred Compensation Account - "Unrestricted Deferred Compensation Account" means the account maintained on the books of the Company for each Participant with interest credited pursuant to Section 6.2.c. This account shall consist of all compensation deferred for Cycles commencing on or after January 1, 1991, in excess of those amounts attributed to a Participant's Restricted Deferred Compensation Account.
- 2.19 Target Benefit - "Target Benefit" means the projected annual benefit amount as determined by the Committee.

3. Administration of the Plan

The Human Resources Committee, by appointment of Ball Corporation's Board of Directors, shall be the sole administrator of the Plan. The Committee shall have full power to formulate additional details and regulations for carrying out this Plan. The Committee shall also be empowered to make any and all of the determinations not herein specifically authorized which may be necessary or desirable for the effective administration of the Plan.

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Any decision or interpretation of any provision of this Plan adopted by the Committee shall be final and conclusive.

4. Participation

Any Eligible Employee may elect to participate in the Plan for a given Cycle by filing a completed Election Form for the Cycle with the Committee in the time and manner specified by the Committee.

The minimum deferral for a Cycle shall be \$2,000, and the maximum deferral for a Cycle shall be the amount specified by the Committee.

A Participant's election to defer Compensation is irrevocable upon the filing of his Election Form with the Committee, provided, however, that the election may be terminated with respect to Compensation not yet earned by mutual agreement in writing between the Participant and the Committee. Such termination, if approved, shall be effective immediately.

5. Vesting of Deferred Compensation Account

A Participant's interest in his Deferred Compensation Account shall vest immediately.

6. Accounts and Valuations

6.1 Deferred Compensation Accounts. The Committee shall establish and maintain a separate Deferred Compensation Account for each Participant for each Cycle. Any Elective Deferred Compensation shall be credited to the Participant's Deferred Compensation Account when deferred.

6.2 Interest Rate Credited.

- a. With respect to Compensation deferred for Cycles ending on or before December 31, 1990, each Participant's Deferred Compensation Account shall be credited with interest on each Valuation Date at an annual rate equal to Moody's plus five (5) percentage points.

- b. With respect to Compensation deferred for Cycles commencing on or

after January 1, 1991, each Participant's Restricted Deferred Compensation Account shall be credited with interest on each Valuation Date at an annual rate equal to Moody's plus five (5) percentage points.

- c. With respect to Compensation deferred for Cycles commencing on or after January 1, 1991, each Participant's Unrestricted Deferred Compensation Account shall be credited with interest on each Valuation Date at an annual rate equal to Moody's.

6.3 Timing of Crediting of Interest. Each Deferred Compensation Account of each Participant shall be revalued and credited with interest as of each Valuation Date. As of each Valuation Date, the value of each Deferred Compensation Account shall consist of the balance of such Deferred Compensation Account as of the immediately preceding Valuation Date, plus the amount of any Elective Deferred Compensation credited to the Participant's Deferred Compensation Account since the preceding Valuation Date, minus the amount of all distributions, if any, made from such Deferred Compensation Account since the preceding Valuation Date. As of each Valuation Date, interest shall be credited

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on the average daily balance of the Participant's Deferred Compensation Account since the immediately preceding Valuation Date after adjustment for any additions thereto (including interest) or distributions therefrom. Normal benefit distributions (under Section 7.1) made on or before February 15 of the year of payment will be considered to have been made from the account and deducted from the account balance as of January 1 of such year for the purpose of crediting interest under this Section 6.3.

7. Benefits

7.1 Normal Benefit

- a. A Participant's Deferred Compensation Account shall be paid to the Participant in accordance with the terms of the Employee's Election Form, subject to the terms and conditions specified in the Election Form. If a Participant elects to receive payment of his Deferred Compensation Account in installments, payments shall be made in Substantially Equal Installments. Unless the Committee determines otherwise, and subject to the provisions of Section 7.4 as to when payments shall commence, installments shall be paid on or before the fifteenth (15th) day of February of each year.
- b. If a Participant dies before receiving his or her total account balance for that Cycle, his Beneficiary shall be entitled to the remaining account balance. The Participant may specify that any amounts payable to any Beneficiary under this provision shall be paid either by continuing to have the payments made when due to the Participant or, in a lump sum, equal to the value of the Deferred Compensation Account at the time of the Participant's death. In the event a Participant fails to so specify, payments shall be made to his Beneficiary when due to the Participant.

7.2 Hardship Benefit. In the event that the Committee, upon written petition of the Participant, determines in its sole discretion, that the Participant has suffered an unforeseeable financial emergency, the Company may pay to the Participant, as soon as practicable following such determination, an amount necessary to meet the emergency, not in excess of the Deferred Compensation Account credited to the Participant. The Deferred Compensation Account of the Participant shall thereafter be reduced to reflect the payment of a Hardship Benefit. The Participant shall specify in his written petition from which Cycle the Hardship Benefit shall be paid.

7.3 Taxes; Withholding. To the extent required by law, the Company shall withhold from payments made hereunder an amount equal to at least the minimum taxes required to be withheld by the federal or any state or local government.

7.4 Commencement of Payments. Except as otherwise provided in this Plan, payments under this Plan shall begin on or before the fifteenth (15th) day of February of the calendar year following receipt of notice by the Committee of an event which entitles a Participant (or Beneficiary) to payments under the Plan, or at such earlier date as may be determined by the Committee.

7.5 Request to Committee for Delay in Payment. A Participant shall have no right to modify in any way the schedule for the distribution of

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amounts from his Deferred Compensation Account which he has specified in his Election Form. However, upon a written request submitted by the Participant to the Committee, the Committee may, in its sole discretion, for each Cycle postpone one time the date on which payment shall commence, not beyond the year in which he will attain age seventy-one (71); and at the same time increase one time the number of installments to a number not to exceed fifteen (15).

Any such request(s) must be made prior to the earlier of (a) the beginning of the year which the Participant has elected for distributions to commence, or (b) the Termination of Employment.

7.6 Termination of Employment Before Age 55. In the event a Participant has a Termination of Employment prior to his attaining age fifty-five (55) (other than by death, for which benefits and/or accounts will be paid in accordance with Section 7.1.b.), then, whether or not distributions have earlier commenced, the Participant's Deferred Compensation Account will be paid to him in a lump sum on or before the fifteenth (15th) day of February in the year following the year in which the Termination of Employment occurred, unless otherwise determined by the Committee. Upon written request of the Participant made within thirty (30) days following Termination of Employment, the Committee may, in its sole discretion, determine that, in lieu of a lump sum, payments shall be made to the Participant in not more than five (5) Substantially Equal Installments, commencing on or before such next fifteenth (15th) day of February following the date of Termination of Employment. The interest credited to the Participant's Deferred Compensation Account on the Valuation Date next following the Termination of Employment shall be as provided in Section 6 above. If payments are to be made in installments, the interest rate credited to the Participant's Deferred Compensation Account on all Valuation Dates subsequent to the Valuation Date next following Termination of Employment (and to be considered as the interest rate on such Valuation Date next following Termination of Employment for the sole purpose of calculating Substantially Equal Installments under Section 2.13, above) shall be limited to the daily average of the best interest rate available to the Company during the then calendar year for short-term borrowings.

