FORM 8-K/A

Current report filing [amend]

Filing Date: **1998-07-22** | Period of Report: **1998-06-24**
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FILER

UNIMARK GROUP INC

CIK:**922712**| IRS No.: **752436543** | State of Incorp.:**TX** | Fiscal Year End: **1231**
Type: **8-K/A** | Act: **34** | File No.: **000-26096** | Film No.: **98669837**
SIC: **2033** Canned, fruits, veg, preserves, jams & jellies

Business Address
UNIMARK HOUSE
124 MCMAKIN RD
BARTONVILLE TX 76226
8174912992

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A

AMENDMENT NO. 1 TO CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): June 24, 1998

THE UNIMARK GROUP, INC.
(Exact name of Registrant as specified in charter)

Texas	1-13242	75-2436543
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

UNIMARK HOUSE
124 MCMAKIN ROAD
BARTONVILLE, TEXAS 76226
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (817) 491-2992

ITEM 5. Other Events.

On June 23, 1998, The UniMark Group, Inc., a Texas corporation (the "Company"), issued a press release announcing that, in connection with exploring strategic alternatives to maximize shareholder value, the Company had entered into a Letter of Intent (the "Letter of Intent"), dated June 22, 1998, by and between The UniMark Group, Inc. and Mexico Strategic Investment Fund, Ltd. ("MSIF") pursuant to which MSIF or an affiliate (the "Fund") would purchase 3,305,500 shares of Common Stock of the Company.

The undersigned Registrant hereby amends its Current Report on Form 8-K dated June 24, 1998 (the "Report"), to include the definitive agreements entered into pursuant to the Letter of Intent, which were omitted from the Report as initially filed in accordance with Item 7(c) of Form 8-K.

On July 20, 1998, The UniMark Group, Inc., a Texas corporation (the "Company"), issued a press release announcing that the Company had sold 3,305,500 newly issued shares of Common Stock at a purchase price of $4.5375 per share, for an aggregate purchase price of $14,998,706 to M & M Nominee L.L.C., an affiliate of the Mexico Strategic Investment Fund, Ltd. In connection with the transaction, the Company granted the Fund options to acquire an additional 2,000,000 shares of Common Stock, representation on the Company's Board of Directors and certain veto rights regarding financial and corporate matters.

The description of the agreement set forth herein does not purport to be complete and is qualified in its entirety by the provisions of the transaction agreements, copies of which have been filed as Exhibits 99.3 through 99.7 hereto, and which are incorporated by reference herein.

The Fund is indirectly owned by a large number of institutional investors and high net worth individuals who invest through Quantum Industrial Partners L.D.C. and Quasar Strategic Partners L.D.C. (members of the Quantum Group of Funds), and through other institutional accounts. The funds in the Quantum Group of Funds are advised by Soros Fund Management L.L.C., an affiliate of Mexico Strategic Advisors, L.L.C., the adviser to the Fund. The Fund's investment program emphasizes long term investments in Latin American companies.

ITEM 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(c) Exhibits.

Exhibit 99.1* - Letter of Intent, dated June 22, 1998, by and between The UniMark Group, Inc. and Mexico Strategic Investment Fund, Ltd.

Exhibit 99.2* - Press Release, dated June 23, 1998, announcing that the Company has reached a binding agreement pursuant to which Mexico Strategic Investment Fund, Ltd. or an affiliate (the "Fund") will purchase 3,305,500 shares of Common Stock of the Company, at a purchase price of $4.5375 per share for an aggregate purchase price of $14,998,706.

Exhibit 99.3 - Purchase Agreement, dated July 17, 1998, by and between The UniMark Group, Inc., a Texas corporation, and M & M Nominee, L.L.C., a Delaware limited liability corporation (In accordance with Item 601(b)(2) of Regulation S-K, the schedules to the Purchase Agreement have been excluded; such schedules will be furnished supplementally upon request by the Securities and Exchange Commission)

Exhibit 99.4 - First Stock Option Agreement, dated July 17, 1998, by and between M & M Nominee, L.L.C., a Delaware limited liability corporation and The UniMark Group, Inc., a Texas corporation

Exhibit 99.5 - Second Stock Option Agreement, dated July 17, 1998, by and between M & M Nominee, L.L.C., a Delaware limited liability corporation and The UniMark Group, Inc., a Texas corporation

Exhibit 99.6 - Registration Rights Agreement, dated July 17, 1998, by and between The UniMark Group, Inc., a Texas corporation, and M & M Nominee, L.L.C., a Delaware limited liability corporation

Exhibit 99.7 - Shareholders Agreement, dated July 17, 1998, by and between M & M Nominee, L.L.C., a Delaware limited liability corporation, Rafael Vaquero Bazan and Fernando Camacho Casas

Exhibit 99.8 - Press Release, dated July 20, 1998, announcing that the Company had sold 3,305,500 newly issued shares of Common Stock at a purchase price of $4.5375 per share, for an aggregate purchase price of $14,998,706 to M & M Nominee L.L.C., an affiliate of the Mexico Strategic Investment Fund, Ltd.

* Incorporated by reference to the Registrant's Current Report on Form 8-K, dated June 24, 1998.

SIGNATURES

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

THE UNIMARK GROUP, INC.
(Registrant)

Date: July 22, 1998 By: /s/ Rafael Vaquero Bazan

Rafael Vaquero Bazan
President, Chief Executive Officer and Director

EXHIBIT INDEX

Exhibit

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EXHIBIT 99.3

PURCHASE AGREEMENT
BY AND BETWEEN
THE UNIMARK GROUP, INC.
AND
M & M NOMINEE L.L.C.
Dated as of July 17, 1998

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THIS PURCHASE AGREEMENT, dated as of July 17, 1998 (this "Agreement"), by and between UNIMARK GROUP, INC., a Texas corporation (the "Company") and M & M Nominee L.L.C., a Delaware limited liability company ("Purchaser").

WHEREAS, the Company's business consists primarily of (i) vertically integrated citrus and tropical fruit growing, processing, marketing and distribution operations and related activities (the "Fruit Processing Operations"), and (ii) the production of citrus concentrate, oils and juices and related activities (the "Juice and Oils Operations");

WHEREAS, the Company is authorized to issue 20,000,000 shares of common stock, par value $0.01 per share, of the Company (the "Common Stock");

WHEREAS, Purchaser desires to purchase from the Company, and the Company desires to issue to Purchaser, 3,305,500 newly issued shares of Common Stock (the "Primary Shares") for a purchase price of U.S.$4.5375 per share, or an aggregate purchase price of U.S.$14,998,706.25 in cash;

WHEREAS, in furtherance of such desires, the Company and Mexico Strategic Investment Fund, Ltd. entered into a letter agreement, dated June 22, 1998 (the "Letter Agreement") providing for the transactions contemplated hereby;

WHEREAS, to induce Purchaser to purchase the Primary Shares, the Company is contemporaneously herewith, and conditioned hereon, granting to Purchaser (i) an option pursuant to which Purchaser shall have the right, for a period of one year from the date hereof, to acquire up to 1,000,000 shares of Common Stock (the "First Option") on terms specified in the First Stock Option

Agreement, dated as of the date hereof, between the Company and Purchaser (the "First Option Agreement"), (ii) an option pursuant to which Purchaser shall have the right, for a period of three years from the date hereof, to acquire up to 1,000,000 shares of Common Stock (the "Second Option" and, together with the First Option, the "Options") on terms specified in the Second Stock Option Agreement, dated as of the date hereof, between the Company and Purchaser (the "Second Option Agreement" and, together with the First Option Agreement, the "Option Agreements"), and (iii) registration rights as set forth in a Registration Rights Agreement, dated as of the date hereof, between the Company and Purchaser (the "Registration Rights Agreement");

WHEREAS, in connection herewith, and conditioned hereon, the Board of Directors of the Company has amended the bylaws of the Company to incorporate therein the provisions of Sections 4.1, 4.8 and 4.10; and

WHEREAS, contemporaneously herewith, certain shareholders of the Company are entering into agreements with Purchaser to provide for certain rights and

obligations in connection with the purchase and sale of the Primary Shares and with respect to restrictions on sale by such shareholders of their shares of Common Stock.

1. Issuance and Sale of Primary Shares.

1.1. Definitions. Certain capitalized terms used in this Agreement are defined in Article 7. An index of defined terms is set forth in Section 7.2.

1.2. Issuance, Purchase and Sale of the Shares. Upon the terms set forth herein and subject to the contemporaneous deliveries set forth in Section 1.4, the Company is issuing to Purchaser, and Purchaser is buying from the Company, the Primary Shares for a purchase price (the "Purchase Price") equal to U.S.$14,998,706.25.

1.3. Closing. The closing of the transactions contemplated hereby (the "Closing") is taking place at the offices of Fried, Frank, Harris, Shriver & Jacobson, New York, New York, contemporaneously herewith.

1.4. Deliveries at Closing. (a) Contemporaneously herewith, the Company is delivering the following:

(i) a certificate or certificates representing the Primary Shares;

(ii) the First Option Agreement, executed by the Company;

(iii) the Second Option Agreement, executed by the Company;

(iv) the Registration Rights Agreement, executed by the Company;

(v) a certificate, dated as of the date hereof, of the chief executive officer or chief financial officer of the Company certifying that (x) the representations and warranties made by the Company herein are true and correct, and (y) that the conditions set forth in clauses (i) through (iv) of Paragraph 12 of the Letter Agreement are true;

(vi) a certificate, dated as of the date hereof, of the secretary or other appropriate officer of the Company certifying the names of the officer or officers of the Company authorized to sign this Agreement and any other documents provided for in this Agreement, together with a sample of the true signature of each such officer, and certifying as to the truth and completeness of the following attachments to

such certificate: (x) a certified copy of the Company's current articles of incorporation and any amendments thereto, (y) a copy of the Company's current bylaws and any amendments thereto, and (z) resolutions of the Board of Directors of the Company authorizing the execution and delivery of this Agreement and any other documents provided for herein and the performance hereof and thereof; and

(vii) the opinion, dated as of the date hereof, of Jordaan & Pennington, counsel to the Company, in the form set forth in Exhibit A hereto.

(b) Contemporaneously herewith, Purchaser is delivering the following:

(i) the Purchase Price, payable in cash, in U.S. dollars, by wire transfer of immediately available funds;

(ii) a certificate, dated as of the date hereof, of the chief executive officer or chief financial officer of Purchaser certifying that the representations and warranties made by Purchaser herein are true and correct; and

(iii) a certificate, dated as of the date hereof, of the secretary or other appropriate officer of Purchaser certifying the names of the officer or officers of Purchaser authorized to sign this Agreement and any

other documents provided for in this Agreement, together with a sample of the true signature of each such officer, and certifying as to the truth and completeness of following attachments to such certificate: (x) a certified copy of Purchaser's current certificate of formation and any amendments thereto, (y) a copy of Purchaser's current bylaws (or equivalent document) and any amendments thereto, and (z) resolutions of the governing or managing board of Purchaser authorizing the execution and delivery of this Agreement and any other documents provided for herein and the performance hereof and thereof.

2. Representations and Warranties of the Company.

The Company represents and warrants as of the date hereof as follows:

2.1. Organization and Qualification. Each of the Company and its Subsidiaries is a corporation duly organized and existing in good standing under the laws of the jurisdiction in which it is incorporated and has the power to own its respective property and to carry on its respective business as now being conducted. Each of the Company and its Subsidiaries is duly qualified as a foreign corporation to do business and in good standing in every jurisdiction in which the nature of the respective business conducted or property owned by it makes such qualification necessary except where the failure so to qualify would not, individually or in the aggreagate, have or reasonably be expected to have a Material Adverse Effect.

2.2. Subsidiaries. Schedule 2.2 sets forth a list of the Subsidiaries. Except as set forth in Schedule 2.2, the Company is not subject to any obligation or requirement to provide funds to or make any investment (in the form of a loan, capital contribution or otherwise) in any entity or enterprise that is not wholly owned by a Subsidiary. Except as set forth in Schedule 2.2, the Company owns directly or indirectly each of the outstanding shares of capital stock (or other ownership interests having by their terms ordinary voting power to elect a majority of directors or others performing similar functions with respect to such subsidiary) of each Subsidiary, free and clear of all liens, pledges, security interests, claims or other encumbrances. Each of the outstanding shares of capital stock of each Subsidiary is duly authorized, validly issued, fully paid and nonassessable. All of the capital stock of each Subsidiary is owned by the Company and/or one or more wholly-owned subsidiaries of the Company.

2.3. Capitalization. As of the date hereof, the authorized capital stock of the Company consists of 20,000,000 shares of Common Stock, of which (i) 8,632,826 shares are validly issued and outstanding, (ii) no shares are issued

and held in treasury, and (iii) 915,190 shares are reserved for issuance upon exercise of existing Company Options (as defined below). No shares of Common Stock are held by any Subsidiary. Each outstanding share of Common Stock is duly authorized, validly issued, fully paid and nonassessable, and has not been issued in violation of any preemptive or similar rights. Other than as set forth in Schedule 2.3 and as contemplated by the Option Agreements: (i) there are no outstanding subscriptions, options, warrants, puts, calls, agreements, understandings, claims or other commitments of any type relating to the issuance, sale, repurchase or transfer by the Company of any Common Stock or other securities of the Company (the "Company Options"), or by the Company or any Subsidiary of any securities of a Subsidiary, (ii) there are no outstanding securities which are convertible into or exchangeable for any shares of capital stock or other securities of the Company or any Subsidiary, and (iii) neither the Company nor any Subsidiary has any obligation of any kind to issue any additional shares of capital stock or other securities to pay for or

repurchase any shares of capital stock or other securities of any Subsidiary or any predecessor thereof. The Primary Shares being delivered herewith have been duly authorized, validly issued, fully paid and nonassessable, are being delivered free and clear of all claims, liens, encumbrances and security interests, and are eligible for NASDAQ NMS trading without further consents or actions other than registration with the Securities and Exchange Commission (the "Commission") thereof pursuant to the Registration Rights Agreement. The shares of Common Stock which will be issued upon exercise of the Options have been authorized and reserved for issuance, and when issued and delivered in accordance with the terms of the applicable Option Agreement, will be validly issued, fully paid and nonassessable and will be eligible for NASDAQ NMS trading without further consents or actions other than registration thereof pursuant to the Registration Rights Agreement.

2.4. Due Authorization. The execution and delivery of this Agreement, the Option Agreements and the Registration Rights Agreement and the issuance and sale of the Primary Shares by the Company, and compliance by the Company with all the provisions of the foregoing agreements applicable to it: (i) are within the corporate power and authority of the Company; (ii) do not or will not require any approval or consent of the stockholders of the Company, other than approvals and consents which have been duly obtained; and (iii) have been authorized by all requisite corporate proceedings on the part of the Company. This Agreement, the Option Agreements and the Registration Rights Agreement have been duly executed and delivered by the Company and constitute valid and binding agreements of the Company, enforceable in accordance with their respective terms. The Company has furnished to Purchaser true and correct copies of the Company's Articles of Incorporation and bylaws as in effect on the date hereof.

2.5. Non-contravention; Consents and Approvals. None of (i) the execution and delivery by the Company of this Agreement, the Registration Rights Agreement and the Option Agreements, (ii) the issuance of the Primary Shares and (iii) the fulfillment of and compliance with the terms and provisions hereof, of

the Registration Rights Agreement and of the Option Agreements applicable to the Company, will:

(a) conflict with, or result in a breach of any provision of, the Articles of Incorporation or bylaws of the Company;

(b) violate, or conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with the giving of notice, the passage of time or otherwise, would constitute a default) under, or entitle any party (with the giving of notice, the passage of time or otherwise) to terminate, accelerate, modify or call a default under, or result in the creation of any lien, security interest, charge or encumbrance upon any of the properties or assets of the Company under, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, license, contract,

undertaking, agreement, lease or other instrument or obligation to which the Company or any Subsidiary is a party;

(c) violate any Law applicable to the Company or any Subsidiary or any of their respective properties or assets; or

(d) require any action or consent or approval of, or review by, or registration or filing by the Company or any of its Affiliates with, any third party (including, without limitation, securities authority or exchange) or any local, domestic, foreign or multinational court, arbitral tribunal, administrative agency or commission or other governmental or regulatory body, agency, instrumentality or authority (a "Governmental Authority"), other than registrations or other actions required under federal and state securities laws as are contemplated by the Registration Rights Agreement;

except in the case of (b), (c) and (d), for any of the foregoing that would not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect.

2.6. SEC Reports. The Company has timely filed with the Commission all forms, reports, schedules, statements and other documents required to be filed by it (other than the Company's proxy statement in respect of its annual shareholders' meeting to be held in 1998) since January 1, 1996 under the Exchange Act or the Securities Act (such documents, as supplemented and amended since the time of filing, collectively, the "SEC Documents"). The SEC Documents, including any financial statements or schedules included therein, at the time filed (and, in the case of registration statements and proxy statements, on the dates of effectiveness and the dates of mailing, respectively) (a) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, and (b) complied in all material respects with the applicable

requirements of the Exchange Act and the Securities Act, as the case may be. The financial statements of the Company included in the SEC Documents at the time filed (and, in the case of registration statements and proxy statements, on the dates of effectiveness and the dates of mailing, respectively) complied as to form in all material respects with applicable accounting requirements and with the published rules and regulations of the Commission with respect thereto, were prepared in accordance with U.S. generally accepted accounting principles applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto or, in the case of unaudited statements, as permitted by Form 10-Q of the Commission), and fairly present (subject, in the case of the unaudited interim financial statements, to normal, recurring year-end audit adjustments consistent with past practice), in all material respects, the consolidated financial position of the Company and the Subsidiaries as at the dates thereof and the consolidated results of their operations and cash flows for the periods then ended. No Subsidiary is subject to the periodic reporting requirements of the

Exchange Act or required to file any form, report or other document with the Commission, any stock exchange or any other comparable Governmental Authority (domestic or foreign).

2.7. Undisclosed Liabilities. The Company and its Subsidiaries have no liabilities, contingent or otherwise, not reflected in the Company's balance sheet as of March 31, 1998 included in the SEC Documents or otherwise referred to in the SEC Documents, or otherwise disclosed to the Purchaser in writing prior to the date hereof, other than any such liabilities incurred in the ordinary course of business since March 31, 1998 or incurred in connection herewith.