7.7 Liquidating Distribution. Notwithstanding any provisions of the Plan or the Participant's Election Form to the contrary, the Company shall, as soon as practicable (but no later than 30 days) following the receipt of a written request from a Participant (or Beneficiary) for a Liquidation Distribution, pay to the Participant (or Beneficiary) the Participant's (or Beneficiary's) Liquidating Distribution Account Balance in a lump sum. "Liquidating Distribution" shall mean a distribution requested by the Participant (or Beneficiary following the death of the Participant) in writing directed to the Committee and specifically referencing this section. If the Participant requesting the Liquidating Distribution is, at the time of the request, an active employee of the Company (or of Ball Corporation or of any subsidiary of Ball Corporation), "Liquidating Distribution Account Balance" shall mean all of the Deferred Compensation Accounts under the Plan in which the Participant has an undistributed balance, increased by interest credited on the account(s) to the date of distribution from the preceding Valuation Date (based upon the interest rate credited on the preceding Valuation Date), and decreased by a forfeiture penalty equal to six percent (6%) of the value of the Participant's Deferred

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Compensation Account(s) as of the preceding Valuation Date. If the Participant requesting the Liquidating Distribution is, at the time of the request, no longer an active employee of the Company (or of Ball Corporation or of any subsidiary of Ball Corporation), or in the case of a request made by a Participant's Beneficiary, "Liquidating Distribution Account Balance" shall mean all of the Deferred Compensation Accounts under the Plan in which the Participant (or Beneficiary) has an undistributed balance and all of the Deferred Compensation Accounts under any Comparable Plans maintained by the Company (or by Ball Corporation or by any subsidiary of Ball Corporation) in which the Participant (or Beneficiary) has an undistributed balance, increased by interest credited on the account(s) to the date of distribution from the preceding Valuation Date, and decreased by a forfeiture penalty equal to six percent (6%) of the value of the Participant's (or Beneficiary's) Deferred Compensation Account(s) as of the preceding Valuation Date. "Comparable Plans" shall mean the Ball Corporation 1986 Deferred Compensation Plan, the Ball Corporation 1988 Deferred Compensation Plan, the Ball Corporation 1989 Deferred Compensation Plan, and any comparable successor plans so designated by the Committee.

Notwithstanding any provisions of the Plan or the Participant's

Election Form to the contrary, if the Participant requesting the Liquidating Distribution is, at the time of the request, an active employee of the Company (or of Ball Corporation or of any subsidiary of Ball Corporation), then the Participant shall, for a period of one (1) Class Year beginning with the Class Year during which the request for the Liquidating Distribution is made, be ineligible to participate in the Plan or any Comparable Plans with respect to any Compensation not yet deferred.

8. Beneficiary Designation

A Participant shall have the right at any time, and from time to time, to designate and/or change or cancel any person, persons, or entity as his Beneficiary or Beneficiaries (both principal and contingent) to whom payment under this Plan shall be made in the event of his death prior to complete distribution to the Participant of the benefits due him under the Plan. Each beneficiary designation shall become effective only when filed in writing with the Committee during the Participant's lifetime on a form provided by the Committee. The filing of a new beneficiary designation form will cancel all beneficiary designations previously filed. Any finalized divorce of a Participant subsequent to the date of filing of a beneficiary designation form shall revoke such designation. The spouse of a married Participant domiciled in a community property jurisdiction shall join in any designation of Beneficiary or Beneficiaries other than the spouse.

If a Participant fails to designate a Beneficiary as provided above or if his beneficiary designation is revoked by divorce, or otherwise, without execution of a new designation, or if all designated Beneficiaries predecease the Participant or die prior to complete distribution of the Participant's benefits, then the distribution of such benefits shall be made to the Participant's estate.

If any distribution to a Beneficiary is to be made in installments, and the primary Beneficiary dies before receiving all installments, the remaining installments, if any, shall be paid to the estate of the primary Beneficiary.

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9. Amendment and Termination of Plan

9.1 Amendment. The Company may at any time amend the Plan in whole or in part, provided, however, that except as provided in 9.2, no amendment shall be effective to decrease the benefits under the Plan payable to any Participant or Beneficiary with respect to any Elective Deferred Compensation deferred prior to the date of the amendment. Written notice of any amendments shall be given to each individual then participating in the Plan.

9.2 Termination of Plan

a. Company's Right to Terminate. The Company may at any time terminate the Plan.

b. Payments Upon Termination. Upon any termination of the Plan under this section, Compensation shall prospectively cease to be deferred and, with respect to Compensation previously deferred, the Company will, depending upon the Participant's election: (i) pay to the Participant, in a lump-sum, the value of his Deferred Compensation Account; or (ii) continue to defer the Compensation, but with the interest rate credited on all future Valuation Dates equal to the Treasury Bill Rate. In the event a Participant elects to continue to defer Compensation, the balance of the terms and conditions of this Plan will continue to apply to such Compensation.

10. Miscellaneous

10.1 Unsecured General Creditor. Participants and their beneficiaries, heirs, successors and assignees shall have no legal or equitable rights, interests, or other claims in any property or assets of the Company, nor shall they be beneficiaries of, or have any rights, claims, or interests in any life insurance policies, annuity contracts, or the policies therefrom owned or which may be acquired by Company ("policies"). Such policies or other assets of Company shall not be held under any trust for the benefit of Participants, their beneficiaries, heirs, successors, or assigns, or held in any way as collateral security for the fulfilling of the obligations of Company under this Plan. Any and all of the Company's assets and policies shall be and remain general, unpledged, unrestricted assets of the Company. The Company's obligation under the Plan shall be that of an unfunded and unsecured promise of the Company to pay money in the future.

10.2 Successors and Mergers, Consolidations or Change in Control. The

terms and conditions of this Plan shall enure to the benefit of and bind the Company, the Participants, their successors, assignees, and personal representatives. If, on or after November 16, 1987, substantially all of the stock or assets of the Company are acquired by another corporation or entity or if the Company is merged into, or consolidated with, another corporation or entity, then the Company will, depending upon the Participant's election: (i) pay to the Participant, in a lump-sum, the value of his Deferred Compensation Account; or (ii) continue to defer the Compensation, but with the obligations created hereunder being the obligations of the acquirer or successor corporation or entity.

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10.3 Non-Assignability. Neither a Participant nor any other person shall have any right to commute, sell, assign, transfer, pledge, anticipate, mortgage, or otherwise encumber, transfer, hypothecate, or convey in advance of actual receipt the amounts, if any, payable hereunder, or any part thereof, which are, and all rights to which are, expressly declared to be unassignable and nontransferable. No part of the amounts payable shall, prior to actual payment, be subject to seizure or sequestration for the payment of any debts, judgments, alimony or separate maintenance owed by a Participant or any other person, nor be transferable by operation of law in the event of a Participant's or any other person's bankruptcy or insolvency.

10.4 Employment or Future Eligibility to Participate Not Guaranteed. Nothing contained in this Plan nor any action taken hereunder shall be construed as a contract of employment or as giving any Eligible Employee any right to be retained in the employ of the Company. Designation as an Eligible Employee may be revoked at any time by the Committee with respect to any Compensation not yet deferred.

10.5 Gender, Singular and Plural. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, or neuter, as the identity of the person or persons may require. As the context may require, the singular may be read as the plural and the plural as the singular.

10.6 Captions. The captions to the articles, sections, and paragraphs of this Plan are for convenience only and shall not control or affect the meaning or construction of any of its provisions.

10.7 Applicable Law. This Plan shall be governed and construed in accordance with the laws of the State of Indiana.

10.8 Validity. In the event any provision of this Plan is held invalid, void, or unenforceable, the same shall not affect, in any respect whatsoever, the validity of any other provision of this Plan.

10.9 Notice. Any notice or filing required or permitted to be given to the Committee shall be sufficient if in writing and hand delivered, or sent by registered or certified mail, to the principal office of Ball Corporation, directed to the attention of the Chief Executive Officer. Such notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification.

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RETIREMENT AGREEMENT

THIS RETIREMENT AGREEMENT (hereinafter referred to as the "Retirement Agreement"), made as of the 29th day of July, 1994 (hereinafter referred to as the "Effective Date"), by and between H. Ray Looney (hereinafter referred to as "Executive") and Ball Corporation (hereinafter referred to as the "Company").

W I T N E S S E T H :

WHEREAS, Executive has been employed by the Company as the President and Chief Executive Officer of the Ball-InCon Glass Packaging Corp. (the "Employer") and as Group Vice President of the Company;

WHEREAS, Executive and the Company have agreed that Executive's employment with the Company shall terminate on July 29, 1994 (hereinafter referred to as the "Retirement Date"); and

WHEREAS, Executive and the Company have negotiated and reached an agreement with respect to all rights, duties and obligations arising between them, including, but in no way limited to, any rights, duties and obligations that have arisen or might arise out of or are in any way related to Executive's employment with the Company and the conclusion of that employment.

NOW, THEREFORE, in consideration of the covenants and mutual promises herein contained, it is agreed as follows:

FIRST: Executive hereby resigns from all offices, titles and positions that he has been appointed or elected to and now occupies with the Employer, the Company and any of the Company's affiliates and shall submit a letter of resignation in the form attached hereto as Exhibit A upon the signing of this Retirement Agreement. Upon the Company's request, Executive shall execute any additional documents necessary to effect such resignations. Executive shall remain an employee of the Company until the Retirement Date. Executive understands and agrees that his employment with the Company and its affiliates shall conclude as of the Retirement Date, and as of the Retirement Date he shall no longer be authorized to incur any expenses, obligations or liabilities on behalf of the Company. Unless otherwise specified, as used in this Retirement Agreement, the term "affiliates" shall include the Employer or any subsidiary, joint venture, division or organization of the Company.

SECOND: The Company hereby agrees to pay Executive a lump sum payment in the amount of \$55,000, less the amount provided in Paragraph Seventh hereof and all applicable withholding taxes, within seven working days of the Retirement Date; and from the Retirement Date through the end of the eighteenth month thereafter (the "Salary Continuation Period"), the amount of \$20,833.33 per month, in equal bi-weekly installments in accordance with the Company's normal payroll practices (collectively, the "Salary Continuation Payments"), less all applicable withholding taxes. The Salary Continuation Payments shall commence on August 19, 1994, and the final payment shall be on February 2, 1996. In the event of Executive's death prior to the expiration of the Salary Continuation Period, the Salary Continuation Payments and all other payments provided

hereunder shall be payable to Executive's designated beneficiary, or if none, to his estate in a single discounted (at an interest rate equal to the prime rate promulgated by the First National Bank of Chicago and in effect as of the date of payment, plus one percent (the "Interest Rate")) lump sum payment and, except to the extent benefits contemplated herein are provided by their terms to heirs and beneficiaries, the Company shall have no further obligations to Executive's beneficiaries under this Retirement Agreement.

THIRD: Executive acknowledges and agrees that other than as specifically set forth in this Retirement Agreement, he is not due any compensation, including compensation for unpaid salary, unpaid bonus, or accrued or unused vacation time or vacation pay from the Company or any of its affiliates, and as of the Retirement Date, except as provided herein, he shall not be eligible to participate in any of the benefit plans of the Company or any of its affiliates, except that, effective as of the Retirement Date, Executive shall be entitled to receive benefits pursuant to plans of the Company to the extent retirees of the Company are entitled to such benefits in the ordinary course. In addition, Executive shall be entitled to receive benefits that are vested and accrued prior to the Retirement Date pursuant to the plans of the Company or its affiliates.

FOURTH: The Company agrees to pay Executive incentive compensation for the Company's 1994 fiscal year in an amount equal to the 1994 incentive compensation amount that would otherwise be payable to him under the terms of the Company's Economic Value Added Incentive Compensation Plan (the "Incentive Compensation Plan"), multiplied by a fraction the numerator of which is the number of calendar days from January 1, 1994 until the Retirement Date, and the denominator of which is 365, less all applicable withholding taxes. This amount

shall be in lieu of, not in addition to, any other incentive compensation for the 1994 fiscal year previously contemplated by Executive. The entire amount of such incentive compensation earned by Executive for the Company's 1994 fiscal year shall be deferred into the Company's 1989 Deferred Compensation Plan pursuant to the terms of Executive's Deferral and Election Form for 1994 Incentive Compensation dated December 10, 1993; provided, however, that Executive may make such other deferral elections as may be permitted pursuant to the terms of the Company's Deferred Compensation Plans. For purposes of this Paragraph Fourth, Executive's compensation for the Company's 1994 fiscal year shall include the lump sum payment for accrued vacation described in Paragraph Sixth hereof.

FIFTH: The Company shall pay Executive, within 30 days following the Retirement Date, a lump sum payment of \$41,522.03 representing the present value of the benefit that Executive would have been entitled to receive under the Company's Pension Plan for Salaried Employees (the "Pension Plan"), as in effect as of the Retirement Date, had he continued in the employment of the Company through June 30, 1997, minus the present value of the benefit that Executive will be entitled to receive as of the Retirement Date. For purposes of this calculation, present values have been calculated using an interest rate of 7%. All other assumptions and rates necessary for purposes of this Paragraph Fifth have been reasonably determined by the Company.

SIXTH: The Company agrees to pay Executive, within 30 days following the Retirement Date, a lump sum payment in the amount of \$25,961, less all applicable withholding taxes, representing 27 days of accrued vacation, in accordance with the Company's customary practice regarding retirees.