2.8. Taxes. Except as set forth in Schedule 2.8 and except for such matters that would not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect:

(a) The Company and the Subsidiaries (i) have timely filed all Tax Returns (as defined in Section 2.8(c)) (including, but not limited to, those filed on a consolidated, combined or unitary basis) required to have been filed by the Company or the Subsidiaries, all of which Tax Returns are true, correct and complete; (ii) have within the time and manner prescribed by Law paid all Taxes (as defined in Section 2.8(c)), required to be paid in respect of the periods covered by such Tax Returns or otherwise due to any Governmental Authority; (iii) have established and maintained on their respective books an records, in accordance with their normal accounting practices and procedures, accruals and reserves that are adequate for the payment of all Taxes not yet due and payable and attributable to any period preceding the date hereof; (iv) are not delinquent in the payment of any Tax; and (v) have not received written notice of any deficiencies for any Tax from any Governmental Authority against the Company or any Subsidiary, which deficiency has not been satisfied. Neither the Company nor any Subsidiary is the subject of any currently ongoing audit or

judicial or administrative proceeding relating to Taxes. With respect to any taxable period ended prior to December 31, 1993, all federal income Tax Returns including the Company or any Subsidiary have been audited by the Internal Revenue Service or are closed by the applicable statute of limitations. There are no liens with respect to Taxes upon any of the properties or assets, real or personal, tangible or intangible, of the Company or any Subsidiary (other than liens for Taxes not yet due). No claim has ever been made in writing by a Governmental Authority in a jurisdiction where the Company and the Subsidiaries do not file Tax Returns that the Company or any Subsidiary is or may be subject to taxation by that jurisdiction. Neither the Company nor any Subsidiary has filed an election under Section 341(f) of the Code to be treated as a consenting corporation.

(b) The Company and its Subsidiaries have withheld or collected all Taxes required to have been withheld or collected in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder or other third party

and any such amounts required to be remitted to a Governmental Authority have been timely remitted, other than Taxes for amounts less than $100,000 in the aggregate.

(c) For purposes of this Agreement, (i) "Tax" (and, with correlative meaning, "Taxes") means any federal, state, local or foreign income, gross receipts, property, sales, use, value added, license, excise, franchise, capital, net worth, estimated, withholding, employment, payroll, premium, withholding, alternative or added minimum, ad valorem, inventory, asset, gains, transfer or excise tax, or any other tax, levy, custom, duty, impost, governmental fee or other like assessment or charge of any kind whatsoever, together with any interest, penalty or additions to tax, imposed by any Governmental Authority, and (ii) "Tax Return" means any return, report or similar statement required to be filed with respect to any Tax (including any attached schedules), including, without limitation, any information return, claim for refund, amended return or declaration of estimated Tax.

2.9. Certain Changes. Since March 30, 1998 the Company and its Subsidiaries have operated their respective businesses only in the ordinary course and no events have occurred which, individually or in the aggregate, have or would reasonably be expected to have a Material Adverse Effect, other than changes disclosed or referred to in the SEC Documents or otherwise disclosed to the Purchaser in writing prior to the date of this Agreement.

2.10. Litigation; Compliance with Laws. (a) There is no suit, claim, action, proceeding, audit or investigation (each, an "Action") pending or, to the knowledge of the Company, threatened, against the Company or any of its Subsidiaries or any of their respective properties or assets, which, individually or in the aggregate (i) questions the validity or enforceability of, or seeks to enjoin or invalidate this Agreement, the Option Agreements, the

Registration Rights Agreement, the Primary Shares or the Options or any action taken or to be taken pursuant hereto or thereto, or (ii) has or would reasonably be expected to have a Material Adverse Effect (other than as set forth in the SEC Documents or in Schedule 2.10(a)). Neither the Company nor any Subsidiary is subject to any outstanding judgment, order, writ, injunction, decree or award which, individually or in the aggregate, has or would reasonably be expected to have a Material Adverse Effect.

(b) Except as set forth in the SEC Documents or in Schedule 2.10(b), and except for environmental matters covered by Section 2.14, the Company has been and is in compliance with all applicable Laws.

(c) Neither the Company nor any Subsidiary is: (i) a "public utility company" or a "holding company," or an "affiliate" or a "subsidiary company" of a "holding company," or an "affiliate" of such a "subsidiary company," as such terms are defined in the Public Utility Holding Company Act of 1935, as amended, or (ii) a "public utility," as defined in the Federal Power Act, as amended, or (iii) an "investment

company" or an "affiliated person" thereof or an "affiliated person" of any such "affiliated person," as such terms are defined in the Investment Company Act of 1940, as amended, or (iv) a "United States real property holding corporation" as defined in section 897(c)(2) of the Code. Stock ownership in the Company is not a "United States real property interest" as defined in Code section 897(c)(1)(A)(ii).

2.11. Title to Properties; Insurance. The Company and each of its Subsidiaries have good and valid title to, or, in the case of property leased by any of them as lessee, a valid and subsisting leasehold interest in, their respective properties and assets, free of all liens and encumbrances other than those referred to in the financial statements of the Company (or the notes thereto) for the year ended December 31, 1997, included in the SEC Documents, except in each case for such defects in title and such other liens and encumbrances which are disclosed in the SEC Documents or which would not have or reasonably be expected to have a Material Adverse Effect. The Company and its Subsidiaries maintain insurance in such amounts, including self-insurance, retainage and deductible arrangements, and of such a character as is reasonable for companies engaged in the same or similar business. Without limiting the generality of the foregoing, the Company maintains directors' and officers' insurance in amounts at least comparable to public companies of its size. All insurance policies of the Company and its Subsidiaries are disclosed in Schedule 2.11.

2.12. ERISA. No accumulated funding deficiency (as defined in Section 302 of ERISA and Section 412 of the Code), whether or not waived, exists with respect to any Pension Plan (other than a Multiemployer Plan (as defined below)). No liability to the PBGC has been, or is reasonably likely to be, incurred with respect to any Pension Plan (other than a Multiemployer Plan) by the Company, any of its Subsidiaries or any ERISA Affiliate (as defined below)

which is or would be materially adverse to the Company, its Subsidiaries and any ERISA Affiliate. Neither the Company nor any of its Subsidiaries and any ERISA Affiliate has incurred, or is reasonably likely to incur, any withdrawal liability under Title IV of ERISA with respect to any Multiemployer Plan which is or would be materially adverse to the Company, its Subsidiaries and its ERISA Affiliates and if the Company, its Subsidiaries and ERISA Affiliates, were to completely withdraw as of the date hereof from each Multiemployer Plan in which they participate, the Company, its Subsidiaries and its ERISA Affiliates would not incur any material withdrawal liability under Title IV of ERISA. Neither the Company nor any of its Subsidiaries has any obligation to provide post-retirement health benefits to any employee or former employee. No fiduciary of any employee benefit plan (as defined in Section 3(3) of ERISA) maintained or contributed to by the Company or any Subsidiary, for the benefit of their respective employees (each an "Employee Plan") has engaged or caused any Employee Plan to engage in any transaction prohibited by Section 4975 of the Code or Section 406 of ERISA which is reasonably likely to subject the Company or any Subsidiary, or any entity the Company or any Subsidiary has an obligation to indemnify,

to any tax or penalty imposed under Section 4975 of the Code or Section 502 of ERISA. Each Employee Plan has been maintained and administered in compliance with all applicable law including ERISA and the Code in all material respects. An "ERISA Affiliate" for purposes of this Section is any trade or business, whether or not incorporated, which, together with the Company, is under common control, as described in Section 414(b) or (c) of the Code, and the term "Multiemployer Plan" shall mean any Pension Plan which is a "multiemployer plan" (as such term is defined in Section 4001(a)(3) of ERISA).

2.13. Possession of Franchises, Licenses, Etc. The Company and its Subsidiaries possess all franchises, certificates, licenses, permits and other authorizations from governmental or political subdivisions or regulatory authorities, free from burdensome restrictions, that are necessary in any material respect to the Company or any of its Subsidiaries for the ownership, maintenance and operation of their respective properties and assets, and neither the Company nor any of its Subsidiaries is in violation of anythereof, except as would not have or reasonably be expected to have a Material Adverse Effect.

2.14. Environmental and Other Regulations. Except for matters disclosed in Schedule 2.14 and except for matters that would not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect, (a) the properties, operations and activities of the Company and the Subsidiaries have at all times been for all applicable periods of limitation, and are, in compliance with all applicable Environmental Laws and Environmental Permits (each as defined below); (b) the Company and the Subsidiaries and the properties and operations of the Company and the Subsidiaries are not subject to any pending or, to the Company's knowledge, threatened Action under any Environmental Law, including without limitation with respect to any present or former operations, facilities or subsidiaries; (c) there has been no release of

any Hazardous Materials (as defined below) into the environment by the Company or any Subsidiary, and there are no Hazardous Materials present at, on, under, within or which have migrated from, any properties of the Company or any Subsidiary; (d) there has been no exposure of any person or property to any Hazardous Materials in connection with the properties, operations and activities of the Company or any Subsidiary; and (e) neither the Company nor any Subsidiary (x) has received any written notice that the Company, any Subsidiary or any of their respective present or former operations, facilities or subsidiaries is or may be a potentially responsible party or otherwise liable in connection with any site used for the disposal of or otherwise containing Hazardous Materials, or (y) has disposed of, arranged for the disposal of, or transported any Hazardous Materials to any site which is listed on the U.S. Environmental Protection Agency's National Priorities List or which is otherwise subject to remediation or investigation. The Company and the Subsidiaries have made available to Purchaser all material internal and external environmental audits and reports (in each case relevant to the Company or any

Subsidiary) prepared since January 1, 1993 and in the possession of the Company or any Subsidiary. The term "Environmental Laws" means all federal, state, local or foreign laws relating to pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata), including, without limitation, laws relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, or industrial, toxic or hazardous substances or wastes (collectively, "Hazardous Materials") into the environment, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, as well as all authorizations, codes, decrees, demands or demand letters, injunctions, judgments, licenses, notices or notice letters, orders, permits, plans or regulations issued, entered, promulgated or approved thereunder, as in effect on the date hereof. "Environmental Permit" means any permit, approval, identification number, license or other authorization required under or issued pursuant to any applicable Environmental Law.

2.15. Patents and Trademarks. Set forth in Schedule 2.15 is a true and complete list of all patents, patent applications, trademarks, service marks, trademark and servicemark applications, trade names, copyrights and licenses of any of the foregoing presently used by the Company or any Subsidiary or necessary for the conduct of the business of the Company and its Subsidiaries as conducted and as proposed to be conducted (the "Intellectual Property Rights"). The Company owns, or has the right to use under the agreements or upon the terms described in Schedule 2.15, all of the Intellectual Property Rights. To the Company's knowledge, the business conducted or proposed to be conducted by the Company and its Subsidiaries does not infringe or violate any of the patents, trademarks, service marks, trade names, copyrights, licenses of any of the foregoing, trade secrets or other proprietary rights of any other person or entity. Except as set forth in Schedule 2.15, to the Company's knowledge, no other Person has any right to or interest in any inventions, improvements,

discoveries or other confidential information utilized by the Company or any Subsidiary in its business.

2.16. Material Contracts and Obligations. Schedule 2.16 lists all contracts, agreements, guarantees, leases and executory commitments (each a "Contract"), other than any Contracts heretofore filed as an exhibit to any SEC Document, that exist as of the date hereof to which the Company or any Subsidiary is a party or by which it is bound and which fall within any of the following categories: (a) Contracts not entered into in the ordinary course of business other than those that individually or in the aggregate are not material to the Company's business, (b) joint venture and partnership agreements, (c) Contracts containing covenants purporting to limit the freedom of the Company to compete in any line of business in any geographic area, (d) Contracts relating to any outstanding commitment for capital expenditures in excess of $500,000, (e) indentures, mortgages, promissory notes, loan agreements or other Indebtedness in excess of $100,000 in the aggregate, agreements or instruments or commitments for the borrowing

or the lending by the Company or any Subsidiary of amounts in excess of $100,000 in the aggregate or providing for the creation of any charge, security interest, encumbrance or lien upon any of the assets of the Company and its Subsidiaries with an aggregate value in excess of $100,000, (f) stock purchase agreements, asset purchase agreements or other acquisition or divestiture agreements relating to material transactions since January 1, 1995, (g) Contracts between the Company or any Subsidiary and any Affiliate, employee, director, officer or Significant Shareholder, or (h) any agreement which is material to the Company, irrespective of amount. All Contracts to which the Company or any Subsidiary is a party or by which it is bound are valid and binding obligations of the Company or the Subsidiary (as the case may be) and, to the Company's knowledge, the valid and binding obligation of each other party thereto except such Contracts which if not so valid and binding would not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect. Neither the Company nor any Subsidiary nor, to the Company's knowledge, any other party thereto is in violation of or in default in respect of, nor has there occurred an event or condition which with the passage of time or giving of notice (or both) would constitute a default under or permit the termination of, any such Contract except such violations or defaults under or terminations which, individually or in the aggregate, would not have or reasonably be expected to have a Material Adverse Effect.

2.17. Brokers. Except as set forth in Schedule 2.17, no agent, broker, investment banker or other Person is or will be entitled to any broker's fee or any other commission or similar fee from the Company or any Subsidiary in connection with any of the transactions contemplated by this Agreement.

2.18. Accuracy of Information. None of the representations and warranties of the Company contained herein or the information, documents or other materials (other than projections) which have been furnished in writing by

the Company or any of its representatives to the Purchaser in connection with the transactions contemplated by this Agreement contains any material misstatement of fact, or omits any material fact required to be stated herein or therein or necessary to make the statements herein and therein not misleading. All projections furnished in writing by the Company in connection with the transactions contemplated by this Agreement (i) are bona fide projections of the Company, (ii) have been prepared by management of the Company after a careful analysis of all material data, (iii) are based on reasonable assumptions by management of the Company and (iv) represent the best estimate by management of the Company, based upon current reasonable assumptions, as to the financial performance of the Company and the Subsidiaries for the periods indicated, but do not represent any guarantee or assurance of the future financial results of the Company and its Subsidiaries.

2.19. Offering of Primary Shares. Neither the Company nor any Person acting on its behalf has offered any of the Primary Shares to any Persons in a manner that could

reasonably be expected to subject the offering, issuance or sale of any of the Primary Shares to the registration requirements of Section 5 of the Securities Act.

2.20. Costs of "Year 2000" Modifications. The estimated costs to the Company and its Subsidiaries of "Year 2000" modifications to their computer systems and software do not exceed $100,000.

3. Representations and Warranties of each Purchaser.

Purchaser represents and warrants as of the date hereof as follows:

3.1. Organization and Qualification. Purchaser is a limited liability company duly organized and existing in good standing under the laws of Delaware and has the power to own its respective property and to carry on its respective business as now being conducted. Purchaser is duly qualified as a foreign corporation to do business and in good standing in every jurisdiction in which the nature of the respective business conducted or property owned by it makes such qualification necessary, except where the failure to so qualify would not prevent consummation of the transactions contemplated hereby or have a material adverse effect on Purchaser's ability to perform its obligations hereunder.

3.2. Due Authorization. The execution and delivery of this Agreement, the Option Agreements and the Registration Rights Agreement, and compliance by Purchaser with all the provisions of the foregoing agreements applicable to it: (i) are within the corporate power and authority of Purchaser; and (ii) have been authorized by all requisite corporate proceedings on the part of Purchaser. This Agreement, the Option Agreements and the Registration Rights Agreement have been duly executed and delivered by Purchaser and constitutes valid and binding agreements of Purchaser, enforceable in accordance with their

respective terms.

3.3. Acquisition for Investment. Purchaser is acquiring the Primary Shares and the Options for its own account for the purpose of investment and not with a view to or for sale in connection with any distribution thereof, and Purchaser has no present intention or plan to effect any distribution thereof. Purchaser acknowledges that the Primary Shares and the Options (and the shares underlying the Options) have not been registered under the Securities Act and may be sold or disposed of in the absence of such registration only pursuant to an exemption from such registration.

3.4. Brokers. No agent, broker, investment banker or other Person is or will be entitled to any broker's fee or any other commission or similar fee from Purchaser in connection with any of the transactions contemplated by this Agreement.

3.5. Non-contravention; Consents and Approvals. None of (i) the execution and delivery by Purchaser of this Agreement, the Registration Rights Agreement and the

Option Agreements, and (ii) the fulfillment of and compliance by Purchaser with the terms and provisions hereof, of the Registration Rights Agreement and of the Option Agreements applicable to Purchaser, will:

(a) conflict with, or result in a breach of any provision of, the Certificate of Formation or other organizational documents of Purchaser; or

(b) violate, or conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with the giving of notice, the passage of time or otherwise, would constitute a default) under, or entitle any party (with the giving of notice, the passage of time or otherwise) to terminate, accelerate, modify or call a default under, or result in the creation of any lien, security interest, charge or encumbrance upon any of the properties or assets of Purchaser under, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, license, contract, undertaking, agreement, lease or other instrument or obligation to which Purchaser is a party, except in the case of this clause (b), for any of the foregoing that would not, individually or in the aggregate, have or reasonably be expected to have a material adverse effect on Purchaser's ability to perform its obligations hereunder.

3.6. Accredited Investor. Purchaser is an "accredited investor" within the meaning of Rule 501 of the Securities Act.

4. Covenants of the Company.

4.1. Negative Covenants. From the date hereof and as long as Purchaser and its Affiliates either (i) Beneficially Own 10% or more of the outstanding

Common Stock of the Company, or (ii) have not transferred to Third Parties 50% or more of the Primary Shares, the Company shall not, and shall cause its Subsidiaries not to do any of the following things without the prior written consent of Purchaser:

(a) incur or, from and after the fifth day following the date hereof, maintain any Indebtedness other than (i) bank lines of credit for working capital not in excess of U.S.$27 million (in the aggregate for the Company and its Subsidiaries), (ii) Capital Leases not in amounts in excess of U.S.$2 million (in the aggregate for the Company and its Subsidiaries), and (iii) other items of Indebtedness not in excess of $1,000,000 (provided, however, that the Company shall be permitted to maintain other items of Indebtedness existing on the date hereof in amounts not in excess of U.S.$16 million); and, at any time, allow the aggregate amount of the Indebtedness to be greater than U.S.$42 million;

(b) incur liens or encumbrances other than liens to secure the indebtedness permitted by Section 4.1(a) and other than Permitted Liens;

(c) incur contingent obligations or guaranties other than in the ordinary course of business;

(d) enter into a line of business that is different (in a material respect) from the businesses currently conducted by the Company or its Subsidiaries or conduct any material business activities that are not either currently conducted or directly related to those currently conducted by the Company or its Subsidiaries;

(e) enter into any Contract or amend any existing Contract with a value in excess of 5% of total assets (as set forth on the immediately preceding year's audited financial statements) or enter any Contract or transaction or amend any existing Contract or transaction with any Affiliate or Significant Shareholder;

(f) incur amounts for any capital expenditure in excess of 110% of the amount budgeted for such capital expenditure on the budgets previously delivered to Purchaser, provided, however, that the Company may reallocate up to 20% of the aggregate amount of the capital expenditure budget per year among capital expenditure items listed in such budget or to other capital expenditure items;

(g) approve increases in any item in each year's annual budget in excess of 5% over the amount budgeted for such item during the preceding year;

(h) appoint or remove any executive officer of the Company;

(i) amend the Articles of Incorporation or the bylaws of the Company or any Subsidiary, or adopt any rights agreement, plan or other instrument (e.g. a so-called "poison pill");

(j) acquire assets (other than in the ordinary course of business) or common stock, debt or other securities of any Third Party in excess of $100,000 in the aggregate;

(k) in any year, sell or dispose of assets of the Company or any Subsidiary having a value in excess of 10% of the value of the total fixed assets of the Company and its Subsidiaries (as set forth in the Company's consolidated audited balance sheet at the end of the prior fiscal year) other than the proposed sale of the Company's Hidalgo warehouse facility;

(l) in any year, sell or dispose of assets of any facility of the Company having a value in excess of 5% of the value of such facility's total fixed assets (as set forth in the Company's consolidated audited balance sheet at the end of the prior fiscal year);

(m) make or maintain any investment in or capital contribution or advance to any other Person, other than investments in wholly-owned subsidiaries; or enter into joint ventures or partnerships or establish non-wholly owned subsidiaries, except, in each case, for investments, contributions or arrangements described in Schedule 4.1;

(n) in any transaction or series of transactions, acquire (including pursuant to a merger or consolidation) all or any substantial portion of the business or assets of any Person, except for transactions not in excess (in the aggregate) of $100,000;

(o) dissolve or liquidate the Company;

(p) issue any securities of the Company or any Subsidiary (including, without limitation, common stock, convertible securities, rights, warrants or options to one or more Persons (including through a public offering)), other than pursuant to an employee benefit plan or director stock option plan consistent with past practice and other than the exercise of Company Options;

(q) register Common Stock or other securities of the Company or any Subsidiary under the Securities Act (except as provided in registration rights agreements existing on the date hereof and disclosed to Purchaser or subsequently entered into with the consent of Purchaser or pursuant to a registration statement on Form S-8 in connection with the employee stock option plan or the director stock option plan) or grant any registration rights;

(r) effect any debt or equity repurchase or redemption or other restricted payment, other than payment of debt in the ordinary course of business;

(s) change the Company's independent certified public accountants;

(t) adopt or amend, in any material respect, any employee benefit plan; and

(u) settle any material Action.

4.2. Board Representation. (a) Within 10 days of the date hereof, the Company shall take all necessary action to cause the Purchaser Designees (as defined below) to be elected to the Board of Directors of the Company. In connection with the 1998 Annual Meeting of Shareholders, the Company shall take all necessary action to cause the Purchaser Designees to be nominated and shall use its best efforts to cause such Purchaser Designees to be

elected to the Board of Directors of the Company. Thereafter, in connection with any annual meeting of shareholders at which the term of a Purchaser Designee is to expire, the Company will take all necessary action to cause a Purchaser Designee to be nominated and use its best efforts to cause such Purchaser Designee to be elected to the Board of Directors of the Company. In the event of any vacancy arising by reason of the resignation, death, removal, or inability to serve of any of the Purchaser Designees, Purchaser shall be entitled to designate a successor to fill such vacancy for the unexpired term. If any Purchaser Designee is not elected at an annual meeting of shareholders, Purchaser shall be entitled to designate an alternative Person and the Company shall, within 10 days of such designation, take all necessary action to cause such alternative Person to be elected to the Board of Directors of the Company. "Purchaser Designees" shall mean those individuals designated from time to time by Purchaser to serve on the Company's Board of Directors. The number of Purchaser Designees shall be the smallest number possible such that the ratio of Purchaser Designees to total number of directors (after election of the Purchaser Designees) is at any time greater than or equal to the ratio of the number of Primary Shares held by Purchaser and its Affiliates to total number of shares of Common Stock outstanding (e.g. if there are 7 directors without the Purchaser Designees and Purchaser and its Affiliates own 27% of the Common Stock outstanding, then the number of Purchaser Designees will be three, resulting in a total of 10 directors).

(b) The Company shall maintain directors' and officers' insurance in at least the amount currently maintained by the Company. The Company shall indemnify Purchaser and the current and former Purchaser Designees (in connection with serving on the Company's Board of Directors) to the fullest extent permitted by Law and, upon request, the Company shall enter into an indemnification agreement with any such Purchaser Designee reasonably acceptable to such Purchaser Designee. The Purchaser Designees shall be entitled to reimbursement of expenses to the same extent that other non-employee directors of the Company are entitled to such reimbursement.

4.3. Compliance with Laws. From the date hereof and as long as Purchaser and its Affiliates own any Primary Shares, the Company shall, and

shall cause the Subsidiaries to, comply with all applicable Laws, including without limitation, financial and other reporting requirements pursuant to the Exchange Act.

4.4. Insurance. From the date hereof and as long as Purchaser and its Affiliates own any Primary Shares, the Company shall, and shall cause the Subsidiaries to, maintain insurance in such amounts, including self-insurance, retainage and deductible arrangements, and of such a character as is reasonable for companies engaged in the same or similar business.

4.5. Preservation of Existence, Franchises. From the date hereof and as long as Purchaser and its Affiliates own any Primary Shares, the Company shall, and shall cause the Subsidiaries to, maintain their respective corporate existence, rights and franchises in full force and effect, provided that nothing in this Section 4.5 shall prevent the Company or any Subsidiary from discontinuing its operations in any particular state or at any particular location or locations within the state, or prevent the corporate existence, rights

and franchises of any Subsidiary from being terminated if, in the opinion of the Board of Directors of the Company, the preservation thereof is no longer desirable in the conduct of the business of the Company and its Subsidiaries taken as a whole.

4.6. Payment of Taxes and Other Charges. The Company shall pay or discharge, and shall cause each of the Subsidiaries to pay or discharge, before the same become delinquent, (i) all Taxes, assessments and other governmental charges or levies imposed upon it or any of its properties or income (including, without limitation, such as may arise under Section 4062, 4063, or 4064 of ERISA or any similar provision of law), and (ii) all claims or demands of materialmen, mechanics, carriers, warehousemen, landlords and other like Persons which, in the case of either clause (i) or clause (ii), if unpaid, might result in the creation of a material lien upon any of its properties, provided, however, that the Company shall not be required to pay or discharge or cause to be paid or discharged any such Tax, assessment, charge or claim whose amount, applicability or validity is being contested in good faith pursuant to appropriate proceedings and for which adequate accruals and reserves for the payment thereof have been established and maintained on the books and records of the Company or such Subsidiary.

4.7. Reports; Access. From the date hereof and as long as Purchaser and its Affiliates either (i) Beneficially Own 5% or more of the outstanding Common Stock of the Company, or (ii) have not transferred to Third Parties 75% or more of the Primary Shares, the Company shall:

(a) as soon as practicable and in any event within 45 days after the end of each quarterly period (other than the last quarterly period) in each fiscal year, furnish to Purchaser statements of consolidated net income and cash

flows and a statement of changes in consolidated stockholders' equity of the Company and its Subsidiaries for the period from the beginning of the then current fiscal year to the end of such quarterly period, and a consolidated balance sheet of the Company and its Subsidiaries as of the end of such quarterly period, setting forth in each case in comparative form figures for the corresponding period or date in the preceding fiscal year, all in reasonable detail and certified by an authorized financial officer of the Company, subject to changes resulting from year-end adjustments; provided, however, that delivery pursuant to Section 4.7(c) of a copy of the Quarterly Report on Form 10-Q of the Company for such quarterly period filed with the Commission shall be deemed to satisfy the requirements of this clause;

(b) as soon as practicable and in any event within 90 days after the end of each fiscal year, furnish to Purchaser statements of consolidated net income and cash flows and a statement of changes in consolidated stockholders' equity of the Company and its Subsidiaries for such year, and a consolidated balance sheet of the Company and its Subsidiaries as of the end of such year, setting forth in each case in comparative form the corresponding figures from the preceding fiscal year, all in reasonable detail and examined and reported on by independent public accountants of recognized national

standing selected by the Company; provided, however, that delivery pursuant to Section 4.7(c) below of a copy of the Annual Report on Form 10-K of the Company for such fiscal year filed with the Commission shall be deemed to satisfy the requirements of this Section 4.7(b);

(c) promptly upon transmission thereof, furnish to Purchaser copies of all registration statements and all other filings or reports the Company files with the Commission; and

(d) upon the good faith request by Purchaser for such information from, or access to, the Company and its properties, books, records and personnel as is reasonable, the Company shall cooperate in promptly providing such information or access to Purchaser.

4.8. Dividends. From the date hereof and as long as Purchaser and its Affiliates either (i) Beneficially Own 5% or more of the outstanding Common Stock of the Company, or (ii) have not transferred to Third Parties 75% or more of the Primary Shares, the Company shall not, without the prior written consent of Purchaser, effect any stock repurchases, pay dividends or make other distributions in respect of the Common Stock.

4.9. Limitation on Agreements. From the date hereof and as long as Purchaser and its Affiliates own any Primary Shares, the Company will not, and will not permit any Subsidiary to, enter into any Contract, or any amendment, modification, extension or supplement to any existing Contract, which contractually conflicts with any provision contained herein.

4.10. Merger. From the date hereof and as long as Purchaser and its Affiliates either (i) Beneficially Own 10% or more of the outstanding Common Stock of the Company, or (ii) have not transferred to Third Parties 50% or more of the Primary Shares, the Company shall not, and shall cause its Subsidiaries not to, without the prior written consent of Purchaser, merge with or into or consolidate with any other Person (unless the Company is the continuing or surviving entity, such transaction would not violate the provisions of Section 4.1, and immediately after the consummation of such transaction the surviving corporation would not be in violation of the provisions of Section 4.1) or otherwise effect a Change in Control.

4.11. Notice of Breach. As promptly as practicable, and in any event not later than ten days after senior management of the Company becomes aware of any breach by the Company of any provision of this Agreement, including, without limitation, this Article 4, the Company shall provide Purchaser with written notice specifying the nature of such breach and any actions proposed to be taken by the Company to cure such breach.

4.12. Real Property Holding Company. (a) From the date hereof and as long as Purchaser and its Affiliates own any Primary Shares or shares of Common Stock acquired by exercise of one or both of the Options, the Company shall not become a "United States real property holding corporation" as defined in Code section 897(c)(2).

(b) The Company shall, at Purchaser's request, (i) provide promptly a letter in the form set forth in Exhibit B (with any modifications thereto as requested by Purchaser to comply with then existing requirements of the Code and Treasury Regulations thereunder), and comply promptly with the notice requirements of Treasury Regulations section 1.897-2(h)(2) or (h)(4) (and any successors thereto), and (ii) provide the voluntary notice to the U.S. Internal Revenue Service described in Treasury Regulations section 1.897-2(h)(4)(i).

5. Restrictions on Transfer. Neither Purchaser nor any of its Affiliates will, directly or indirectly, sell, transfer, pledge, encumber or otherwise dispose of (collectively, a "Transfer") any of the Primary Shares for one year from the date hereof, except for Transfers to or between Affiliates who agree to be bound by the provisions of this Agreement. Neither Purchaser nor any of its Affiliates will at any time Transfer any of the Primary Shares in violation of the Securities Act or any applicable state securities laws.

6. Indemnification.

6.1. Survival. The representations and warranties made in this Agreement or in documents delivered in connection herewith shall survive the Closing for 18 months from the date hereof (such 18-month period being the "Indemnification Period") and on the 18 month anniversary of the date hereof shall expire, together with any right to indemnification for breach thereof

except to the extent a Valid Third Party Claim Notice (as defined in Section 6.3(a)) or Valid Other Claim Notice (as defined in Section 6.3(b)) (each, a "Valid Claim Notice") shall have been given with respect to such representation or warranty prior to the expiration of the applicable Indemnification Period in accordance with Section 6.3 by the party seeking indemnification (the "Indemnitee") to the party from which indemnification is being sought (the "Indemnitor"), in which case the representation or warranty alleged in the Valid Claim Notice to have been breached shall survive, to the extent of the claim set forth in the Valid Claim Notice only, until such claim is resolved. Notwithstanding the preceding sentence, the representations and warranties contained in Section 2.3 shall not expire and the corresponding Indemnification Period shall be perpetual, without expiration. The covenants and agreements contained herein (other than the covenant and agreement to indemnify against breaches of representations and warranties, which shall expire as set forth in the first and second sentences of this Section 6.1) shall survive the Closing until the covenants and agreements are complied with in accordance with their terms.

6.2. Indemnification. (a) Subject to the provisions of this Article 6, the Company shall defend and indemnify Purchaser, its Affiliates, their directors and officers and the Purchaser Designees and hold each of them harmless from and against all damages, claims, losses, Taxes, charges, actions, suits, proceedings, deficiencies, interest, penalties, fines, liabilities, obligations, amounts paid in settlements, costs and expenses (including reasonable attorneys' fees) (collectively, "Losses") which are sustained, incurred or suffered by any of them (i) by reason of the breach of any of the representations or warranties made by the Company herein or in any document delivered in connection herewith, (ii) by reason of the breach of any of the Company's covenants and agreements contained herein or in any document delivered in connection herewith, or (iii) for Losses in connection with any Action arising out of the transactions contemplated hereby (other than Actions arising out of a breach by Purchaser or its Affiliates of the this Agreement or the documents delivered in connection herewith); provided, however, that Purchaser, its Affiliates, their directors and officer and the Purchaser Designees shall not be entitled to any recovery unless a claim for indemnification is made in accordance with Section 6.3, so as to constitute a Valid Claim Notice, and within the time period of survival set forth in Section 6.1.

(b) Subject to the provisions of this Article 6, Purchaser shall defend and indemnify the Company and its Affiliates and hold each of them harmless from and against all Losses which are incurred or suffered by any of them (i) by reason of the breach by Purchaser of any of the representations or warranties made by it herein or in any document delivered in connection herewith, or (ii) by reason of the breach of any of its covenants and agreements contained herein or in any document delivered in connection herewith; provided, however, that the Company and its Affiliates shall not be entitled to any recovery unless a claim for indemnification is made in accordance with Section 6.3, so as to constitute a Valid Claim Notice, and within the time period of survival set forth in Section 6.1.

6.3 Procedures for Claims. (a) (i) In order for an Indemnitee to be entitled to any remedy provided for under this Article 6 in respect of, arising out of or involving a claim made by any Third Party against the Indemnitee or an Affiliate (a "Third Party Claim"), the Indemnitee must notify the Indemnitor in writing of the Third Party Claim (a "Third Party Claim Notice") promptly following receipt by such Indemnitee of written or oral notice of the Third Party Claim, which notification, to be a valid Third Party Claim Notice (a "Valid Third Party Claim Notice"), must be accompanied by a copy of the written notice, if any, of the Third Party claimant to the Indemnitee asserting the Third Party Claim, or, if such Third Party Claim shall not have been made in writing, the written notice of Indemnitee certifying as to the receipt by Indemnitee of the oral Third Party Claim, and, in each case, setting forth in reasonable detail, the facts then known by Indemnitee with respect to such Third Party Claim; provided, however, that the failure to provide such Notice promptly (so long as a Valid Third Party Claim Notice is given

before the expiration of the Indemnification Period and any extensions thereof, as applicable) shall not affect the obligations of the Indemnitor hereunder except to the extent the Indemnitor is actually prejudiced thereby. The Indemnitee shall deliver to the Indemnitor copies of all other notices and documents (including court papers) received by the Indemnitee relating to the Third Party Claim.

(ii) The Indemnitor shall have the right to defend against any such Third Party Claim (including the conduct of any proceedings or settlement negotiations, provided that the Indemnitor shall not settle any Third Party Claim without the Indemnitee's consent, which consent shall not be unreasonably withheld or delayed) with counsel of the Indemnitor's own choosing. The Indemnitee shall have the right to participate in the defense of any Third Party Claim and to employ its own counsel (it being understood that the Indemnitor shall control such defense), at the Indemnitee's own expense. Prior to the time the Indemnitee is notified by the Indemnitor as to whether the Indemnitor will assume the defense of a Third Party Claim, the Indemnitee shall take all actions reasonably necessary to timely preserve the collective rights of the parties with respect to such Third Party Claim, including responding timely to legal process. If the Indemnitor shall decline to assume the defense of a Third Party Claim (or shall fail to notify the Indemnitee of its election to defend such Third Party Claim) within 30 days after the giving by the Indemnitee to the Indemnitor of a Valid Third Party Claim Notice with respect to the Third Party Claim, the Indemnitee shall defend against the Third Party Claim and the Indemnitor shall be liable to the Indemnitee for all reasonable fees and expenses incurred by the Indemnitee in the defense of the Third Party Claim, including the reasonable fees and expenses of counsel employed by the Indemnitee, if and to the extent that the Indemnitor is responsible to indemnify for such Third Party Claim. Regardless of which party assumes the defense of a Third Party Claim, the parties agree to cooperate with one another in connection therewith. Such cooperation shall include providing records and information

which are relevant to such Third Party Claim, and which are not required by law to be kept confidential and making employees and officers available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder and to act as a witness or respond to legal process. Whether or not the Indemnitor assumes the defense of a Third Party Claim, the Indemnitee shall not admit any liability with respect to, or settle, compromise or discharge, such Third Party Claim without the Indemnitor's prior written consent (which consent will not be unreasonably withheld or delayed).

(b) In order for an Indemnitee to be entitled to any indemnification provided for under this Article 6 in respect of a claim as to which a Third Party Claim has not been asserted against such Indemnitee (an "Other Claim"), the Indemnitee must promptly notify the Indemnitor in writing of such Other Claim (the "Other Claim Notice"), which notification, to be a valid Other Claim Notice (a "Valid Other Claim Notice"), must certify that the Indemnitee has in good faith already sustained some

(though not necessarily all) Losses, or has a good faith basis to believe Losses may be sustained, with respect to such claim. The failure by any Indemnitee to notify the Indemnitor promptly (so long as a Valid Other Claim Notice is given before the expiration of the Indemnification Period) shall not relieve the Indemnitor from any liability that it may have to such Indemnitee under Section 6.2, except to the extent that the Indemnitor has been actually prejudiced by such failure.

6.4. Certain Provisions Regarding Indemnification. (a) The indemnification provided in this Article 6 shall be the sole and exclusive remedy for any inaccuracy or breach of any representation or warranty made by the Company or Purchaser in this Agreement.

(b) Upon making any payment to an Indemnitee for any indemnification claim pursuant to this Article 6, the Indemnitor shall be subrogated, to the extent of such payment, to any rights which the Indemnitee may have against any other parties with respect to the subject matter underlying such indemnification claim.

(c) The amount of any Losses shall be computed net of any insurance proceeds received by the Indemnitee or its Affiliates in connection therewith.

(d) The amount of any indemnification payment made by the Company to Purchaser pursuant hereto shall be increased by dividing (x) the amount that would be payable (but for this Section 6.4(d)), by (y) one minus the Ownership Fraction. The "Ownership Fraction" means the number of Primary Shares held by Purchaser and its Affiliates at the time of such payment, divided by the total number of shares of Common Stock outstanding at the time of such payment.

(e) For purposes of this Article 6, Promecap, S.C. shall be deemed

to be an Affiliate of Purchaser (irrespective of whether or not Promecap, S.C. is from time to time determined to be an Affiliate pursuant to the definition of Affiliate contained in Section 7.1).