SEVENTH: Executive agrees to purchase the 1991 Lexus Luxury Sedan currently leased by the Company and used by Executive, for its fair market value of \$26,412. This amount shall be deducted from the lump sum payment payable under Paragraph Second hereof in payment for this vehicle.

EIGHTH: The Company agrees to pay the premiums for the post-retirement medical benefits for Executive and his spouse under the Company's retiree medical program, in effect as of the Retirement Date, until the expiration of the Salary Continuation Period.

NINTH: At all times hereafter, Executive shall maintain the confidentiality of all confidential information in whatever form concerning the Company or any of its affiliates relating to its or their businesses, customers, finances, strategic or other plans, marketing, employees, trade practices, trade secrets, know-how or other matters that are not publicly known outside the Company, and Executive shall not, directly or indirectly, make any disclosure thereof to anyone, or make any use thereof, on his own behalf or on behalf of any third party, unless specifically requested by or agreed to in writing by an executive officer of the Company.

Executive has returned or shall within 30 days return to the Company all credit cards, cardkey passes, door and file keys and all confidential reports, files, memoranda, records, software, computer access codes or disks and instructional manuals, and other physical or personal property that he received or prepared or helped prepare in connection with his employment with the Company and its affiliates, and Executive has not retained and shall not retain any copies, duplicates, reproductions or excerpts thereof.

TENTH: Executive acknowledges that (i) the business in which the Company is engaged is intensely competitive, that the Company needs to protect its good will, and that Executive's employment by the Company has required Executive to have access to and knowledge of highly confidential information of the Company including, but not limited to, certain of the Company's confidential business plans, trade secrets, customer lists, strategies and objectives, which are of vital importance to the success of the Company's business; (ii) the direct or indirect disclosure of any such confidential information to existing or potential competitors of the Company would place the Company at a competitive disadvantage and would do material damage, financial and otherwise to the Company's business; and (iii) Executive's services to the Company have been special and unique.

Therefore, in consideration of the terms and conditions of this Retirement Agreement, including the compensation to be paid hereunder, Executive agrees that during the Salary Continuation Period, Executive shall not participate in the management of (with or without pay), be employed as an employee of (with or without pay), or act as a consultant (with or without pay), for any competitive business, or engage in any competitive activity. For purposes of this Paragraph Tenth, a "competitive business" shall mean any business operation of any enterprise if such operation or business competes with businesses of the Company in the glass container business in any areas of the United States in which the Company or any affiliate is currently engaged in such business. The parties hereto agree that the provisions of this Paragraph Tenth shall be enforceable to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought.

Accordingly, if any portion of this Paragraph Tenth is adjudicated unenforceable in any jurisdiction, such adjudication shall apply only in the particular jurisdiction in which such adjudication is made.

ELEVENTH: During the Salary Continuation Period, Executive shall not, directly or indirectly, solicit, entice, persuade or induce (or authorize or assist in the taking of any such actions by any third party) any employee of the Company or its affiliates with a view to inducing or encouraging such employee to leave the employ of the Company or its affiliates for the purpose of being hired by Executive or any other person.

TWELFTH:

(a) During the Salary Continuation Period, Executive shall not:

- (i) engage in the activities prohibited by Paragraphs Ninth, Tenth and Eleventh above;
- (ii) disparage, orally or in writing, the performance of the Company, the Board of Directors, any director of the Company, any specific former or current officer of the Company or any operating company or the Company's management as a group to any person; or
- (iii) initiate or participate in discussions of Company business matters with officers or directors of the Company or its affiliates other than at the request of an officer of the Company;

Provided, however, that Executive may divulge, discuss or provide the information described in clauses (i) through (iii) above to the extent Executive is compelled by law to do so and, in such event, Executive shall notify the Company immediately upon any request or demand for information, but in any event, no later than two working days after Executive first receives notice of such request or demand. Neither Executive nor his counsel shall voluntarily comply with any such request or demand prior to providing the Company to the extent possible with an opportunity to seek a protective order or pursue any other appropriate remedy.

(b) If the Board of Directors of the Company reasonably believes, which belief shall not be arbitrary or capricious, that Executive has violated any of the terms referred to in (a), the Company shall have the option of discontinuing Salary Continuation Payments hereunder unless the alleged violation relates solely to (a)(iii). If the violation relates solely to (a)(iii), Salary Continuation Payments shall continue, subject to recovery by the Company if directed by the arbitration panel referred to below. The Company shall immediately notify Executive of the Company's complaints setting forth specifically the allegations. Thereafter Executive shall have twenty (20) days within which to respond in writing to the Board. If the parties agree that the violations have been remedied to the degree that the Company or any of its directors, officers or other executives have not suffered competitive disadvantage or other material damage, financial or otherwise, or that no violation occurred, Salary Continuation Payments shall be resumed retroactively. However, if the parties cannot so agree, within fifteen (15) days of Executive's response, the dispute shall be referred promptly to the American Arbitration Association in accordance with its rules and regulations.

The arbitration panel shall determine within thirty (30) days of the referral of the matter the seriousness of any alleged breach and render a decision as it deems appropriate, except that the arbitration panel may not reduce or discontinue the payment of vested and accrued retirement payments under the Pension Plan and the SERP; provided, however, that no liability shall be imposed on the Company beyond possible make up of missed Salary Continuation Payments with interest at an annual rate of 7%.

(c) During the Salary Continuation Period, neither the Company, nor any directors or officers, shall disparage, orally or in writing, Executive; provided, however, that the Company may divulge, discuss or provide the information described above to the extent that the Company is required by law to do so, and, in such event, the Company shall notify Executive immediately upon any request or demand for such information that Executive may seek a protective order or other appropriate remedy.

THIRTEENTH:

(a) Executive and the Company, on behalf of themselves, their heirs, executors, administrators, assigns, affiliates, employees and agents do hereby knowingly and voluntarily release, acquit and forever discharge each other and any affiliates, legal representatives, agents, successors and assigns past, present and future directors, officers, employees, trustees and shareholders (collectively, the "Releasees") from and against any and all charges, complaints, claims, cross-claims, third-party claims, counterclaims,

contribution claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts and expenses of any nature whatsoever (collectively, the "Actions"), known or unknown, suspected or unsuspected, foreseen or unforeseen, matured or unmatured, which, at any time up to and including the date hereof, exists, have existed, or may arise from any matter whatsoever occurring, including, but not limited to, any claims arising out of or in any way related to Executive's employment with the Company or its affiliates and the conclusion thereof, which Executive or the Company, or any of their heirs, executors, administrators, assigns, affiliates, employees and agents ever had, now has or at any time hereafter may have, own or hold against the Releasees. Without limiting the foregoing, by executing this Retirement Agreement, Executive is waiving all Actions against the Company and its related persons arising under federal, state and local labor and anti-discrimination laws, including without limitation the Age Discrimination in Employment Act, as amended, Title VII of the Civil Rights Act, as amended, and the Indiana Civil Rights Act, as amended, and under any purported common law restrictions on the right of a company to terminate the employment of its employees; provided, however, that nothing herein shall release any party from any obligation under this Retirement Agreement, or any claim appropriately brought under any applicable worker's compensation act. In addition, (i) Executive does not hereby waive any benefits vested and accrued prior to the Retirement Date under applicable plans of the Company or its affiliates and Executive is not required to sign this Retirement Agreement in order to receive such vested benefits and (ii) Executive does not hereby waive any benefits under any plans of the Company not specifically addressed elsewhere herein under which retirees of the Company are entitled to benefits in the ordinary course pursuant to the terms of such plans. Executive acknowledges that, in exchange for this release, the Company is providing Executive with a total consideration, financial and otherwise, which exceeds what Executive would have received had Executive not given this

release.