(f) Notwithstanding any provision of this Article 6 to the contrary, (A) the Company shall not be obliged to make any payments in respect of indemnification for a breach described in clause (i) of Section 6.2(a) until the aggregate amount of payments that the Company is obliged to pay in respect of such breaches (without reference to this Section 6.4(f)) is at least $250,000, at which point all payments that the Company is obliged to pay in respect of such breaches shall be payable, and (B) the Company shall not be obliged to make any payments in respect of indemnification for breaches of representations and warranties described in clause (i) of Section 6.2(a) in excess of $16,500,000.

7. Interpretation .

7.1. Definitions.

"Affiliate" shall mean, with respect to any Person, any other Person which, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person.

"Beneficially Own", with respect to any securities, shall mean having "beneficial ownership" of such securities (as determined pursuant to Rule 13d-3 under the Exchange Act), including pursuant to any agreement, arrangement or understanding, whether or not in writing.

"Capitalized Lease" shall mean, with respect to any Person, any lease or any other agreement for the use of property which, in accordance with generally accepted accounting principles, should be capitalized on the lessee's or user's balance sheet.

"Change in Control" shall mean:

(a) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) of Beneficial Ownership of more than 25% of the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors, but excluding, for this purpose, any such acquisition by (i) the Company or any of its Subsidiaries, (ii) any employee benefit plan (or related trust) of the Company or its Subsidiaries, or (iii) any corporation with respect to which, following such acquisition, a majority of the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors is then Beneficially Owned, directly or indirectly, by individuals and entities who were the Beneficial Owners of voting securities of the Company immediately prior to such acquisition

in substantially the same proportion as their ownership, immediately prior to such acquisition, of the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors; or

(b) a reorganization, merger or consolidation, in each case, with respect to which all or substantially all the individuals and entities who were the respective Beneficial Owners of the voting securities of the Company immediately prior to such reorganization, merger or consolidation do not, following such reorganization, merger or consolidation Beneficially Own, directly or indirectly, more than 75% of the combined voting power of the then outstanding voting

securities entitled to vote generally in the election of directors of the corporation resulting from such reorganization, merger or consolidation; or

(c) the sale or other disposition of a majority or more of the consolidated assets or property of the Company and its Subsidiaries in one transaction or series of related transactions.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, or any successor federal statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time. Reference to a particular section of the Exchange Act shall include reference to the comparable section, if any, of any such successor federal statute.

"Guarantee" by any Person shall mean all obligations (other than endorsements in the ordinary course of business of negotiable instruments for deposit or collection) of any Person guaranteeing, or in effect guaranteeing, any Indebtedness, dividend or other obligation of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including, without limitation, all obligations incurred through an agreement, contingent or otherwise, by such Person: (i) to purchase such Indebtedness or obligation or any property or assets constituting security therefor, (ii) to advance or supply funds (x) for the purchase or payment of such Indebtedness or obligation, (y) to maintain working capital or other balance sheet condition or otherwise to advance or make available funds for the purchase or payment of such Indebtedness or obligation, (iii) to lease property or to purchase securities or other property or services primarily for the purpose of assuring the owner of such Indebtedness or obligation of the ability of the primary obligor to make payment of such Indebtedness or obligation, or (iv) otherwise to assure the owner of the Indebtedness or obligation of the primary obligor against loss in respect thereof. For the purposes of any computations made under this Agreement, a

Guarantee in respect of any Indebtedness for borrowed money shall be deemed to be Indebtedness equal to the outstanding amount of the Indebtedness for borrowed money which has been guaranteed, and a Guarantee in respect of any other obligation or liability or any dividend shall be deemed to be Indebtedness equal to the maximum aggregate amount of such obligation, liability or dividend.

"Indebtedness" shall mean, with respect to any Person, (i) all obligations of such Person for borrowed money, or with respect to deposits or advances of any kind, (ii) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (iii) all obligations of such Person under conditional sale or other title

retention agreements relating to property purchased by such Person, (iv) all obligations of such Person issued or assumed as the deferred purchase price of property or services (other than accounts payable to suppliers and similar accrued liabilities incurred in the ordinary course of business and paid in a manner consistent with industry practice), (v) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any lien or security interest on property owned or acquired by such Person whether or not the obligations secured thereby have been assumed, (vi) all Capitalized Lease obligations of such Person, (vii) all Guarantees of such Person, (viii) all obligations (including but not limited to reimbursement obligations) relating to the issuance of letters of credit for the account of such Person, (ix) all obligations arising out of foreign exchange contracts, and (x) all obligations arising out of interest rate and currency swap agreements, cap, floor and collar agreements, interest rate insurance, currency spot and forward contracts and other agreements or arrangements designed to provide protection against fluctuations in interest or currency exchange rates.

"Law" shall mean any law, statute, rule, regulation, judgment, injunction, order, decree, license, permit, certificate, or other restriction of any Governmental Authority or securities authority or exchange applicable to the Company.

"Material Adverse Effect" shall mean a material adverse effect on the business, operations, results of operations, assets, prospects or condition (financial or otherwise) of the Company or the Fruit Processing Operations or the Juice and Oil Operations.

"PBGC" shall mean the Pension Benefit Guaranty Corporation, or any successor thereto.

"Pension Plan" shall mean any multiemployer plan or single employer plan, as defined in Section 4001 of ERISA, that is subject to Title IV of ERISA, that the Company, any Subsidiary or any ERISA Affiliate maintains or is or ever has been obligated to contribute to for the benefit of employees or former

employees of the Company, any Subsidiary or any ERISA Affiliate.

"Permitted Liens" shall mean liens or other encumbrances for current Taxes not yet due and payable, or for mechanics', carriers', workers' and other similar liens or encumbrances arising in the ordinary course of business consistent with past practice, except for such liens or encumbrances that, individually or in the aggregate, have or would reasonably be expected to have a Material Adverse Effect.

"Person" shall mean any individual, firm, corporation, partnership or other entity, and shall include any successor (by merger or otherwise) of such entity.

"Securities Act" shall mean the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time. Reference to a particular section of the Securities Act shall include reference to the comparable section, if any, of any such successor federal statute.

"Significant Shareholder" shall mean any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) that Beneficially Owns 5% or more of the Common Stock).

"Subsidiary" shall mean any corporation or other entity of which 25% or more of the voting power or equity interest is owned, directly or indirectly, by the Company.

"Third Party" shall mean, with respect to any Person, any other Person which is not an Affiliate of such Person.

"Treasury Regulations" shall mean the regulations promulgated under the Code from time to time.

7.2. Index to Defined Terms. The terms listed below are defined elsewhere in this Agreement and, for ease of reference, the Section containing the definition of each such term is set forth opposite such term:

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7.3. Headings; Other Interpretation. The heading references herein and the table of contents hereto are for convenience purposes only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof. "Hereby," "hereof," "hereunder" and similar terms shall be references to this Agreement, including the Schedules hereto. In this Agreement, unless the context otherwise requires, words in the singular number or in the plural number shall each include the singular number and the plural number. As used herein, to a party's "knowledge" means actual knowledge of the senior management and board of directors of the Company and the knowledge that any of the foregoing persons would have after due and reasonable inquiry. Unless the context otherwise indicates, references to a Section, Article or Schedule shall refer (respectively) to a Section of, Article of or Schedule to this Agreement. The term "dollars" or "$" shall refer to the currency of the United States.

8. Miscellaneous.

8.1. Severability. If any term, provision, covenant or restriction of this Agreement or any exhibit hereto is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement and such exhibits shall remain in full force and effect and shall in no way be affected, impaired or invalidated. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such which may be hereafter declared invalid, void or unenforceable. Should a court of competent jurisdiction determine that any provision hereof is unenforceable because it is excessive in scope, the parties hereto agree that the provision shall be interpreted and enforced to the maximum extent which such court deems enforceable.

8.2. Specific Enforcement. Purchaser, on the one hand, and the Company, on the other, acknowledge and agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction to prevent breaches of the provisions of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state thereof having jurisdiction, this being in addition to any other remedy to which they may be entitled at law or equity.

8.3. Entire Agreement. This Agreement (including the schedules hereto), the Option Agreements, the Registration Rights Agreement and the other documents delivered in connection herewith or contemplated herein constitute the entire agreement between the parties and supersede all prior agreements and understandings, agreements or representations by or between the parties, written and oral, with respect to the subject matter hereof and thereof. Purchaser and the Company hereby terminate the Letter Agreement.

8.4. Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more of the counterparts have been signed by each party and delivered to the other parties, it being understood that all parties need not sign the same counterpart.

8.5. Notices and Other Communications. All notices, consents, requests, instructions, approvals, financial statements, proxy statements, reports and other communications provided for herein shall be in writing and shall be delivered personally, by telecopy (and confirmed by telephone) or sent by prepaid overnight courier service, to the applicable address set forth below.

If to the Company, to:

The UniMark Group, Inc.
The UniMark House
P.O. Box 229
Argyle, TX 76226
Attention: President
Telecopier:

with a copy to:

Jakes Jordaan, Esq.
Jordaan & Pennington
300 Crescent Court, Suite 1605
Dallas, TX 75201
Telecopier: (214) 871-6560

If to Purchaser, to:

M & M Nominee L.L.C.
c/o Soros Fund Managment
888 Seventh Avenue
New York, NY 10106
Attention: Chief Financial Officer
Telecopier: (212) 974-8399

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with a copy to:

Promecap, S.C.
Bosque de Alisos No. 47A, 3er piso
Colonia Bosques de las Lomas
C.P. 05120 Mexico, D.F.
Mexico
Attention: Federico Chavez Peon
Telecopier: 011-525-259-6269

with a copy to:

Joseph Stern, Esq.
Fried, Frank, Harris, Shriver & Jacobson
One New York Plaza
New York, New York 10004
Telecopier: (214) 859-4000

or to such other address as any party may, from time to time, designate in a written notice given in a like manner.

8.6. Amendments; Termination; Waivers. This Agreement may not be amended or terminated except by written agreement of the Company and Purchaser. This Agreement may not be waived, changed, modified, or discharged orally, but only by an agreement in writing signed by the party or parties against whom enforcement of any waiver, change, modification or discharge is sought. Notwithstanding anything in this Agreement to the contrary, no provision of this Section 8.6 may be waived, changed or modified.

8.7. Cooperation. Purchaser and the Company agree to take, or cause to be taken, all such further or other actions as shall reasonably be necessary to make effective and consummate the transactions contemplated by this Agreement.

8.8. Successors and Assigns; Parties in Interest. This Agreement may be assigned by Purchaser to any Affiliate of Purchaser who agrees in writing to be bound by the provisions hereof. This Agreement may not be assigned by the Company. All covenants and agreements contained herein shall bind and inure to the benefit of the parties hereto and their respective successors and assigns. In addition, each Purchaser Designee shall be a third party beneficiary of this Agreement and shall be entitled to enforce this Agreement. Except as provided in the preceding two sentences and as explicitly provided in Article 6, nothing in this Agreement, express or implied, is intended to confer upon any Person any rights or remedies under or by reason of this Agreement.

8.9. Expenses. The Company shall pay all costs and expenses of Purchaser and its Affiliates (including fees and expenses of counsel and accountants) in connection with their due diligence review of the Company, the negotiation, execution and delivery of the Letter Agreement, this Agreement and all other documents in connection herewith, and the closing of the transactions contemplated hereby, up to a maximum of $100,000, and shall pay costs and expenses of Purchaser and its Affiliates (including fees and expenses of counsel and accountants) of their enforcement of the foregoing.

8.10. Transfer of Shares. (a) Purchaser understands and agrees that the Primary Shares have not been registered under the Securities Act or the securities laws of any state and that they may be sold or otherwise disposed of only in one or more transactions registered under the Securities Act and, where applicable, such laws or transactions as to which an exemption from the registration requirements of the Securities Act and, where applicable, such laws are available. Purchaser acknowledges that, except as provided in the Registration Rights Agreement, Purchaser has no right to require the Company to register the Primary Shares. Purchaser understands and agrees that each certificate representing the Primary Shares shall bear legends substantially in the form as follows:

> "THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE SOLD OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR AN APPLICABLE EXEMPTION TO THE REGISTRATION REQUIREMENTS OF SUCH ACT OR SUCH LAWS."

8.11. Governing Law; Consent to Jurisdiction. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE WITHOUT GIVING EFFECT TO THE PRINCIPLES OF CONFLICTS OF LAW. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY CONSENTS TO SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF DELAWARE AND OF THE UNITED STATES OF AMERICA, IN EACH CASE LOCATED IN WILMINGTON, DELAWARE, FOR ANY ACTION IN ANY COURT OR BEFORE ANY GOVERNMENTAL AUTHORITY ("LITIGATION") ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY (AND AGREES NOT TO COMMENCE ANY LITIGATION RELATING THERETO EXCEPT IN SUCH COURTS). EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY OBJECTION TO THE LAYING OF VENUE OF ANY LITIGATION ARISING OUT OF THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY IN THE COURTS OF THE STATE OF DELAWARE OR

THE UNITED STATES OF AMERICA, IN EACH CASE LOCATED IN WILMINGTON, DELAWARE, AND HEREBY FURTHER IRREVOCABLY AND UNCONDITIONALLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH LITIGATION BROUGHT IN ANY SUCH COURT HAS

BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH OF THE PARTIES IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHTS TO TRIAL BY JURY IN CONNECTION WITH ANY LITIGATION ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

8.12. Publicity. Each of the parties hereto agrees that it will make no statement regarding the transactions contemplated hereby which is inconsistent with the press release agreed to by the parties hereto. Notwithstanding the foregoing, each of the parties hereto may, in documents required to be filed by it with the Commission or other regulatory bodies, make such statements with respect to the transactions contemplated hereby as each may be advised is legally necessary upon advice of its counsel.

[Remainder of page left intentionally blank.]

IN WITNESS WHEREOF, the Company and Purchaser have caused this Agreement to be executed and delivered by their respective officers as of the date first above written.

THE UNIMARK GROUP, INC.

By: /s/ Rafael Vaquero Bazan

Name: Rafael Vaquero Bazan
Title: President, Chief Executive Officer and Chief Operating Officer

M & M NOMINEE L.L.C.

By: /s/ Peter Streinger

Name: Peter Streinger
Title: Manager

EXHIBIT 99.4

FIRST STOCK OPTION AGREEMENT

FIRST STOCK OPTION AGREEMENT (this "First Option Agreement") dated as of July 17, 1998, by and between M & M NOMINEE L.L.C., a Delaware limited liability company ("Purchaser"), and THE UNIMARK GROUP, INC., a Texas corporation (the "Company").

W I T N E S S E T H

WHEREAS, the Board of Directors of Purchaser and the Board of Directors of the Company have approved a Purchase Agreement dated as of even date herewith (the "Purchase Agreement") providing for the issuance by the Company and the purchase by Purchaser of shares of common stock, par value $0.01 per share, of the Company (the "Common Stock");

WHEREAS, to induce Purchaser to enter into the Purchase Agreement, the Company has agreed to (i) grant to Purchaser an option pursuant to the Second Option Agreement, by and between Purchaser and the Company, dated as of the date hereof (the "Second Option Agreement"), and (ii) grant to Purchaser the option set forth herein to purchase authorized but unissued shares of Common Stock.

NOW, THEREFORE, to induce Purchaser to enter into the Purchase Agreement and in consideration of the premises herein contained, the parties agree as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the same meanings as in the Purchase Agreement.

2. Grant of Option. Subject to the terms and conditions set forth herein, the Company hereby grants to Purchaser an option (the "Option") to purchase up to 1,000,000 authorized and unissued shares of Common Stock (the "Option Shares"), at a price per share equal to $4.5375 (the "Exercise Price") payable in cash as provided in Section 4 hereof.

3. Exercise of Option. (a) Purchaser may exercise the Option, in whole or in part, at any time or from time to time during the Exercise Period. The "Exercise Period" shall be the period from the date hereof until and including the first anniversary of the date hereof. Except as provided by the last sentence of this Section 3(a), at 11:59 p.m. (Dallas, TX time) on the last day of the Exercise Period the Option, to the extent it shall not have been exercised, shall terminate and be of no further force and effect. If the Option cannot be exercised prior to the first anniversary of the date hereof as

a result of any injunction, order or other legal restraint (each, a "Restraint"), the Exercise Period shall terminate on the later of (i) the first anniversary of the date hereof and (ii) the 10th business day after

such Restraint shall have been dissolved or shall have become permanent and no longer subject to appeal, as the case may be, but in no event later than 18 months after the date hereof. If, at the end of the Exercise Period, such Restraint shall not have been dissolved or otherwise resolved (to the reasonable satisfaction of Purchaser) to allow the exercise of the Option, then, upon written request made by Purchaser within 14 days of the end of the Exercise Period, the Company shall redeem the Option for a redemption price equal to (x) the excess of the Current Market Price (as defined in Section 6) of the Common Stock as of the first anniversary of the date hereof over the Exercise Price, multiplied by (y) the number of shares that would be issued upon exercise of the Option but for the Restraint.

(b) Whenever Purchaser wishes to exercise the Option, it shall deliver to the Company a written notice (the 'Notice", the date of receipt of which being herein referred to as the "Notice Date") specifying (i) the total number of shares it intends to purchase pursuant to such exercise, and (ii) a place and date not earlier than two business days nor later than 60 calendar days from the Notice Date for the closing of such purchase (a "Closing Date"); provided that if any closing of the purchase and sale pursuant to the Option (a "Closing") cannot be consummated by reason of any applicable Law, the period of time that otherwise would run from the Notice Date pursuant to this sentence shall run instead from the date on which such restriction on consummation has expired or been terminated; and provided further that, without limiting the foregoing, if prior notification to or approval of any Governmental Authority is required in connection with such purchase, Purchaser and, if applicable, the Company shall promptly file the required notice or application for approval and shall expeditiously process the same (and the Company shall cooperate with Purchaser in the filing of any such notice or application and the obtaining of any such approval), and the period of time that otherwise would run from the Notice Date pursuant to this sentence shall run instead from the date on which, as the case may be, (i) any required notification period has expired or been terminated or (ii) such approval has been obtained, and in either event, any requisite waiting period has passed. If such notification period has not expired or been terminated or such approval has not been obtained, or such waiting period has not passed, in any case the effect of which is to prevent or delay the Closing for 90 days beyond the Notice Date, then, upon written request made by Purchaser within 14 days of the end of such 90 day period, the Company shall redeem the Option for a redemption price equal to (x) the excess of the Current Market Price of the Common Stock as of the first anniversary of the date hereof over the Exercise Price, multiplied by (y) the number of shares specified in the Notice.

(c) In connection with any Closing, the Company may request that Purchaser represent that, as of the Closing Date applicable to such Closing, (i) Purchaser is an "accredited investor" within the meaning of Rule 501 of the Securities Act, and (ii) Purchaser is acquiring the Option Shares being

purchased at such Closing for the purpose of investment and not with a view to or for sale in connection with any distribution thereof. If the Company makes such a request and Purchaser fails to make

such representations, then (except as provided in the following sentence) the Company shall have no obligation to effect such Closing. Purchaser may, in lieu of making the representation set forth in clause (i), furnish the Company with an opinion of counsel reasonably acceptable to the Company, to the effect that the acquisition of the Option Shares at such Closing is exempt from registration under the Securities Act and applicable state securities laws. Notwithstanding the foregoing purchaser shall not be required to make the representation set forth in clause (i) or furnish such a legal opinion if purchaser is exercising the Option and immediately thereafter selling the Option Shares pursuant to the Registration Rights Agreement.

4. Payment and Delivery of Certificates. (a) At each Closing, Purchaser shall pay to the Company the aggregate Exercise Price for the Option Shares purchased at such Closing pursuant to the exercise of the Option in immediately available funds by wire transfer to a bank account designated not later than one business day prior to the Closing Date for such Closing by the Company.

(b) At such Closing, simultaneously with the delivery of the aggregate Exercise Price as provided in Section 4(a) hereof, the Company shall deliver to Purchaser a certificate or certificates representing the number of Option Shares then being purchased by Purchaser, registered in the name of Purchaser or as designated in writing by Purchaser, which Option Shares shall be fully paid and nonassessable and free and clear of all liens, claims, charges and encumbrances of any kind whatsoever.

(c) If at the time of issuance of any Option Shares pursuant to any exercise of the Option, the Company shall have issued any share purchase rights or similar securities ("Rights") to holders of any class of the Common Stock, then each such Option Share shall also represent Rights with terms substantially the same as and at least as favorable to Purchaser as those issued to other holders of the Common Stock.

(d) Certificates for Option Shares delivered at any Closing hereunder shall be endorsed with a restrictive legend, which shall read substantially as follows:

> "The securities represented by this certificate have not been registered under the Securities Act of 1933 or the securities laws of any state and may not be sold or otherwise disposed of except pursuant to an effective registration statement under such act and

applicable state securities laws or an applicable exemption to the registration requirements of such act or such laws."

It is understood and agreed that the above legend shall be removed by delivery of substitute certificate(s) without such legend in connection with a transfer or sale if (i) the Company has been furnished with an opinion of counsel, reasonably satisfactory to counsel for the Company, that such transfer or sale will not violate the Securities Act or

applicable securities laws of any state or (ii) such transfer or sale shall have been registered and qualified pursuant to the Securities Act and any applicable state securities laws.

5. Representations and Warranties; Covenants. (a) The Company hereby represents and warrants to Purchaser that: (i) the Company has full corporate right, power and authority to execute and deliver this First Option Agreement and to perform all of its obligations hereunder; (ii) such execution, delivery and performance have been duly authorized by the Board of Directors of the Company, and no other corporate proceedings are necessary therefor; (iii) this First Option Agreement has been duly and validly executed and delivered by the Company and represents a valid and legally binding obligation of the Company, enforceable against the Company in accordance with its terms; and (iv) the Company has taken all necessary corporate action to authorize and reserve and permit it to issue, and at all times from the date hereof through the date of the exercise in full or the expiration or termination of the Option, shall have reserved for issuance upon exercise of the Option, 1,000,000 shares of Common Stock (subject to adjustment as provided herein), all of which, upon issuance in accordance with the terms of this First Option Agreement, shall be duly authorized, validly issued, fully paid and nonassessable, shall be delivered free and clear of all claims, liens, encumbrances and security interests and not subject to any preemptive rights of any stockholder of the Company, and will be eligible for NASDAQ NMS trading without further consents or actions (other than registration thereof pursuant to the Registration Rights Agreement).

(b) Purchaser hereby represents and warrants to the Company that (i) Purchaser has full corporate right, power and authority to execute and deliver this First Option Agreement and to perform all of its obligations hereunder; (ii) such execution, delivery and performance have been duly authorized by all requisite corporate action by Purchaser, and no other corporate proceedings are necessary therefor; (iii) this First Option Agreement

has been duly and validly executed and delivered by Purchaser and represents a valid and legally binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms; and (iv) any Common Stock acquired by Purchaser upon exercise of the Option will not be transferred or otherwise disposed of for one year from the date hereof and then only in compliance with the Securities Act.

6. Adjustment upon Changes in Capitalization. (a) In the event of any change in the Common Stock by reason of stock dividends, stock splits, recapitalizations or the like, the type and number of shares subject to the Option and the Exercise Price shall be adjusted appropriately.

(b) If at any time following the date hereof, the Company shall issue shares of Common Stock (or rights, warrants or other securities convertible into or exchangeable for shares of Common Stock (collectively "Convertible Securities")) at a price per share

(or having a conversion price per share) less than the Current Market Price (as defined below) per share of Common Stock as of the date of issuance of such shares (or, in the case of Convertible Securities, less than the Current Market Price as of the date of issuance of the Convertible Securities in respect of which shares of Common Stock were issued), then the Exercise Price shall be adjusted by multiplying (A) the Exercise Price in effect on the day immediately prior to such date by (B) a fraction, the numerator of which shall be the sum of (1) the number of shares of Common Stock outstanding on such date and (2) the number of shares of Common Stock purchasable at the then Current Market Price per share with the aggregate consideration receivable by the Company for the total number of shares of Common Stock so issued (or into which the Convertible Securities may convert), and the denominator of which shall be the sum of (x) the number of shares of Common Stock outstanding on such date and (y) the number of additional shares of Common Stock issued (or into which the Convertible Securities may convert).

An adjustment made pursuant to this Section 6(b) shall be made on the next business day following the date on which any such issuance is made and shall be effective retroactively to the close of business on the date of such issuance. For purposes of this Section 6(b), the aggregate consideration receivable by the Company in connection with the issuance of shares of Common Stock or of Convertible Securities shall be deemed to be equal to the sum of the aggregate offering price (before deduction of underwriting discounts or commissions and expenses payable to third parties) of all such Common Stock and

Convertible Securities plus the minimum aggregate amount, if any, payable upon exercise or conversion of any such Convertible Securities. The issuance or reissuance of any shares of Common Stock (whether treasury shares or newly issued shares) pursuant to (i) a dividend or distribution on, or subdivision, combination or reclassification of, the outstanding shares of Common Stock requiring an adjustment in the Exercise Price pursuant to Section 6(a), or (ii) any stock option plan, stock purchase plan or other benefit program of the Company or executive compensation package approved by the Company's Board of Directors involving the grant of options to employees or directors of the Company shall not be deemed to constitute an issuance of Common Stock or Convertible Securities by the Company to which this Section 6(b) applies. Upon the expiration unexercised of any Convertible Securities for which an adjustment has been made pursuant to this Section 6(b), the adjustments shall forthwith be reversed to effect such rate of conversion as would have been in effect at the time of such expiration or termination had such Convertible Securities, to the extent outstanding immediately prior to such expiration or termination, never been issued.

"Current Market Price", when used with reference to shares of the Common Stock or another security on any date, shall mean the average of the daily closing prices per share of such Common Stock or other security for the 20 preceding trading days. If the Common Stock or such other securities are listed or admitted to trading on a national securities exchange, the closing price shall be the last sale price, regular way, or, in case

no such sale takes place on such day, the average of the closing bid and asked prices, regular way, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the New York Stock Exchange or, if the Common Stock or such other securities are not listed or admitted to trading on the New York Stock Exchange, as reported in the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which the Common Stock or such other securities are listed or admitted to trading or, if the Common Stock or such other securities are not so listed on any national securities exchange, as reported in the transaction reporting system applicable to securities designated as a "national market system security" or NASDAQ. If the Common Stock or such other securities are not publicly held or so listed or designated, "Current Market Price" shall mean the Fair Market Value (as defined below) per share of Common Stock or of such other securities as determined in good faith by the Board of Directors of the Company based on an opinion of an independent investment banking firm with an

established national reputation with respect to the valuation of securities.

"Fair Market Value" shall mean, as to shares of Common Stock or any other securities of the Company or any other issuer which are publicly traded, the Current Market Prices of such shares or securities. The "Fair Market Value" of any security which is not publicly traded or of any other property shall mean the fair value thereof as determined by an independent investment banking or appraisal firm experienced in the valuation of such securities or property selected in good faith by the Board of Directors of the Company.

(c) In case the Company shall at any time or from time to time after the date hereof declare, order, pay or make a dividend or other distribution (including, without limitation, any distribution of stock or other securities or property or Convertible Securities of the Company or any of its Subsidiaries by way of dividend or spinoff), on its Common Stock, then, and in each such case, the Exercise Price shall be adjusted by multiplying (1) the applicable Exercise Price on the day immediately prior to the record date fixed for the determination of stockholders entitled to receive such dividend or distribution by (2) a fraction, the numerator of which shall be the Current Market Price of the Common Stock less the Fair Market Value of such dividend or distribution (per share of Common Stock), and the denominator of which shall be such average Current Market Price of the Common Stock. If any dividend or distribution is declared or ordered and a Closing Date is before the record date for such dividend or distribution, then no adjustment in respect thereof shall be made to the Exercise Price with respect to the Option Shares acquired on such Closing Date.

(d) For purposes of this Section 6, the number of shares of Common Stock at any time outstanding shall not include any shares of Common Stock then owned or held by or for the account of the Company.

(e) The term "dividend," as used in this Section 6, shall mean a dividend or other distribution in respect of shares of Common Stock of the Company.

(f) Anything in this Section 6 to the contrary notwithstanding, the Company shall not be required to give effect to any adjustment in the Exercise Price unless and until the net effect of one or more adjustments (each of which shall be carried forward), determined as above provided, shall have resulted in a change of the Exercise Price by at least one percent, and when the cumulative net effect of more than one adjustment so determined shall be to

change the Exercise Price by at least one percent, such change in Exercise Price shall thereupon be given effect.

(g) The certificate of any firm of independent public accountants of recognized national standing selected by the Board of Directors of the Company (which may be the firm of independent public accountants regularly employed by the Company) shall be presumptively correct for any computation made under this Section 6.

7. Registration Rights. Contemporaneously herewith, Purchaser and the Company are entering into a Registration Rights Agreement providing for registration of the Option Shares.

8. Listing. If the Common Stock or any other securities to be acquired upon exercise of the Option are then listed on any national securities exchange, the Company, upon the request of Purchaser, will promptly file an application to list the Option Shares or other securities to be acquired upon exercise of the Option on all such exchanges and will use its best efforts to obtain approval of such listings as soon as practicable.

9. Survival. The representations, warranties, covenants and agreements of the parties hereto shall survive any Closing.

10. Severability. Any term, provision, covenant or restriction contained in this First Option Agreement held by a court or other Governmental Authority of competent jurisdiction to be invalid, void or unenforceable shall be ineffective to the extent of such invalidity, voidness or unenforceability, but neither the remaining terms, provisions, covenants or restrictions contained in this First Option Agreement nor the validity or enforceability thereof in any other jurisdiction shall be affected or impaired thereby. Any term, provision, covenant or restriction contained in this First Option Agreement that is so found to be so broad as to be unenforceable shall be interpreted to be as broad as is enforceable.

11. Entire Agreement. This First Option Agreement, the Second Option Agreement, the Purchase Agreement (including the documents and the instruments referred to therein or delivered in connection therewith) and the Registration Rights Agreement constitute the entire agreement between the parties and supersede all prior agreements and

understandings, agreements or representations by or between the parties,

written and oral, with respect to the subject matter hereof and thereof.

12. Successors; No Third Party Beneficiaries. The terms and conditions of this First Option Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. Nothing in this First Option Agreement, expressed or implied, is intended to confer upon any party, other than the parties hereto, and their respective successors and assigns, any rights, remedies, obligations, or liabilities under or by reason of this First Option Agreement, except as expressly provided herein.

13. Notices. All notices or other communications which are required or permitted hereunder shall be in writing and sufficient if delivered in accordance with Section 8.5 of the Purchase Agreement (which is incorporated herein by reference).

14. Further Assurances. In the event of any exercise of the Option by Purchaser, the Company and Purchaser shall execute and deliver all other documents and instruments and take all other action that may be reasonably necessary in order to consummate the transactions provided for by such exercise.

15. Specific Performance. The parties hereto agree that if for any reason Purchaser or the Company shall have failed to perform its obligations under this First Option Agreement, then either party hereto seeking to enforce this First Option Agreement against such non-performing party shall be entitled to specific performance and injunctive and other equitable relief, and the parties hereto further agree to waive any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief. This provision is without prejudice to any other rights that either party hereto may have against the other party hereto for any failure to perform its obligations under this First Option Agreement.

16. Governing Law. This First Option Agreement shall be governed by the laws of the State of Delaware, without giving effect to the conflict of laws principles thereof. Each party hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of Delaware and of the United States of America located in Wilmington, Delaware, for any Litigation (and agrees not to commence any Litigation except in any such court). Each party hereby irrevocably and unconditionally waives any objection to the laying of venue of any Action in the courts of the State of Delaware or of the United States of America located in Wilmington, Delaware, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any Action brought in any such court has been brought in an inconvenient forum.

17. Regulatory Approvals; Section 16(b). If, in connection with the exercise of the Option under Section 3, prior notification to or approval of any Governmental Authority is required, then the required notice or application for approval shall be promptly filed and/or expeditiously processed by the Company and periods of time that otherwise would run pursuant hereto (if any) shall run instead from the date on which any such required notification period has expired or been terminated or such approval has been obtained, and in either event, any requisite waiting period shall have passed. Periods of time that otherwise would run pursuant to this First Option Agreement shall also be extended to the extent necessary in order to avoid liability under Section 16(b) of the Exchange Act.

18. Waiver and Amendment. Any provision of this First Option Agreement may be waived in writing at any time by the party that is entitled to the benefits of such provision. This First Option Agreement may not be modified, amended, altered or supplemented except upon the execution and delivery of a written agreement executed by the parties hereto.

IN WITNESS WHEREOF, each of the parties hereto has executed this First Option Agreement as of the date first written above.

PURCHASER:

M & M NOMINEE L.L.C.

By: /s/ Peter Streinger

Name: Peter Streinger
Title: Manager

THE COMPANY:

THE UNIMARK GROUP, INC.

By: /s/ Rafael Vaquero Bazan

Name: Rafael Vaquero Bazan
Title: President, Chief Executive Officer and Chief Operating Officer

EXHIBIT 99.5

SECOND STOCK OPTION AGREEMENT

SECOND STOCK OPTION AGREEMENT (this "Second Option Agreement") dated as of July 17, 1998, by and between M & M NOMINEE L.L.C., a Delaware limited liability company ("Purchaser"), and THE UNIMARK GROUP, INC., a Texas corporation (the "Company").

W I T N E S S E T H

WHEREAS, the Board of Directors of Purchaser and the Board of Directors of the Company have approved a Purchase Agreement dated as of even date herewith (the "Purchase Agreement") providing for the issuance by the Company and the purchase by Purchaser of shares of common stock, par value $0.01 per share, of the Company (the "Common Stock");

WHEREAS, to induce Purchaser to enter into the Purchase Agreement, the Company has agreed to (i) grant to Purchaser an option pursuant to the First Option Agreement, by and between Purchaser and the Company, dated as of the date hereof (the "First Option Agreement"), and (ii) grant to Purchaser the option set forth herein to purchase authorized but unissued shares of Common Stock;

NOW, THEREFORE, to induce Purchaser to enter into the Purchase Agreement and in consideration of the premises herein contained, the parties agree as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the same meanings as in the Purchase Agreement.

2. Grant of Option. Subject to the terms and conditions set forth herein, the Company hereby grants to Purchaser an option (the "Option") to purchase up to 1,000,000 authorized and unissued shares of Common Stock (the "Option Shares"), at a price per share equal to $4.5375 (the "Exercise Price") payable in cash as provided in Section 4 hereof.

3. Exercise of Option. (a) Purchaser may exercise the Option, in whole or in part, at any time or from time to time during the Exercise Period. The "Exercise Period" shall be the period from the date hereof until and including the third anniversary of the date hereof. Except as provided by the last sentence of this Section 3(a), at 11:59 p.m. (Dallas, TX time) on the last day of the Exercise Period the Option, to the extent it shall not have

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been exercised, shall terminate and be of no further force and effect. If the Option cannot be exercised prior to the third anniversary of the date hereof as a result of any injunction, order or other legal restraint (each, a "Restraint"), the Exercise Period shall terminate on the later of (i) the third anniversary of the date hereof and (ii) the 10th business day after such Restraint shall have been dissolved or shall have become permanent and no longer subject to appeal, as the case may be, but in no event later than three years and six months after the date hereof. If, at the end of the Exercise Period, such Restraint shall not have been dissolved or otherwise resolved (to the reasonable satisfaction of Purchaser) to allow the exercise of the Option, then, upon written request made by Purchaser within 14 days of the end of the Exercise Period, the Company shall redeem the Option for a redemption price equal to (x) the excess of the Current Market Price (as defined in Section 6) of the Common Stock as of the third anniversary of the date hereof over the Exercise Price, multiplied by (y) the number of shares that would be issued upon exercise of the Option but for the Restraint.

(b) Whenever Purchaser wishes to exercise the Option, it shall deliver to the Company a written notice (the 'Notice", the date of receipt of which being herein referred to as the "Notice Date") specifying (i) the total number of shares it intends to purchase pursuant to such exercise, and (ii) a place and date not earlier than two business days nor later than 60 calendar days from the Notice Date for the closing of such purchase (a "Closing Date"); provided that if any closing of the purchase and sale pursuant to the Option (a "Closing") cannot be consummated by reason of any applicable Law, the period of time that otherwise would run from the Notice Date pursuant to this sentence shall run instead from the date on which such restriction on consummation has expired or been terminated; and provided further that, without limiting the foregoing, if prior notification to or approval of any Governmental Authority is required in connection with such purchase, Purchaser and, if applicable, the Company shall promptly file the required notice or application for approval and shall expeditiously process the same (and the Company shall cooperate with Purchaser in the filing of any such notice or application and the obtaining of any such approval), and the period of time that otherwise would run from the Notice Date pursuant to this sentence shall run instead from the date on which, as the case may be, (i) any required notification period has expired or been terminated or (ii) such approval has been obtained, and in either event, any requisite waiting period has passed. If such notification period has not expired or been terminated or such approval has not been obtained, or such waiting period has not passed, in any case the effect of which is to prevent or delay the Closing for 90 days beyond the Notice Date, then, upon written request made by Purchaser within 14 days of the end of such 90 day period, the Company shall redeem the Option for a redemption price equal to (x) the excess of the Current Market Price of the Common Stock as of the third anniversary of the date hereof over the Exercise Price, multiplied by (y) the number of shares specified in the Notice.