(b) Executive and the Company each agree that he or it shall not commence any action or proceeding of any nature whatsoever, and that he or it shall not seek or be entitled to any award of equitable or monetary relief in any action or proceeding brought on his or its behalf, that arises out of the matters released by Executive or the Company under this Retirement Agreement.

FOURTEENTH: The Company has advised Executive to consult with an attorney of his choosing prior to the signing of this Retirement Agreement and Executive hereby represents to the Company that he has consulted with an attorney prior to the execution of this Retirement Agreement. Executive shall have twenty-one (21) days to consider the release set forth in Paragraph Thirteenth hereof and once he has signed this Retirement Agreement, Executive shall have seven (7) additional days from the date of execution to revoke the release set forth in Paragraph Thirteenth hereof. Any such revocation shall be made in writing pursuant to Paragraph Seventeenth hereof. If no such revocation occurs, this Retirement Agreement shall become effective eight (8) days from the date of execution by the parties. In the event that Executive revokes the release set forth in Paragraph Thirteenth hereof, all provisions of this Retirement Agreement shall immediately become void and of no effect, any benefits previously paid to Executive pursuant to this Retirement Agreement prior to the date of such revocation shall be immediately repaid to the Company, and the Company shall have no obligations under this Retirement Agreement.

FIFTEENTH: This Retirement Agreement shall be governed by and construed and enforced under the laws of the State of Indiana, without regard to its conflict of laws rules.

SIXTEENTH: In the event that any one or more of the provisions of this Retirement Agreement is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. Moreover, if any one or more of the provisions contained in this Retirement Agreement is held to be excessively broad as to duration, scope, activity or subject, such provisions will be construed by limiting and reducing them so as to be enforceable to the maximum extent compatible with applicable law.

Each of Executive and the Company acknowledges and agrees that (i) the Company would suffer irreparable injury in the event of a breach or violation or threatened breach or violation of the provisions set forth in Paragraphs Ninth, Tenth, Eleventh or Twelfth herein and (ii) Executive would suffer irreparable injury in the event of breach or violation or threatened breach or violation of the provisions set forth in Paragraph Twelfth. Each of Executive and the Company agrees that, in the event of an actual or threatened breach or violation of such provisions, the Company or Executive, as the case may be, shall be awarded injunctive relief in a court of appropriate jurisdiction to prohibit or remedy any such violation or breach or threatened violation or breach, without the necessity of posting any bond or security, and such right to injunctive relief shall be in addition to any other right or remedy available to the Company or Executive.

SEVENTEENTH: Any notice to be given hereunder shall be in writing and shall be deemed given when mailed by certified mail, return receipt requested, addressed as follows:

To Executive at:

8 Brook Bay
Mercer Island, Washington 98040

To the Company at:

Ball Corporation
345 South High Street
Muncie, Indiana 47305-4260
Attention: General Counsel

EIGHTEENTH: This Retirement Agreement sets forth the entire agreement between the parties hereto and may not be changed without the written consent of the parties. This Retirement Agreement supersedes all prior agreements and understandings between the parties, including, but not limited to, the Severance Agreement between Executive and the Company, dated May 14, 1993, which Severance Agreement shall be of no force or effect. The parties may execute this Retirement Agreement in counterparts.

NINETEENTH: This Retirement Agreement is intended to be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

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

H. RAY LOONEY

BALL CORPORATION

By: _____

Name:

Title:

EXHIBIT A

July 29, 1994

Mr. Alvin Owsley
Chairman of the Board of Directors
Ball Corporation
345 South High Street
Muncie, Indiana 47305

Re: Letter of Resignation

Gentlemen:

Effective as of the effective date of the Retirement Agreement, I am resigning from all offices, titles and positions that I have been appointed or elected to and now occupy with Ball Corporation and Ball-InCon Glass Packaging Corp. and any of their respective affiliates, subsidiaries, joint ventures, divisions or organizations.

Very truly yours,

H. Ray Looney

AEROSPACE RETENTION AGREEMENT

THIS RETENTION AGREEMENT made and entered into as of the 22nd day of June, 1994 (the "Effective Date"), by and between Ball Corporation (the "Corporation") having its principal place of business located at 345 South High Street, Muncie, Indiana, and Donovan B. Hicks (the "Executive").

WHEREAS, the Corporation desires that the Executive continue as an employee of the Corporation in accordance herewith;

WHEREAS, the Executive is willing to commit himself to the employ of the Corporation and any successor thereto, on the terms and conditions herein set forth and thus to forego opportunities elsewhere; and

WHEREAS, the parties desire to enter into this Agreement as of the Effective Date, setting forth the terms and conditions for the employment relationship of the Executive during the Term (as hereinafter defined).

NOW, THEREFORE, IN CONSIDERATION of the mutual premises, covenants and agreements set forth below, it is hereby agreed as follows:

1. EMPLOYMENT AND TERM.

(a) The Corporation agrees to employ the Executive, and the Executive agrees to be employed by the Corporation, in accordance with the terms and provisions of this Agreement for the period set forth below.

(b) The term shall commence as of the Effective Date, and shall continue until the second anniversary thereof (the "Term"); provided, however, that if the Sale, as defined in Schedule A attached hereto ("Schedule A") occurs during the Term and the Executive is offered, but rejects, comparable employment, i.e., commensurate salary and job responsibility, with the Successor (as defined in Schedule A), this Agreement shall be terminated, and the Executive's employment shall be deemed to have been terminated by the Corporation for Cause (as defined in subsection 4 (b)), in each case, as of the date of such rejection.

2. DUTIES AND POSITION OF EXECUTIVE. The Executive shall serve in such capacities and with such titles as may, from time to time, be assigned. During the Term, the Executive shall have such authority, duties and responsibilities as, from time to time, are assigned to the Executive by the Corporation. The Executive agrees to devote substantially all of his professional time and attention to the Corporation.

3. COMPENSATION. The Executive shall receive the following compensation for his services hereunder to the Corporation:

(a) SALARY. A base salary ("Annual Base Salary"), payable biweekly.

(b) ANNUAL INCENTIVE COMPENSATION BENEFIT. The Executive shall be eligible to receive annual incentive compensation ("Annual Incentive Compensation") in accordance with the provisions of the Corporation's Economic Value Added Incentive Compensation Plan (the "Incentive Compensation Plan"), in effect from time to time.