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(c) In connection with any Closing, the Company may request that Purchaser represent that, as of the Closing Date applicable to such Closing, (i) Purchaser is an "accredited investor" within the meaning of Rule 501 of the Securities Act, and (ii) Purchaser is acquiring the Option Shares being purchased at such Closing for the purpose of investment and not with a view to or for sale in connection with any distribution thereof. If the Company makes such a request and Purchaser fails to make such representations, then (except as provided in the following sentence) the Company shall have no obligation to effect such Closing. Purchaser may, in lieu of making the representation set forth in clause (i), furnish the Company with an opinion of counsel reasonably acceptable to the Company, to the effect that the acquisition of the Option Shares at such Closing is exempt from registration under the Securities Act and applicable state securities laws. Notwithstanding the foregoing purchaser shall not be required to make the representation set forth in clause (i) or furnish such a legal opinion if purchaser is exercising the Option and immediately thereafter selling the Option Shares pursuant to the Registration Rights Agreement.

(d) Notwithstanding the foregoing, if, on any date subsequent to 180 days from the date hereof, the Current Market Price of the Common Stock exceeds $6 (each such date, a "Threshold Date"), then the Company may require Purchaser to either exercise or forfeit the Option as follows: (i) within 14 calendar days of any Threshold Date, the Company may deliver a written notice (a "Notice") to Purchaser specifying that it is exercising its right under this Section 3(d) and specifying the number of shares to be purchased (which number may be all or a portion of the shares then subject to the Option), and (ii) Purchaser shall have 60 calendar days to respond to such Notice either electing to (x) exercise the Option to the extent set forth in such Notice or (y) forfeit the Option (but only in respect of the number of shares set forth in such Notice). If Purchaser fails to respond within such 60 calendar day period, Purchaser shall be deemed to have forfeited the Option (but only in respect of the number of shares set forth in such Notice).

4. Payment and Delivery of Certificates. (a) At each Closing, Purchaser shall pay to the Company the aggregate Exercise Price for the Option Shares purchased at such Closing pursuant to the exercise of the Option in immediately available funds by wire transfer to a bank account designated not later than one business day prior to the Closing Date for such Closing by the Company.

(b) At such Closing, simultaneously with the delivery of the aggregate Exercise Price as provided in Section 4(a) hereof, the Company shall deliver to Purchaser a certificate or certificates representing the number of Option Shares then being purchased by Purchaser, registered in the name of Purchaser or as designated in writing by

Purchaser, which Option Shares shall be fully paid and nonassessable and free and clear of all liens, claims, charges and encumbrances of any kind whatsoever.

(c) If at the time of issuance of any Option Shares pursuant to any exercise of the Option, the Company shall have issued any share purchase rights or similar securities ("Rights") to holders of any class of the Common Stock, then each such Option Share shall also represent Rights with terms substantially the same as and at least as favorable to Purchaser as those issued to other holders of the Common Stock.

(d) Certificates for Option Shares delivered at any Closing hereunder shall be endorsed with a restrictive legend, which shall read substantially as follows:

> "The securities represented by this certificate have not been registered under the Securities Act of 1933 or the securities laws of any state and may not be sold or otherwise disposed of except pursuant to an effective registration statement under such act and applicable state securities laws or an applicable exemption to the registration requirements of such act or such laws."

It is understood and agreed that the above legend shall be removed by delivery of substitute certificate(s) without such legend in connection with a transfer or sale if (i) the Company has been furnished with an opinion of counsel, reasonably satisfactory to counsel for the Company, that such transfer or sale will not violate the Securities Act or applicable securities laws of any state or (ii) such transfer or sale shall have been registered and qualified pursuant to the Securities Act and any applicable state securities laws.

5. Representations and Warranties; Covenants. (a) The Company hereby represents and warrants to Purchaser that: (i) the Company has full corporate right, power and authority to execute and deliver this Second Option Agreement and to perform all of its obligations hereunder; (ii) such execution, delivery and performance have been duly authorized by the Board of Directors of the Company, and no other corporate proceedings are necessary therefor; (iii) this Second Option Agreement has been duly and validly executed and delivered by the Company and represents a valid and legally binding obligation of the Company, enforceable against the Company in accordance with its terms; and (iv) the Company has taken all necessary corporate action to authorize and reserve and permit it to issue, and at all times from the date hereof through the date of the exercise in full or the expiration or termination of the Option, shall have reserved for issuance upon exercise of the Option, 1,000,000 shares of Common Stock (subject to adjustment as provided herein), all of which, upon issuance in accordance with the terms

of this Second Option Agreement, shall be duly authorized, validly issued,

fully paid and nonassessable, shall be delivered free and clear of all claims, liens, encumbrances and security interests and not subject to any preemptive rights of any stockholder of the Company, and will be eligible for NASDAQ NMS trading without further consents or actions (other than registration thereof pursuant to the Registration Rights Agreement). Notwithstanding anything contained in the Purchase Agreement to the contrary, the representations, warranties and covenants contained in this Section 5 shall survive for three years from the date hereof.

(b) Purchaser hereby represents and warrants to the Company that (i) Purchaser has full corporate right, power and authority to execute and deliver this Second Option Agreement and to perform all of its obligations hereunder; (ii) such execution, delivery and performance have been duly authorized by all requisite corporate action by Purchaser, and no other corporate proceedings are necessary therefor; (iii) this Second Option Agreement has been duly and validly executed and delivered by Purchaser and represents a valid and legally binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms; and (iv) any Common Stock acquired by Purchaser upon exercise of the Option will not be transferred or otherwise disposed of for 180 days from the date hereof and then only in compliance with the Securities Act.

6. Adjustment upon Changes in Capitalization. (a) In the event of any change in the Common Stock by reason of stock dividends, stock splits, recapitalizations or the like, the type and number of shares subject to the Option and the Exercise Price shall be adjusted appropriately.

(b) If at any time following the date hereof, the Company shall issue shares of Common Stock (or rights, warrants or other securities convertible into or exchangeable for shares of Common Stock (collectively "Convertible Securities")) at a price per share (or having a conversion price per share) less than the Current Market Price (as defined below) per share of Common Stock as of the date of issuance of such shares (or, in the case of Convertible Securities, less than the Current Market Price as of the date of issuance of the Convertible Securities in respect of which shares of Common Stock were issued), then the Exercise Price shall be adjusted by multiplying (A) the Exercise Price in effect on the day immediately prior to such date by (B) a fraction, the numerator of which shall be the sum of (1) the number of shares of Common Stock outstanding on such date and (2) the number of shares of Common Stock purchasable at the then Current Market Price per share with the aggregate consideration receivable by the Company for the total number of shares of Common Stock so issued (or into which the Convertible Securities may convert), and the denominator of which shall be the sum of (x) the number of shares of Common Stock outstanding on such date and (y) the number of additional shares of Common Stock issued (or into which the Convertible Securities may convert).

An adjustment made pursuant to this Section 6(b) shall be made on the next business day following the date on which any such issuance is made and shall be effective retroactively to the close of business on the date of such issuance. For purposes of this Section 6(b), the aggregate consideration receivable by the Company in connection with the issuance of shares of Common Stock or of Convertible Securities shall be deemed to be equal to the sum of the aggregate offering price (before deduction of underwriting discounts or commissions and expenses payable to third parties) of all such Common Stock and Convertible Securities plus the minimum aggregate amount, if any, payable upon exercise or conversion of any such Convertible Securities. The issuance or reissuance of any shares of Common Stock (whether treasury shares or newly issued shares) pursuant to (i) a dividend or distribution on, or subdivision, combination or reclassification of, the outstanding shares of Common Stock requiring an adjustment in the Exercise Price pursuant to Section 6(a), or (ii) any stock option plan, stock purchase plan or other benefit program of the Company or executive compensation package approved by the Company's Board of Directors involving the grant of options to employees or directors of the Company shall not be deemed to constitute an issuance of Common Stock or Convertible Securities by the Company to which this Section 6(b) applies. Upon the expiration unexercised of any Convertible Securities for which an adjustment has been made pursuant to this Section 6(b), the adjustments shall forthwith be reversed to effect such rate of conversion as would have been in effect at the time of such expiration or termination had such Convertible Securities, to the extent outstanding immediately prior to such expiration or termination, never been issued.

"Current Market Price", when used with reference to shares of the Common Stock or another security on any date, shall mean the average of the daily closing prices per share of such Common Stock or other security for the 20 preceding trading days. If the Common Stock or such other securities are listed or admitted to trading on a national securities exchange, the closing price shall be the last sale price, regular way, or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the New York Stock Exchange or, if the Common Stock or such other securities are not listed or admitted to trading on the New York Stock Exchange, as reported in the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which the Common Stock or such other securities are listed or admitted to trading or, if the Common Stock or such other securities are not so listed on any national securities exchange, as reported in the transaction reporting system applicable to securities designated as a "national market system security" or NASDAQ. If the Common Stock or such other securities are not publicly held or so listed or designated, "Current Market Price" shall mean the Fair Market Value (as defined below) per share of Common Stock or of such other securities as determined in good faith by the

Board of Directors of the Company based on an opinion of an independent investment banking firm with an established national reputation with respect to the valuation of securities.

"Fair Market Value" shall mean, as to shares of Common Stock or any other securities of the Company or any other issuer which are publicly traded, the Current Market Prices of such shares or securities. The "Fair Market Value" of any security which is not publicly traded or of any other property shall mean the fair value thereof as determined by an independent investment banking or appraisal firm experienced in the valuation of such securities or property selected in good faith by the Board of Directors of the Company.

(c) In case the Company shall at any time or from time to time after the date hereof declare, order, pay or make a dividend or other distribution (including, without limitation, any distribution of stock or other securities or property or Convertible Securities of the Company or any of its Subsidiaries by way of dividend or spinoff), on its Common Stock, then, and in each such case, the Exercise Price shall be adjusted by multiplying (1) the applicable Exercise Price on the day immediately prior to the record date fixed for the determination of stockholders entitled to receive such dividend or distribution by (2) a fraction, the numerator of which shall be the Current Market Price of the Common Stock less the Fair Market Value of such dividend or distribution (per share of Common Stock), and the denominator of which shall be such average Current Market Price of the Common Stock. If any dividend or distribution is declared or ordered and a Closing Date is before the record date for such dividend or distribution, then no adjustment in respect thereof shall be made to the Exercise Price with respect to the Option Shares acquired on such Closing Date.

(d) For purposes of this Section 6, the number of shares of Common Stock at any time outstanding shall not include any shares of Common Stock then owned or held by or for the account of the Company.

(e) The term "dividend," as used in this Section 6, shall mean a dividend or other distribution in respect of shares of Common Stock of the Company.

(f) Anything in this Section 6 to the contrary notwithstanding, the Company shall not be required to give effect to any adjustment in the Exercise Price unless and until the net effect of one or more adjustments (each of which shall be carried forward), determined as above provided, shall have resulted in a change of the Exercise Price by at least one percent, and when the cumulative net effect of more than one adjustment so determined shall be to change the Exercise Price by at least one percent, such change in Exercise Price shall thereupon be given effect.

(g) The certificate of any firm of independent public accountants

of recognized national standing selected by the Board of Directors of the Company (which may be the firm of independent public accountants regularly employed by the Company) shall be presumptively correct for any computation made under this Section 6.

7. Registration Rights. Contemporaneously herewith, Purchaser and the Company are entering into a Registration Rights Agreement providing for registration of the Option Shares.

8. Listing. If the Common Stock or any other securities to be acquired upon exercise of the Option are then listed on any national securities exchange, the Company, upon the request of Purchaser, will promptly file an application to list the Option Shares or other securities to be acquired upon exercise of the Option on all such exchanges and will use its best efforts to obtain approval of such listings as soon as practicable.

9. Survival. The representations, warranties, covenants and agreements of the parties hereto shall survive any Closing.

10. Severability. Any term, provision, covenant or restriction contained in this Second Option Agreement held by a court or other Governmental Authority of competent jurisdiction to be invalid, void or unenforceable shall be ineffective to the extent of such invalidity, voidness or unenforceability, but neither the remaining terms, provisions, covenants or restrictions contained in this Second Option Agreement nor the validity or enforceability thereof in any other jurisdiction shall be affected or impaired thereby. Any term, provision, covenant or restriction contained in this Second Option Agreement that is so found to be so broad as to be unenforceable shall be interpreted to be as broad as is enforceable.

11. Entire Agreement. This Second Option Agreement, the First Option Agreement, the Purchase Agreement (including the documents and the instruments referred to therein or delivered in connection therewith) and the Registration Rights Agreement constitute the entire agreement between the parties and supersede all prior agreements and understandings, agreements or representations by or between the parties, written and oral, with respect to the subject matter hereof and thereof.

12. Successors; No Third Party Beneficiaries. The terms and conditions of this Second Option Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. Nothing in this Second Option Agreement, expressed or implied, is intended to confer upon any party, other than the parties hereto, and their respective successors and assigns, any rights, remedies,

obligations, or liabilities under or by reason of this Second Option Agreement, except as expressly provided herein.

13. Notices. All notices or other communications which are required or permitted hereunder shall be in writing and sufficient if delivered in accordance with Section 8.5 of the Purchase Agreement (which is incorporated herein by reference).

14. Further Assurances. In the event of any exercise of the Option by Purchaser, the Company and Purchaser shall execute and deliver all other documents and instruments and take all other action that may be reasonably necessary in order to consummate the transactions provided for by such exercise.

15. Specific Performance. The parties hereto agree that if for any reason Purchaser or the Company shall have failed to perform its obligations under this Second Option Agreement, then either party hereto seeking to enforce this Second Option Agreement against such non-performing party shall be entitled to specific performance and injunctive and other equitable relief, and the parties hereto further agree to waive any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief. This provision is without prejudice to any other rights that either party hereto may have against the other party hereto for any failure to perform its obligations under this Second Option Agreement.

16. Governing Law. This Second Option Agreement shall be governed by the laws of the State of Delaware, without giving effect to the conflict of laws principles thereof. Each party hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of Delaware and of the United States of America located in Wilmington, Delaware, for any Litigation (and agrees not to commence any Litigation except in any such court). Each party hereby irrevocably and unconditionally waives any objection to the laying of venue of any Action in the courts of the State of Delaware or of the United States of America located in Wilmington, Delaware, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any Action brought in any such court has been brought in an inconvenient forum.

17. Regulatory Approvals; Section 16(b). If, in connection with the exercise of the Option under Section 3, prior notification to or approval of any Governmental Authority is required, then the required notice or application for approval shall be promptly filed and/or expeditiously processed by the Company and periods of time that otherwise would run pursuant hereto (if any) shall run instead from the date on which any such required notification period has expired or been terminated or such approval has been obtained, and in either event, any requisite waiting period shall have passed. Periods of time that

otherwise would run pursuant to this Second Option Agreement shall also be extended to the extent necessary in order to avoid liability under Section 16(b) of the Exchange Act.

18. Waiver and Amendment. Any provision of this Second Option Agreement may be waived in writing at any time by the party that is entitled to the benefits of such provision. This Second Option Agreement may not be modified, amended, altered or

supplemented except upon the execution and delivery of a written agreement executed by the parties hereto.

IN WITNESS WHEREOF, each of the parties hereto has executed this Second Option Agreement as of the date first written above.

PURCHASER:

M & M NOMINEE L.L.C.

By: /s/ Peter Streinger

Name: Peter Streinger
Title: Manager

THE COMPANY:

THE UNIMARK GROUP, INC.

By: /s/ Rafael Vaquero Bazan

Name: Rafael Vaquero Bazan
Title: President, Chief Executive Officer and Chief Operating Officer

EXHIBIT 99.6

REGISTRATION RIGHTS AGREEMENT

REGISTRATION RIGHTS AGREEMENT, dated as of July 17, 1998 (this "Agreement"), by and between THE UNIMARK GROUP, INC., a Texas corporation (the "Company"), and M & M Nominee L.L.C., a Delaware limited liability company (the "Investor").

1. Background. The Company and the Investor have entered into a Purchase Agreement, dated as of the date hereof (the "Purchase Agreement"). In order to induce the Investor to enter into and consummate the transactions contemplated by the Purchase Agreement, the Company has agreed to provide the registration rights set forth in this Agreement. The execution and delivery of this Registration Rights Agreement is a condition to the execution and delivery of, and Closing under, the Purchase Agreement.

2. Definitions. Capitalized terms used but not defined herein shall have the respective meanings given to them in the Purchase Agreement. As used herein, unless the context otherwise requires, the following terms have the following respective meanings:

"Option Shares" means the shares of Common Stock or other equity securities issued or issuable upon exercise of either the First Option or the Second Option.

"Incidental Registration" is defined in Section 3.2.

"Participating Holders" means the holders of Registrable Securities participating in the particular registration.

"Registration Expenses" means all expenses incident to the Company's performance of or compliance with Section 3, including, without limitation, all registration, filing and applicable fees of the Commission, stock exchange or NASD registration and filing fees and all listing fees and fees with respect to the inclusion of securities in NASDAQ (as defined in Section 3.3(j)), all fees and expenses of complying with state securities or blue sky laws (including fees and disbursements of counsel to the underwriters or the Participating Holders in connection with "blue sky" qualification of the Registrable Securities and determination of their eligibility for investment under the laws of the various jurisdictions), all word processing, duplicating and printing expenses, all messenger and delivery expenses, the fees and disbursements of counsel for the Company and of its independent public accountants including the expenses of "cold comfort" letters required by or

incident to such registration, all fees and disbursements of underwriters customarily paid by issuers or sellers of securities, all transfer taxes, and the

fees and expenses of one counsel to the Participating Holders (selected by the Requisite Percentage of Participating Holders); provided, however, that Registration Expenses shall exclude and the Participating Holders shall pay underwriters' fees and underwriting discounts and commissions in respect of the Registrable Securities being registered.

"Registrable Securities" means (i) any Primary Shares, (ii) any Option Shares and (iii) any shares purchased from certain executives of the Company pursuant to the Shareholders Agreement, dated as of the date hereof, by and among the Investor, Rafael Vaquero Bazan and Fernando Camacho Casas. As to any particular Registrable Securities, such securities shall cease to be Registrable Securities (a) when a registration statement with respect to the sale of such securities shall have become effective under the Securities Act and such securities shall have been disposed of in accordance with such registration statement, (b) when such securities shall have been otherwise transferred, new certificates for them not bearing a legend restricting further transfer under the Securities Act shall have been delivered by the Company and subsequent public distribution of them shall not require registration of them under the Securities Act, (c) when such securities are sold pursuant to Rule 144 (or similar rule adopted by the Commission) under the Securities Act, or (d) when such securities cease to be outstanding.

"Requested Registration" is defined in Section 3.1(a).

"Requisite Percentage of Outstanding Holders" mean the holders of Registrable Securities who hold 33% or more of the total Option Shares and Primary Shares (counted as a single group) that are then outstanding (assuming that the then exercisable portion of the First Option (if any) and the then exercisable portion of the Second Option (if any) had been exercised for Option Shares).

"Requisite Percentage of Participating Holders" means Participating Holders of Registrable Securities who hold a majority of the total Option Shares and Primary Shares (counted as a single group) that are then be held by all Participating Holders (assuming that the then exercisable portion of the First Option (if any) and the then exercisable portion of the Second Option (if any) had been exercised for Option Shares).

3. Registration Under Securities Act, etc.

3.1 Requested Registrations.

(a) Request for Registration. Subject to the limitations imposed by Sections 3.1(c), at any time and from time to time, one or more holders of Registrable Securities representing the Requisite Percentage

of Outstanding Holders shall have the right to require the Company to file a registration statement under the Securities Act

covering all or any part of their respective Registrable Securities, by delivering a written request therefor to the Company specifying the number and amount of Registrable Securities and the intended method of distribution thereof. Any such request pursuant to this Section 3.1(a) is referred to herein as a "Requested Registration." The Company shall give prompt written notice of each Requested Registration to all other holders of record of Registrable Securities, and thereupon the Company shall use its best efforts to effect the registration under the Securities Act so as to permit promptly the sale, in accordance with the intended method of distribution, of the Registrable Securities which the Company has been so requested to register in the Requested Registration and all other Registrable Securities which the Company has been requested to register by the holders thereof by written request given to the Company within 30 days after the giving of such written notice by the Company.

(b) Registration of Other Securities. Whenever the Company shall effect a registration pursuant to this Section 3.1 in connection with an underwritten offering by one or more Participating Holders of Registrable Securities, no securities other than Registrable Securities shall be included among the securities covered by such registration unless (i) Participating Holders representing the Requisite Percentage of Participating Holders shall have consented in writing to the inclusion therein of such other securities and (ii) such inclusion shall be permitted only to the extent that it is pursuant to and subject to the terms of the underwriting agreement or arrangements and the inclusion of such securities will not have a material adverse effect on the offering (including, without limitation, on the pricing of the offering).

(c) Limitations on Requested Registrations; Expenses. The rights of holders of Registrable Securities to request Requested Registrations pursuant to Section 3.1(a) are subject to the following limitations: (i) the Company shall not be obligated to effect a Requested Registration having an aggregate anticipated offering price of less than U.S.$2,000,000 unless such offering shall cover all remaining Registrable Securities; (ii) the offering of Registrable Securities requested to be registered pursuant to Section 3.1(a) shall be pursuant to a firm commitment underwritten offering; (iii) the Company shall not be obligated to effect a Requested Registration within six months after the effective date of any other registration of securities (other than pursuant to a registration on Form S-8 or any successor or similar form which is then in effect); and (iv) the Company will pay all Registration Expenses only in connection with the first three Requested Registrations of Registrable Securities pursuant to this Section 3.1 that have become effective under the Securities Act.

(d) Registration Statement Form. Registrations under this Section 3.1 shall be on Form S-3 or any successor form, if permitted, or such appropriate registration form of the Commission as shall be selected by the Company and as shall be

reasonably acceptable to the Requisite Percentage of Participating Holders. The Company agrees to include in any such registration statement all information which, in the opinion of counsel to the Participating Holders and counsel to the Company, is required to be included.

(e) Effective Registration Statement. A registration requested pursuant to this Section 3.1 shall not be deemed to have been effected (including for purposes of paragraph (c) of this Section 3.1) (i) unless a registration statement with respect thereto has become effective and has been kept continuously effective for a period of at least 90 days (or such shorter period which shall terminate when all the Registrable Securities covered by such registration statement have been sold pursuant thereto), (ii) if, after it has become effective, such registration is interfered with by any stop order, injunction or other order or requirement of the Commission or other Governmental Authority or court for any reason not attributable to the Participating Holders and has not thereafter become effective, or (iii) if the conditions to closing specified in the underwriting agreement, if any, entered into in connection with such registration are not satisfied or waived, other than by reason of a failure on the part of the Participating Holders.

(f) Selection of Underwriters. The managing underwriter or underwriters of each underwritten offering of the Registrable Securities so to be registered shall be selected by the Requisite Percentage of Participating Holders (and shall be reasonably acceptable to the Company).

(g) Cutbacks in Requested Registration. If the managing underwriter of any underwritten offering shall advise the Participating Holders in such offering that the Registrable Securities covered by the registration statement cannot be sold in such offering within a price range acceptable to the Requisite Percentage of Participating Holders, then the Participating Holders representing the Requisite Percentage of Participating Holders shall have the right to notify the Company in writing that they have determined that the registration statement be abandoned or withdrawn, in which event the Company shall abandon or withdraw such registration statement (and, at the option of the Requisite Percentage of Participating Holders, the Participating Holders shall either (i) reimburse the Company for its expenses incurred in connection with such abandoned or withdrawn registration statement or (ii) allow the Company to count such abandoned or withdrawn registration statement as one of the three Requested Registrations under Section 3.1(c)(iv)).

If the managing underwriter of any underwritten offering shall advise the Company in writing (with a copy to each Participating Holder) that, in its opinion, the number of securities requested to be included in such registration exceeds the number which can be sold in such offering within a price range acceptable to the Requisite Percentage of Participating Holders, the Company will include in such

registration, to the extent of the number which the Company is so advised can be sold in such offering, Registrable Securities requested to be included in such registration, pro rata among the Participating Holders requesting such registration in accordance with the number of Primary Shares and Option Shares held by (or issuable to) each such Participating Holder so requested to be registered, and any securities of the Company included in such registration pursuant to Section 3.1(b) shall be reduced proportionately.

(h) Postponement. The Company shall be entitled once in any six-month period to postpone for a reasonable period of time (but not exceeding 90 days) the filing of any registration statement required to be prepared and filed by it pursuant to this Section 3.1 if the Company determines, in its reasonable judgment, that such registration and offering would interfere with any financing, corporate reorganization or other material transaction or development involving the Company or any subsidiary or would require premature disclosure thereof, and promptly gives the holders of Registrable Securities requesting registration thereof pursuant to this Section 3.1 written notice of such determination, containing a statement of the reasons for such postponement and an approximation of the anticipated delay. If the Company shall so postpone the filing of a registration statement, the Participating Holders representing the Requisite Percentage of Participating Holders shall have the right to withdraw the request for registration by giving written notice to the Company within 20 days after receipt of the notice of postponement and, in the event of such withdrawal, such request shall not be counted toward the number of Requested Registrations (including for purposes of paragraph (c) of this Section 3.1).

3.2 Incidental Registration.

(a) Incidental Registration. If, at any time, the Company proposes or is required to register any of its equity securities or securities convertible into or exchangeable for equity securities under the Securities Act (other than pursuant to registrations on such form or similar form(s) solely for registration of securities in connection with an employee benefit plan or dividend reinvestment plan) (an "Incidental Registration"), the Company will give prompt written notice to all holders of record of Registrable Securities of its intention to so register its securities and of such holders' rights under this Section 3.2. Upon the written request of any holder of Registrable Securities made within 20 days following the receipt of any such

written notice (which request shall specify the maximum number of Registrable Securities intended to be disposed of by such holder and the intended method of distribution thereof), the Company will use its best efforts to effect the registration under the Securities Act of all Registrable Securities which the Company has been so requested to register by the holders thereof together with any other securities the Company is obligated to register pursuant to incidental registration rights of other security holders of the Company. No registration

effected under this Section 3.2 shall relieve the Company of its obligation to effect any Requested Registration under Section 3.1.

(b) Abandonment or Delay. If, at any time after the Company has giving written notice of its intention to register any securities and prior to the effective date of the registration statement filed in connection with such registration, the Company shall determine not to register or to delay registration of such securities, the Company may, at its election, give written notice of such determination and its reasons therefor to all holders of record of Registrable Securities and (i) in the case of a determination not to register, shall be relieved of its obligation to register any Registrable Securities in connection with such registration (but not from any obligation of the Company to pay the Registration Expenses in connection therewith) , without prejudice, however, to the rights of any holder or holders of Registrable Securities entitled to do so to request that such registration be effected as a registration under Section 3.1, and (ii) in the case of a determination to delay registering, shall be permitted to delay registering any Registrable Securities for the same period as the delay in registering such other securities.

(c) Holder's Right to Withdraw. Each holder of Registrable Securities shall have the right to withdraw its request for inclusion of its Registrable Securities in any registration statement pursuant to this Section 3.2 at any time by giving written notice to the Company of its request to withdraw.

(d) Unlimited Number of Registrations; Expenses. There is no limitation on the number of Incidental Registrations which the Company is obligated to effect pursuant to this Section 3.2. The Company will pay all Registration Expenses in connection with any registration of Registrable Securities requested pursuant to this Section 3.2.

(e) Underwriters' Cutback in Incidental Registrations. If the managing underwriter of any underwritten offering shall inform the Company by letter of its belief that the number of Registrable Securities requested to be included in such registration would materially adversely affect such offering, then the Company will include in such

registration, first, the securities proposed by the Company to be sold for its own account and, second, the Registrable Securities and all other securities of the Company to be included in such registration to the extent of the number and type which the Company is so advised can be sold in (or during the time of) such offering, pro rata among the Participating Holders and such other holders requesting such registration in accordance with the number of Primary Shares and Option Shares held by (or issuable to) each Participating Holder and each such other holder so requested to be registered.

(f) Plan of Distribution. Any participation by holders of Registrable Securities in a registration by the Company shall be in accordance with the Company's plan of distribution.

3.3 Registration Procedures. If and whenever the Company is required to use its best efforts to effect the registration of any Registrable Securities under the Securities Act as provided in Sections 3.1 or 3.2 hereof, the Company will as expeditiously as possible:

(a) prepare and file with the Commission as soon as practicable the requisite registration statement to effect such registration (and shall include all financial statements required by the Commission to be filed therewith) and thereafter use its best efforts to cause such registration statement to become effective; provided, however, that before filing such registration statement (including all exhibits) or any amendment or supplement thereto or comparable statements under securities or blue sky laws of any jurisdiction, the Company shall furnish such documents to the Participating Holders, their counsel, and each underwriter, if any, participating in the offering of the Registrable Securities and its counsel; and provided, further, however, that the Company may discontinue any registration of its securities which are not Registrable Securities at any time prior to the effective date of the registration statement relating thereto;

(b) notify each Participating Holder of the Commission's requests for amending or supplementing the registration statement and the prospectus, and prepare and file with the Commission such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective and to comply with the provisions of the Securities Act with respect to the disposition of all Registrable Securities covered by such

registration statement for such period as shall be required for the disposition of all of such Registrable Securities, provided, that such period need not exceed 90 days;

(c) furnish, without charge, to each Participating Holder such number of conformed copies of such registration statement and of each such amendment and supplement thereto (in each case including all exhibits), such number of copies of the prospectus contained in such registration statement (including each preliminary prospectus and any summary prospectus) and any other prospectus filed under Rule 424 under the Securities Act, in conformity with the requirements of the Securities Act,

and such other documents, as such Participating Holder may reasonably request;

(d) use its best efforts (i) to register or qualify all Registrable Securities and other securities covered by such registration statement under such securities or blue sky laws of such States of the United States of America where an exemption is not available and as the Participating Holders shall reasonably request, (ii) to keep such registration or qualification in effect for so long as such registration statement remains in effect, and (iii) to take any other action which may be reasonably necessary or advisable to enable such Participating Holders to consummate the disposition in such jurisdictions of the securities to be sold by such Participating Holders, except that the Company shall not for any such purpose be required to qualify generally to do business as a foreign corporation in any jurisdiction wherein it would not but for the requirements of this subsection (d) be obligated to be so qualified or to consent to general service of process in any such jurisdiction;

(e) use its best efforts to cause all Registrable Securities covered by such registration statement to be registered with or approved by such other federal or state or foreign governmental agencies or authorities as may be necessary in the opinion of counsel to the Company and counsel to the Participating Holders to consummate the disposition of such Registrable Securities;

(f) furnish to each Participating Holder and each underwriter, if any, participating in the offering of the securities covered by such registration statement, a signed counterpart of

(i) an opinion of outside counsel (or inside counsel if satisfactory to each underwriter) for the Company, and

(ii) a "comfort" letter signed by the independent public accountants who have certified the Company's financial statements included or incorporated by reference in such registration statement,

covering substantially the same matters with respect to such registration statement (and the prospectus included therein) and, in the case of the accountants' comfort letter, with respect to events subsequent to the date of such financial statements, as are customarily covered in opinions of issuer's counsel and in accountants' comfort letters delivered to the underwriters in underwritten public offerings of securities (and dated the dates such

opinions and comfort letters are customarily dated) and, in the case of the legal opinion, such other legal matters, and, in the case of the accountants' comfort letter, such other financial matters, as the Requisite Percentage of Participating Holders, or the underwriters, may reasonably request;

(g) promptly notify each Participating Holder and each managing underwriter, if any, participating in the offering of the securities covered by such registration statement (i) when such registration statement, any pre-effective amendment, the prospectus or any prospectus supplement related thereto or post-effective amendment to such registration statement has been filed, and, with respect to such registration statement or any post-effective amendment, when the same has become effective; (ii) of any request by the Commission for amendments or supplements to such registration statement or the prospectus related thereto or for additional information; (iii) of the issuance by the Commission of any stop order suspending the effectiveness of such registration statement or the initiation of any proceedings for that

purpose; (iv) of the receipt by the Company of any notification with respect to the suspension of the qualification of any of the Registrable Securities for sale under the securities or blue sky laws of any jurisdiction or the initiation of any proceeding for such purpose; (v) at any time when a prospectus relating thereto is required to be delivered under the Securities Act, upon discovery that, or upon the happening of any event as a result of which, the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading, in the light of the circumstances under which they were made, and in the case of this clause (v), at the request of any Participating Holder, promptly prepare and furnish to it and each managing underwriter, if any, participating in the offering of the Registrable Securities a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such securities, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances under which they were made; and (vi) at any time when the representations and warranties of the Company contemplated by Section 3.4(a) hereof cease to be true and correct;

(h) otherwise comply with all applicable rules and regulations of the Commission, and make available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least

twelve months beginning with the first full calendar month after the effective date of such registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 promulgated thereunder, and promptly furnish to each such Participating Holder a copy of any amendment or supplement to such registration statement or prospectus;

(i) provide and cause to be maintained a transfer agent and registrar (which, in each case, may be the Company) for all Registrable Securities covered by such registration statement from and after a date not later than the effective

date of such registration;

(j) use its best efforts to cause all Registrable Securities covered by such registration statement to be listed on a national securities exchange or to secure designation of all such Registrable Securities as a National Association of Securities Dealers, Inc. Automated Quotation System ("NASDAQ") "national market system security" within the meaning of Rule 11Aa2-1 of the Commission, in each case to the extent the shares of the Company's Common Stock are so listed or designated;

(k) deliver promptly to counsel to the Participating Holders and each underwriter, if any, participating in the offering of the Registrable Securities, copies of all correspondence between the Commission and the Company, its counsel or auditors and all memoranda relating to discussions with the Commission or its staff with respect to such registration statement;

(1) make every reasonable effort to obtain the withdrawal of any order suspending the effectiveness of the registration statement;

(m) provide a CUSIP number for all Registrable Securities, no later than the effective date of the registration statement; and

(n) make available its employees and personnel and otherwise provide reasonable assistance to the underwriters (taking into account the needs of the Company's businesses) in their marketing of Registrable Securities.

The Company may require each Participating Holder as to the Registrable Securities of whom any registration is being effected to furnish the Company such information regarding such holder and the distribution of such securities as the Company may from time to time reasonably request in writing.

Each holder of Registrable Securities agrees that upon receipt of any notice from the Company of the happening of any event of the kind described in subsection (g) (iii) or (v) of this Section 3.3, the Participating Holder will forthwith discontinue such holder's disposition of Registrable Securities pursuant to the registration statement relating to such Registrable Securities until, in the case of subsection (g)(iii) of this Section 3.3, such stop order is removed or proceedings therefor terminated, and, in the case of subsection (g)(v) of this Section 3.3, such holder's receipt of the copies of

the supplemented or amended prospectus contemplated by subsection (g)(v) of this Section 3.3 and, if so directed by the Company, will deliver to the Company (at the Company's expense) all copies, other than permanent file copies, then in such holder's possession, of the prospectus relating to such Registrable Securities current at the time of receipt of such notice.

3.4 Underwritten Offerings.

(a) Requested Underwritten Offerings. If requested by the underwriters for any underwritten offering by Participating Holders pursuant to a registration requested under Section 3.1, the Company will use its best efforts to enter into an underwriting agreement with such underwriters for such offering, such agreement to be reasonably satisfactory in substance and form to the Company, each such holder and the underwriters and to contain such representations and warranties by the Company and such other terms as are generally prevailing in agreements of that type, including, without limitation, indemnities to the effect and to the extent provided in Section 3.6 hereof. The Participating Holders will cooperate with the Company in the negotiation of the underwriting agreement and will give consideration to the reasonable suggestions of the Company regarding the form thereof. The Participating Holders shall be parties to such underwriting agreement and may, at their option, require that any or all of the representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of such underwriters shall also be made to and for the benefit of the Participating Holders and that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement be conditions precedent to the obligations of the Participating Holders. No Participating Holder shall be required to make any representations or warranties to or agreements with the Company or the underwriters other than representations, warranties or agreements regarding such holder, such holder's ownership of and title to the Registrable Securities, such holder's intended method of distribution and any other representations required by law, and any liability of the Participating Holder to any underwriter or other person under such underwriting agreement shall be limited to liability arising from misstatements in or omissions from its representations and warranties and shall be limited to an amount equal to the net proceeds that the Participating Holder derives from such registration.

(b) Incidental Underwritten Offerings. If the Company proposes to register any of its securities under the Securities Act as contemplated by Section 3.2 hereof and such securities are to be distributed by or through one or more underwriters, the Company will, if requested by any Participating Holder, use its best efforts to arrange for such underwriters to include all the Registrable Securities to be offered and sold by such Participating Holder among the securities of the Company to be distributed by

such underwriters. The Participating Holders shall be parties to the underwriting agreement between the Company and such underwriters and may, at their option, require that any or all of the representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of such underwriters shall also be made to and for the benefit of such Participating Holders and that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement be conditions precedent to the obligations of such Participating Holders. No Participating Holder shall be required to make any representations or warranties to or agreements with the Company or the underwriters other than representations, warranties or agreements regarding such holder, such holder's ownership of and title to the Registrable Securities, such holder's intended method of distribution and any other representations required by law, and any liability of the Participating Holder to any underwriter or other person under such underwriting agreement shall be limited to liability arising from misstatements in or omissions from its representations and warranties and shall be limited to an amount equal to the net proceeds that the Participating Holder derives from such registration.