(c) RETENTION BONUS. Subject to the conditions set forth below, in addition to Annual Base Salary and Annual Incentive Compensation, the Corporation shall pay to the Executive a retention bonus (the "Retention Bonus") in a lump sum equal to the amount set forth in Schedule A. The Retention Bonus shall be paid to the Executive only in the event of the Auction as defined in Schedule A or the Sale during the Term, followed by the occurrence of one of the events (each, a "Retention Date") described below:

(i) following the occurrence of the Auction, if no Sale has occurred and either:
(A) the Executive remains in the employment of the Corporation until the expiration of the Term; or
(B) the Corporation terminates the Executive's employment for other than Cause prior to the expiration of the Term; or

(ii) following the occurrence of the Sale, either: (A) the Executive remains in the employment of the Successor

until the expiration of the Term, or
(B) the Successor terminates the
Executive for other than Cause (but
substituting the Successor for the
Corporation where it appears therein)
before the Expiration of the Term.

Payment shall be made pursuant to this subsection 3(c), as soon as practicable following the first Retention Date to occur; provided, however, that on or prior to the Effective Date, the Executive shall be entitled to make an election, in lieu of receipt of payment of the Retention Bonus described above, to defer receipt of such Retention Bonus, pursuant to the terms of the Corporation's 1989 Deferred Compensation Plan (election form attached as Schedule B).

(d) RETIREMENT, INCENTIVE, WELFARE BENEFIT PLANS AND OTHER BENEFITS. During the Term, the Executive shall be eligible to participate in all incentive, stock option, restricted stock, performance unit, savings, retirement, supplemental retirement and welfare plans, practices, policies and programs applicable generally to comparably situated executives of the Corporation.

(e) FRINGE BENEFITS AND PERQUISITES. During the Term, the Executive shall be entitled to receive fringe benefits in accordance with the plans, practices, programs, and policies of the Corporation from time to time in effect, commensurate with his position and comparable to those received by

comparably situated executives of the Corporation.

4. TERMINATION OF EMPLOYMENT.

(a) DEATH OR DISABILITY. The Executive's employment shall terminate automatically upon the Executive's death or "Disability" during the Term; provided, however, that this provision shall have no effect on whether the Executive's employment has terminated for purposes of the Corporation's long-term disability plan or program then in effect. For purposes of this Agreement, the Executive's employment may be terminated by reason of "Disability," if, as a result of the Executive's incapacity due to physical or mental illness, the Executive shall have been absent from the full-time performance of his duties with the Corporation for six (6) consecutive months, and within thirty (30) days after written "Notice of Termination" (as defined in subsection 4(d) hereof) is given, the Executive shall not have returned to the full-time performance of his duties.

(b) BY THE CORPORATION FOR CAUSE. The Corporation may terminate the Executive's employment during the Term for "Cause." For purposes of this Agreement, "Cause" shall mean termination (i) upon the continued failure of the Executive to substantially perform his duties with the Corporation (other than any such failure resulting from his incapacity due to physical or mental illness or any such actual or anticipated failure after the issuance of a Notice of Termination by the Executive or on account of "Constructive Termination" (as defined in subsection 4(c) hereof)), after a written demand for substantial performance is delivered to the Executive by the Corporation, which demand specifically identifies the manner in which the Board of Directors of the Corporation (the "Board") believes that the Executive has

not substantially performed his duties, (ii) the engaging by the Executive in conduct that is demonstrably and materially injurious to the Corporation, monetarily or otherwise, or (iii) the material breach by the Executive of any other material provision of this Agreement.

(c) BY THE EXECUTIVE FOR CONSTRUCTIVE TERMINATION. The Executive may terminate his employment during the Term for "Constructive Termination." For purposes of this Agreement, "Constructive Termination" shall mean, without the Executive's consent, the occurrence of any of the following circumstances, unless such circumstances are corrected prior to the "Date of Termination" (as defined in subsection 4(e) hereof) specified in the Notice of Termination given in respect thereof:

- (i) a material adverse reduction or alteration (other than a promotion or lateral position change) in the nature or status of the Executive's position, duties or responsibilities or the conditions of the Executive's employment as exist as of the Effective Date;
- (ii) a reduction in the Executive's Annual Base Salary or the failure of the Corporation to pay to the Executive any portion or installment of

deferred compensation under any deferred compensation program of the Corporation

within fourteen (14) days of the date such compensation is due, except for across-the-board salary reductions similarly affecting all similarly situated executives of the Corporation;

(iii) the failure by the Corporation to continue in effect any compensation or benefit plan in which the Executive participates as of the Effective Date that is material to the Executive's total compensation, unless an equitable arrangement (embodied in an ongoing substitute or alternative plan) has been made with respect to such plan, or the failure by the Corporation to continue the Executive's participation therein (or in such substitute or alternative plan) on a basis not materially less favorable, both in terms of the amount of benefits provided and the level of the Executive's participation relative to other participants, as existed as of the Effective Date, except for across-the-board benefit reductions similarly affecting comparably situated executives of the Corporation;

(iv) the failure by the Corporation to continue to provide the Executive with benefits substantially similar to those enjoyed by comparably situated executives under any of the Corporation's life insurance, medical, health and accident or disability plans in which the Executive was participating as of the Effective Date, or the failure by the Corporation to provide the Executive with the number of paid vacation days to which the Executive is entitled on the basis of years of service with the Corporation in accordance with the Corporation's normal vacation policy in effect as of the Effective Date;

(v) the Corporation's requiring, without the Executive's consent, that the Executive's principal place of business be at an office located more than fifty (50) miles from its location as of the Effective Date, except for required travel on the Corporation's business to an extent substantially consistent with the Executive's business travel

obligations;

(vi) the failure of the Corporation to continue this Agreement in effect, or to obtain satisfactory agreement from any successor to assume and agree to perform this Agreement, as contemplated by Section 9 hereof; or

(vii) any material breach by the Corporation of any other material provision of this Agreement.

In the event the Executive believes Constructive Termination exists, he shall, in advance of delivery of any Notice of Termination, specify to the Corporation in writing the circumstances alleged to constitute Constructive Termination, and provide the Corporation with a reasonable period of time within which to cure such circumstances.

(d) NOTICE OF TERMINATION. Any termination by the Corporation for Cause, or by the Executive for Constructive Termination, shall be communicated by Notice of Termination to the other party hereto given in accordance with this Agreement. For purposes of this Agreement, a "Notice of Termination" means a written notice that (i) indicates the specific termination provision in this Agreement relied upon and (ii) to the extent applicable sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated. The failure by the Executive or the Corporation to set forth in the

Notice of Termination any fact or circumstance that contributes to a showing of Constructive Termination or Cause shall not waive any right of the Executive or the Corporation hereunder or preclude the Executive or the Corporation from asserting such fact or circumstance in enforcing the Executive's or the Corporation's rights hereunder.

(e) DATE OF TERMINATION. "Date of Termination" means (i) if the Executive's employment is terminated by the Corporation for Cause, or by the Executive for Constructive Termination, the date of receipt of the Notice of Termination or any later date specified therein, as the case may be, (ii) if the Executive's employment is terminated by the Corporation other than for Cause, the Date of Termination shall be the date on which the Corporation notifies the Executive of such termination, and (iii) if the Executive's employment is terminated by reason of death or Disability, the Date of Termination shall be the date of death or Disability (as the case may be).

(f) Upon the occurrence of a "Change in Control," as defined in Section 2 of the severance agreement (the "Severance Agreement") dated January 25, 1989, between the Corporation and the Executive, the Executive shall be entitled to the greater of the benefit otherwise provided herein, and the benefit provided under Section 5 of the Severance Agreement; provided, however, that the provisions of Section 5(vi) of the Severance Agreement (regarding the application of the cap relating to section 280G of the Internal Revenue Code of 1986, as amended) shall also be applied to any and all amounts payable hereunder.

5. OBLIGATIONS OF THE COMPANY UPON TERMINATION.

(a) CERTAIN TERMINATIONS. During the Term, if the Corporation shall terminate the Executive's employment (other than in the case of a

termination for Cause), the Executive shall terminate his employment for Constructive Termination or the Executive's employment shall terminate by reason of death or Disability (termination in any such case referred to as "Termination"):

- (i) the Corporation shall pay to the Executive a lump sum amount in cash equal to the sum of (A) the Executive's Annual Base Salary through the Date of Termination to the extent not theretofore paid, and (B) an amount equal to the Annual Incentive Compensation at Target Incentive Percent, as defined in the Incentive Compensation Plan, established for the Executive for the fiscal year that includes the Date of Termination, multiplied by a fraction the numerator of which shall be the number of days from the beginning of such fiscal year to and including the Date of Termination and the denominator of which shall be 365. (The amounts specified in clauses (A) and (B) shall be hereinafter referred to as the "Accrued Obligations".) The amounts specified in this subsection 5(a) (i) shall be paid within thirty (30) days after the Date

of Termination.

- (ii) in the event of Termination other than by reason of the Executive's death or Disability, then: (A) the Company shall also pay to the Executive, within thirty (30) days of the Executive's Date of Termination, a lump sum amount, in cash, equal to the sum of (x) two times the

Executive's Annual Base Salary in effect immediately prior to the Date of Termination, and (y) two times the Executive's Annual Incentive Compensation, calculated based on the Target Incentive Percent as defined in the Incentive Compensation Plan, established for the Executive for the fiscal year in which the Date of Termination occurs; (B) the Corporation shall pay to the Executive the present value (discounted using an interest rate equal to the prime rate promulgated by the First National Bank of Chicago and in effect as of the Date of Termination, plus one percent) of all benefits under the Corporation's Pension Plan for Salaried Employees,

or any successor plan thereto, and any supplemental executive retirement plans to which the Executive would have been entitled had he remained in employment with the Corporation for an additional twenty-four (24) months, each, where applicable, at the rate of Annual Base Salary, and using the same assumptions and factors, in effect at the time Notice of Termination is given, minus the present value (discounted at the Prime Rate) of the benefits to which he is actually entitled under the above mentioned plans; and (C) the Corporation shall continue, for a period of twenty-four (24) months from the Date of Termination, medical and welfare benefits to the Executive and/or the Executive's family at least equal to those that would have been provided if the Executive's employment had not been terminated, such benefits to be in accordance with the medical and welfare benefit plans, practices, programs or policies (the "M&W Plans") of the Corporation as in effect and applicable generally to comparably situated executives of the Corporation and their

families immediately preceding the Date of Termination; provided, however, that if the Executive becomes employed with another employer and is eligible to receive medical or other welfare benefits under another employer-provided plan, the benefits under the M&W Plans shall be reduced to the extent comparable benefits are actually received by or made available to the Executive without cost during the twenty-four (24) month period following the Executive's Date of Termination (and any such benefits actually received by the Executive shall be reported to the Corporation by the Executive).

(b) TERMINATION BY THE COMPANY FOR CAUSE OR BY THE EXECUTIVE OTHER THAN FOR CONSTRUCTIVE TERMINATION. If the Executive's employment shall be terminated for Cause during the Term, or if the Executive terminates employment during the Term other than a termination for Constructive Termination, which he shall not be prohibited from doing, the Corporation shall have no further obligations to the Executive under this Agreement other than the obligation to pay to the Executive the Accrued Obligations, plus any other earned but unpaid compensation in each case to the extent not theretofore paid.

(c) LEGAL EXPENSES. The Corporation shall pay to the Executive such reasonable legal fees and expenses incurred by the Executive as a result of a Termination pursuant to subsection 5(a)(ii) hereof, but only with respect

to such claim or claims upon which the Executive prevails. Such payments shall be made within five (5) business days after delivery of the Executive's written request for payment accompanied with such evidence of fees and expenses incurred as the Corporation reasonably may require.

6. RELEASE. The Executive shall, as a condition to the receipt of benefits hereunder, execute a full and general release (on a form to be supplied by the Corporation). Amounts that are vested benefits or that the Executive is otherwise entitled to receive at or subsequent to the Date of Termination under the Severance Agreement, under any benefit plan, policy, practice or program of the Corporation, or under any contract or agreement entered into after the date hereof with the Corporation, shall be payable in accordance with such benefit plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement.

7. MITIGATION. Except as provided in subsection 5(a)(ii)(C) hereof, in no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts (including amounts for damages for breach) payable to the Executive under any of the provisions of this Agreement and such amounts shall not be reduced whether or not the Executive obtains other employment.

8. CONFIDENTIAL INFORMATION; NONDISPARAGEMENT. The Executive shall hold in a fiduciary capacity for the benefit of the Corporation all secret, confidential or proprietary information, knowledge or data relating to the Corporation or any of their affiliated companies, and their respective businesses, that shall have been obtained by the Executive during the Executive's employment by the Corporation or any of their affiliated companies

and that shall not have been or now or hereafter have become public knowledge (other than by acts by the Executive or representatives of the Executive in violation of this Agreement). During the Term, and at all times thereafter, regardless of the reason for termination of the Executive's employment, the Executive shall not, without the prior written consent of the Corporation or as may otherwise be required by law or legal process, communicate or divulge any such information, knowledge or data to anyone other than the Corporation and those designated by it. The Executive understands that during the Term, the Corporation may be required from time to time to make public disclosure of the terms or existence of the Executive's employment relationship in order to comply with various laws and legal requirements.

During the Term and at all times thereafter, the Executive shall not disparage or criticize, orally or in writing, the performance of the Corporation, the Board or any director of the Corporation or of any specific former or current officer of the Corporation or any operating company or group president or the Corporation's management group to any person; provided, however, that the Executive may divulge, discuss or provide the information described above to the extent that he is compelled by law to do so, and, in such event, the Executive shall notify the Corporation immediately upon any request or demand for information so that the Corporation may seek a protective order or other appropriate remedy.

9. SUCCESSORS.

(a) This Agreement is personal to the Executive and without the prior written consent of the Corporation shall not be assignable by the Executive. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

(b) The Corporation shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Corporation to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Corporation would be required to perform this Agreement if no such succession had taken place.

(c) In addition to the foregoing, upon the occurrence of the Sale, the Corporation shall require any Successor to assume expressly and agree to perform this Agreement until the expiration of the Term, in the same manner and to the same extent that the Corporation would be required to perform this Agreement if no such succession had taken place.

10. ARBITRATION. Any controversy or claim arising out of or relating to this Agreement or the breach of this Agreement shall be settled exclusively by arbitration conducted before a panel of three arbitrators (one chosen by the Executive, one by the Corporation and the third by the other two) in Muncie, Indiana, in accordance with the rules of the American Arbitration Association then in effect. The determination of the arbitrators shall be conclusive and binding on the Corporation and the Executive, and judgment may be entered on the arbitrators' award in any court having appropriate jurisdiction; provided, however, that the Corporation shall be entitled to seek a restraining order or

injunction in any court of competent jurisdiction to prevent any continuation of any violation of Section 8 of this Agreement.

11. MISCELLANEOUS.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Indiana, without reference to principles of conflict of laws.

(b) The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

(c) This Agreement may not be amended, modified, repealed, waived, extended or discharged except by an agreement in writing signed by the party against whom enforcement of such amendment, modification, repeal, waiver, extension or discharge is sought. No person, other than pursuant to a resolution of the Board or a committee thereof, shall have authority on behalf of the Corporation to agree to amend, modify, repeal, waive, extend or discharge any provision of this Agreement or anything in reference thereto.

(d) The parties hereto acknowledge that the Executive's employment relationship is employment at will, except for the Corporation's obligations under this Agreement.

(e) All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

IF TO THE EXECUTIVE: Donovan B. Hicks
 304 Hollyberry Lane
 Boulder, CO 80303

IF TO BALL CORPORATION: Ball Corporation
 345 South High Street
 Muncie, IN 47305
 Attention: Corporate Secretary

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

(f) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

(g) The Corporation may withhold from any amounts payable under this Agreement such federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(h) The Executive's or the Corporation's failure to insist upon strict compliance with any provision hereof or any other provision of this Agreement or the failure to assert any right the Executive or the Corporation may have hereunder, including without limitation the right of the Executive to terminate employment for Constructive Termination pursuant to subsection 4(c) of this Agreement, or the right of the Corporation to terminate the Executive's employment for Cause pursuant to subsection 4(b) of this Agreement shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

(i) This instrument contains the entire agreement of the parties with respect to the subject matter hereof; and all promises, representations, understandings, arrangements and prior agreements are merged herein and superseded hereby; provided, however, that this subsection shall not apply to the Severance Agreement.

(j) This Agreement may be executed in counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the Executive and, pursuant to due authorization from its Board of Directors, the Corporation has caused this Agreement to be executed as of the day and year first above written.

Name:

Title:

EXECUTIVE

Donovan B. Hicks

SCHEDULE A

Definitions

For purposes of this Agreement:

"Sale" shall mean, within the term of this Agreement, a sale of the majority ownership, or formation of a joint venture in which the Corporation has a minority position of ownership, in more than 50% of the previous aerospace business of the Corporation existing at the date of this Agreement.

"Auction" shall mean the solicitation of bids for acquisition of the aerospace business of the Corporation within the Term of this Agreement. Such solicitation shall be a result of formal action by the Corporation's Board of Directors.

"Successor" shall mean the successor to the aerospace business of the Corporation pursuant to the Sale.

Retention Bonus (subject to subsection 3(c) of this Agreement) shall be \$80,000.

EXHIBIT 11.1

Ball Corporation and Subsidiaries
 STATEMENT RE: COMPUTATION OF EARNINGS PER SHARE
 (Millions of dollars except per share amounts)

<TABLE>
 <CAPTION>

	Three months ended		Six months ended	
	July 3, 1994	July 4, 1993	July 3, 1994	July 4, 1993
<S>	<C>	<C>	<C>	<C>
EARNINGS PER COMMON SHARE - ASSUMING NO DILUTION				
Net income from:				
Continuing operations	\$ 17.2	\$ 13.3	\$ 27.7	\$ 22.4
Alltrista operations	--	--	--	2.1
<hr/>				
Net income before cumulative effect of changes in accounting principles	17.2	13.3	27.7	24.5
Cumulative effect of changes in accounting principles, net of tax	--	--	--	(34.7)
<hr/>				
Net income (loss)	17.2	13.3	27.7	(10.2)
Preferred dividends, net of tax	(0.8)	(0.8)	(1.6)	(1.6)
<hr/>				
Net earnings (loss) attributable to common shareholders	\$ 16.4	\$ 12.5	\$ 26.1	\$ (11.8)
<hr/>				
Weighted average number of common shares outstanding (000s)	29,621	29,250	29,556	28,076
<hr/>				
Earnings (loss) per share of common stock:				
Continuing operations	\$ 0.55	\$ 0.43	\$ 0.88	\$ 0.74
Alltrista operations	--	--	--	0.08
Cumulative effect of changes in accounting principles, net of tax	--	--	--	(1.24)
<hr/>				
	\$ 0.55	\$ 0.43	\$ 0.88	\$ (0.42)
<hr/>				
EARNINGS PER SHARE - ASSUMING FULL DILUTION				
Net income (loss)	\$ 17.2	\$ 13.3	\$ 27.7	\$ (10.2)
Series B ESOP Preferred dividend, net of tax	--	--	--	(1.6)
Adjustments for deemed ESOP cash contribution in lieu of Series B ESOP Preferred dividend	(0.6)	(0.4)	(1.2)	*
<hr/>				
Net earnings (loss) attributable to common shareholders	\$ 16.6	\$ 12.9	\$ 26.5	\$ (11.8)
<hr/>				
Weighted average number of common shares outstanding (000s)	29,621	29,250	29,556	28,076
Dilutive effect of stock options	98	240	100	258
Common shares issuable upon conversion of Series B ESOP Preferred stock	2,140	2,191	2,147	*
<hr/>				
Weighted average number shares applicable to fully diluted earnings per share	31,859	31,681	31,803	28,334
<hr/>				
Fully diluted earnings (loss) per share:				
Continuing operations	\$ 0.52	\$ 0.41	\$ 0.83	\$ 0.74
Alltrista operations	--	--	--	0.07
Cumulative effect of changes in accounting principles, net of tax	--	--	--	(1.23)
<hr/>				
	\$ 0.52	\$ 0.41	\$ 0.83	\$ (0.42)
<hr/>				

<FN>

* No conversion of the Series B ESOP Convertible Preferred Stock is assumed as the effect is antidilutive.

</TABLE>