3.5 Preparation; Reasonable Investigation. In connection with the preparation and filing of each registration statement under the Securities Act pursuant to this Agreement, the Company will give the Participating Holders, their underwriters, if any, and their respective counsel and accountants the opportunity to participate in the preparation of such registration statement, each prospectus included therein or filed with the Commission, and, to the extent practicable, each amendment thereof or supplement thereto, and give each of them such access to its books and records and such opportunities to discuss the business of the Company with its officers and employees and the independent public accountants who have certified its financial statements as shall be necessary, in the opinion of such holders' and such underwriters' respective counsel, to conduct a reasonable investigation within the meaning of the Securities Act.

3.6 Indemnification.

(a) Indemnification by the Company. In the event of any registration of any securities of the Company under the Securities Act, the Company will, and hereby does, indemnify and hold harmless, to the fullest extent permitting by law, each Participating Holder, its directors, officers, partners, agents and affiliates or general and limited partners (and the directors, officers, employees, stockholders and affiliates

thereof), and each other Person who participates as an underwriter in the offering or sale of such securities and each other Person, if any, who

controls such Participating Holder or any such underwriter within the meaning of the Securities Act, against any losses, claims, damages, or liabilities, joint or several (or actions or proceedings, whether commenced or threatened) to which such Participating Holder or any such director, officer, partner, agent or affiliate or underwriter or controlling person may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities, joint or several (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any registration statement under which such securities were registered under the Securities Act, any preliminary prospectus, final prospectus or summary prospectus contained therein, or any amendment or supplement thereto, together with the documents incorporated by reference therein, or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein in light of the circumstances in which they were made not misleading, and the Company will reimburse such Participating Holder and each such director, officer, partner, agent or affiliate, or general or limited partner, underwriter and controlling Person for any legal or any other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, liability, action or proceeding; provided, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage, liability (or action or proceeding in respect thereof) or expense arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in such registration statement, any such preliminary prospectus, final prospectus, summary prospectus, amendment or supplement in reliance upon and in conformity with written information furnished to the Company through an instrument duly executed by or on behalf of such Participating Holder or underwriter, as the case may be, specifically stating that it is for use in the preparation thereof; and provided, further, that the Company shall not be liable to any Person who participates as an underwriter in the offering or sale of Registrable Securities or any other Person, if any, who controls such underwriter within the meaning of the Securities Act, in any such case to the extent that any such loss, claim, damage, liability (or action or proceeding in respect thereof) or expense arises out of such Person's failure to send or give a copy of the final prospectus, as the same may be then supplemented or amended, to the Person asserting an untrue statement or alleged untrue statement or omission or alleged omission at or prior to the written confirmation of the sale of Registrable Securities to such Person if such statement or omission was corrected in such final prospectus. Such indemnity shall remain in full force regardless of any investigation made by or on behalf of such Participating Holder or any such director, officer, partner, agent or affiliate or controlling Person and shall survive the transfer of such securities by such Participating Holder.

(b) Indemnification by the Participating Holders. As a condition to including any Registrable Securities in any

registration statement, the Company shall have received an undertaking satisfactory to it from the Participating Holders to indemnify and hold harmless (in the same manner and to the same extent as set forth in subsection (a) of this Section 3.6) the Company, each director and officer of the Company, and each other Person, if any, who controls the Company within the meaning of the Securities Act, with respect to any statement or alleged statement in or omission or alleged omission from such registration statement, any preliminary prospectus, final prospectus or summary prospectus contained therein, or any amendment or supplement thereto, but only if such statement or alleged statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company through an instrument duly executed by such Participating Holder specifically stating that it is for use in the preparation of such registration statement, preliminary prospectus, final prospectus, summary prospectus, amendment or supplement; provided, however, that the liability of such indemnifying party under this Section 3.6(b) shall be limited to the amount of net proceeds received by such indemnifying party in the offering giving rise to such liability. Such indemnity shall remain in full force and effect, regardless of any investigation made by or on behalf of the Company or any such director, officer or controlling person and shall survive the transfer of such securities by the Participating Holder.

(c) Notices of Claims, etc. Promptly after receipt by an indemnified party of notice of the commencement of any action or proceeding involving a claim referred to in the preceding subsections of this Section 3.6, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party, give written notice to the latter of the commencement of such action or proceeding; provided, however, that the failure of any indemnified party to give notice as provided herein shall not relieve the indemnifying party of its obligations under the preceding subsections of this Section 3.6, except to the extent that the indemnifying party is materially prejudiced by such failure to give notice, and shall not relieve the indemnifying party from any liability which it may have to the indemnified party otherwise than under this Section 3.6. In case any such action or proceeding is brought against an indemnified party, the indemnifying party shall be entitled to participate therein and, unless in the opinion of outside counsel to the indemnified party a conflict of interest between such indemnified and indemnifying parties may exist in respect of such claim, to assume the defense thereof, jointly with any other indemnifying party similarly notified to the extent that it may wish, with counsel reasonably satisfactory to such indemnified party; provided, however, that if the defendants in any such action or proceeding include both the indemnified party and the indemnifying party and if in the opinion of outside counsel to the indemnified party there may be legal defenses available to such indemnified party

and/or other indemnified parties which are different from or in addition to those available to the indemnifying party, the indemnified party or parties

shall have the right to select separate counsel to defend such action or proceeding on behalf of such indemnified party or parties, provided, further, that the indemnifying party shall be obligated to pay for only one counsel for all indemnified parties. After notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof and approval by the indemnified party of such counsel, the indemnifying party shall not be liable to such indemnified party for any legal expenses subsequently incurred by the latter in connection with the defense thereof other than reasonable costs of investigation (unless the first proviso in the preceding sentence shall be applicable). No indemnifying party shall be liable for any settlement of any action or proceeding effected without its written consent. No indemnifying party shall, without the consent of the indemnified party, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation.

(d) Contribution. If the indemnification provided for in this Section 3.6 shall for any reason be held by a court to be unavailable to an indemnified party under subsection (a) or (b) hereof in respect of any loss, claim, damage or liability, or any action in respect thereof, then, in lieu of the amount paid or payable under subsection (a) or (b) hereof, the indemnified party and the indemnifying party under subsection (a) or (b) hereof shall contribute to the aggregate losses, claims, damages and liabilities (including legal or other expenses reasonably incurred in connection with investigating the same), (i) in such proportion as is appropriate to reflect the relative fault of the Company and the Participating Holders which resulted in such loss, claim, damage or liability, or action in respect thereof, with respect to the statements or omissions which resulted in such loss, claim, damage or liability, or action in respect thereof, as well as any other relevant equitable considerations or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as shall be appropriate to reflect not only the relative fault but also the relative benefits received by the Company and the Participating Holders from the offering of the securities covered by such registration statement as well as any other relevant equitable considerations. The parties hereto agree that it would not be just and equitable if contributions pursuant to this Section 3.6(d) were to be determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. The Participating Holders' obligations to contribute as provided in this subsection (d) are several and not joint in proportion to the relative value of their respective Registrable Securities covered by such registration statement. In

addition, no Person shall be obligated to contribute hereunder any amounts in

payment for any settlement of any action or claim effected without such Person's consent, which consent shall not be unreasonably withheld. Notwithstanding anything in this subsection (d) to the contrary, no indemnifying party (other than the Company) shall be required to contribute any amount in excess of the net proceeds received by such party from the sale of the Registrable Securities in the offering to which the losses, claims, damages or liabilities of the indemnified parties relate.

(e) Other Indemnification. Indemnification and contribution similar to that specified in the preceding subsections of this Section 3.6 (with appropriate modifications) shall be given by the Company and each Participating Holder with respect to any required registration or other qualification of securities under any federal or state law or regulation of any governmental authority other than the Securities Act. The indemnification agreements contained in this Section 3.6 shall be in addition to any other rights to indemnification or contribution which any indemnified party may have pursuant to law or contract and shall remain operative and in full force and effect regardless of any investigation made by or on behalf of any indemnified party and shall survive the transfer of any of the Registrable Securities by any of the Participating Holders.

(f) Indemnification Payments. The indemnification and contribution required by this Section 3.6 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or expense, loss, damage or liability is incurred.

3.7 Certain Rights of the Investor If Named in a Registration Statement. If any statement contained in a registration statement under the Securities Act or in any filing under the state securities laws of any jurisdiction refers to the Investor by name or otherwise as the holder of any securities of the Company, then the Investor shall have the right to require (i) the insertion therein of language, in form and substance satisfactory to the Investor, to the effect that the holding by the Investor of such securities does not necessarily make the Investor a "controlling person" of the Company within the meaning of the Securities Act and is not to be construed as a recommendation by the Investor of the investment quality of the Company's debt or equity securities covered thereby and that such holding does not imply that the Investor will assist in meeting any future financial requirements of the Company or (ii) in the event that such reference to the Investor by name or otherwise is not, in the reasonable judgment of the Investor as advised by its counsel, required by the Securities Act or any of the rules and regulations promulgated thereunder, or any state securities laws of any jurisdiction, the deletion of the reference to such Investor.

3.8 Unlegended Certificates. In connection with the offering of any Registrable Securities registered pursuant to this Article 3, the Company shall (i) facilitate the timely preparation and delivery to Participating Holders and the underwriters, if any, participating in such offering, of unlegended certificates representing ownership of such Registrable Securities being sold in such denominations and registered in such names as requested by such Participating Holders or such underwriters and (ii) instruct any transfer agent and registrar of such Registrable Securities to release any stop transfer orders with respect to any such Registrable Securities.

3.9 Limitation on Sale or Distribution of Other Securities. The Company hereby agrees that, if it shall previously have received a request for registration pursuant to Section 3.1 or 3.2 hereof, and if such previous registration shall not have been withdrawn or abandoned, (i) the Company shall not effect any public or private offer, sale or other distribution of its securities or effect any registration of any of its equity securities under the Securities Act (subject to the provisions of Section 3.2 hereof) (other than a registration on Form S-8 or any successor or similar form which is then in effect), whether or not for sale for its own account, until a period of 90 days (or such shorter period as the Requisite Majority of Participating Holders shall agree) shall have elapsed from the effective date of such previous registration (and the Company shall so provide in any registration rights agreements hereafter entered into with respect to any of its securities); and (ii) the Company shall use its best efforts to cause each holder of its equity securities purchased from the Company at any time after the date of this Agreement other than in a public offering to agree not to effect any public sale or distribution of any such securities during such period, including a sale pursuant to Rule 144 under the Securities Act.

3.10 No Required Sale. Nothing in this Agreement shall be deemed to create an independent obligation on the part of any Participating Holder to sell any Registrable Securities pursuant to any effective registration statement.

4. Rule 144. The Company shall take all actions reasonably necessary to enable holders of Registrable Securities to sell such securities without registration under the Securities Act within the limitation of the exemptions provided by (a) Rule 144, or (b) any similar rule or regulation hereafter adopted by the Commission including, without limiting the generality of the foregoing, filing on a timely basis all reports required to be filed by the Exchange Act. Upon the request of any holder of Registrable Securities, the Company will deliver to such holder a written statement as to whether it has complied with such requirements.

5. Amendments and Waivers. This Agreement may be amended with the consent of (i) the Company and (ii) the holders of at least 51% of the outstanding Primary

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Shares and Option Shares, as a group (assuming that the exercisable portion (if any) of the First Option and the exercisable portion (if any) of the Second Option are converted into Option Shares but excluding any Primary Shares or Option Shares that are no longer Registerable Securities). The Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, in each case only if the Company shall have obtained the written consent to such action or omission to act, of holders of at least 51% of the outstanding Primary Shares and Option Shares, as a group (assuming that the exercisable portion (if any) of the First Option and the exercisable portion (if any) of the Second Option are converted into Option Shares but excluding any Primary Shares or Option Shares that are no longer Registerable Securities). Each holder of any Registrable Securities at the time or thereafter outstanding shall be bound by any consent authorized by this Section 5, whether or not such Registrable Securities shall have been marked to indicate such consent.

6. Nominees for Beneficial Owners. In the event that any Registrable Securities are held by a nominee for the beneficial owner thereof, the beneficial owner thereof may, at its election in writing delivered to the Company (accompanied by a written acknowledgment of, and consent to, such election by such nominee), be treated as the holder of such Registrable Securities for purposes of any request or other action by any holder or holders of Registrable Securities pursuant to this Agreement or any determination of any number or percentage of shares of Registrable Securities held by any holder or holders of Registrable Securities contemplated by this Agreement. If the beneficial owner of any Registrable Securities so elects to be treated as the holder of such Registrable Securities, the Company may require assurances reasonably satisfactory to it of such owner's beneficial ownership of such Registrable Securities.

7. Notices. All communications provided for hereunder shall be personally delivered or sent by telecopier (and confirmed by telephone) or by a reputable overnight courier, and shall be addressed as follows:

(a) if to the Investor, addressed to it in the manner set forth in the Purchase Agreement, or at such other address as it shall have furnished to the Company in writing;

(b) if to any other holder of Registrable Securities, at the address that such holder shall have furnished to the Company in writing, or, until any such other holder so furnishes to the Company an address, then to and at the address of the last holder of such Registrable Securities who has furnished an address to the Company; or

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(c) if to the Company, addressed to it in the manner set forth in the Purchase Agreement, or at such other address as the Company shall have furnished to each holder of Registrable Securities at the time outstanding.

8. Assignment. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns. This Agreement may not be assigned by the Company. This Agreement and/or the registration and other rights contained herein (including these assignment rights) may be assigned by the Investor to any one or more transferees or distributees of all or part of such Investor's Registrable Securities. A holder of Registrable Securities shall be permitted, in connection with a transfer or disposition of Registrable Securities, to impose conditions or constraints on the ability of the transferee, as a holder of Registrable Securities, to request a registration pursuant to Section 3.1 and shall provide the Company with copies of such conditions or constraints and the identity of such transferees. Notwithstanding the foregoing, this Agreement and/or the registration and other rights contained herein may not be assigned to a transferee or distributee who, immediately following such transfer or distribution, owns less than one percent of the Company's outstanding Common Stock.

9. Remedies. Each holder of Registrable Securities, in addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, will be entitled to specific performance of its rights under this Agreement. The Company agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Agreement and hereby agrees to waive the defense in any action for specific performance that a remedy at law would be adequate. In any action or proceeding brought to enforce any provision of this Agreement (including the indemnification provisions thereof), the successful party shall be entitled to recover reasonable attorneys' fees in addition to its costs and expenses and any other available remedy.

10. No Inconsistent Agreements. The Company will not, on or after the date of this Agreement, enter into any agreement with respect to its securities which is inconsistent with the rights granted to the holders of Registrable Securities in this Agreement or otherwise conflicts with the provisions hereof. The Company has not previously entered into any agreement with respect to its securities granting any registration rights to any Person other than the registration rights granted pursuant to this Agreement. The rights granted to the holders of Registrable Securities hereunder do not in any way conflict with and are not inconsistent with any other agreements to which the Company is a party or by which it is bound. The Company further agrees that if any other registration rights agreement entered into after the date of this Agreement with respect to any of its securities contains terms which are more favorable to, or less

restrictive on, the other party thereto than the terms and conditions contained in this Agreement are (insofar as they are applicable) to the Investor, then the terms and conditions of this Agreement shall immediately be deemed to have been amended without further action by the Company or any of the holders of Registrable Securities so that such holders shall be entitled to the benefit of any such more favorable or less restrictive terms or conditions.

11. Descriptive Headings. The descriptive headings of the several sections and paragraphs of this Agreement are inserted for reference only and shall not limit or otherwise affect the meaning hereof.

12. Governing Law; Submission to Jurisdiction; Waiver of Jury Trial. This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the State of Delaware, without regard to the conflicts of laws principles thereof. Each of the parties hereto hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of Delaware and the United States of America located in Wilmington, Delaware for any action or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby (and agrees not to commence any action or proceeding relating thereto except in such courts). Each of the parties hereto hereby irrevocably and unconditionally waives any objection to the laying of venue of any action or proceeding arising out of this Agreement or the transactions contemplated hereby in the courts of the State of Delaware or the United States of America located in Wilmington, Delaware, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum. The Company hereby waives any right it may have to a trial by jury in respect of any action, proceeding or litigation directly or indirectly arising out of, under or in connection with, this Agreement.

13. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

THE UNIMARK GROUP, INC.

By: /s/ Rafael Vaquero Bazan

Name: Rafael Vaquero Bazan
Title: President, Chief Executive Officer and Chief Operating Officer

M & M NOMINEE L.L.C.

By: /s/ Peter Streinger

Name: Peter Streinger
Title: Manager

EXHIBIT 99.7

SHAREHOLDERS AGREEMENT

SHAREHOLDERS AGREEMENT (this "Shareholders Agreement") dated as of July 17, 1998, by and among M & M NOMINEE L.L.C., a Delaware limited liability company ("Purchaser"), Rafael Vaquero Bazan and Fernando Camacho Casas (collectively, the "Executives"). Certain terms used herein are defined in Section 10.

W I T N E S S E T H

WHEREAS, contemporaneously herewith and conditioned hereon, Purchaser and The UniMark Group, Inc. (the "Company") are entering into a Purchase Agreement (the "Purchase Agreement") providing for the issuance by the Company and the purchase by Purchaser of shares of common stock, par value $0.01 per share, of the Company (the "Common Stock"); and

WHEREAS, the Executives and Purchaser desire to provide for certain rights and restrictions with regard to their respective ownership of Common Stock.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

1. Restriction of Sale. (a) From the date hereof until the 18 month anniversary hereof, the Executives shall not sell, transfer, assign, exchange, pledge, encumber or otherwise dispose of (each, a "Transfer") any shares of Common Stock that they now own or hereafter acquire or grant any option or right to purchase such shares or any legal or beneficial interest therein, except in accordance with the provisions of this Shareholders Agreement. Notwithstanding the foregoing, nothing herein shall prevent either Executive from effecting a transfer of Common Stock if he is required to do so pursuant to either the Margin Agreement between Rafael Vaquero Bazan and Everen Securities, Inc. or the Margin Agreement between Fernando Camacho Casas and First London Securities Corporation.

(b) Notwithstanding the provisions of Section 1(a), the Executives may Transfer shares of Common Stock as follows:

(i) each Executive may sell up to 25% of his shares of Common Stock in a broadly distributed bona fide public offering of Common Stock pursuant to the Securities Act of 1933, as amended or in

regular broker transactions pursuant to Rule 144A promulgated thereunder;

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(ii) each Executive may Transfer his shares of Common Stock with the prior written consent of Purchaser; and

(iii) each Executive may Transfer his shares to a member of his immediate family;

provided, however, that in the case of clauses (ii) and (iii) the transferee in such Transfer agrees in writing to be bound by all the terms of this Shareholders Agreement (such transferee being herein referred to as the "Permitted Transferee") applicable to the Executive as if the Permitted Transferee originally had been a party hereto.

(c) From the date hereof until the first anniversary of the date hereof, Purchaser may not Transfer any shares of Common Stock except to an Affiliate of Purchaser who agrees to be bound by the provisions hereof as if such Affiliate transferee were originally a party hereto. At any time before, on or after the first anniversary hereof, Purchaser shall not transfer any shares of Common Stock to an Affiliate without causing such Affiliate to agree in writing to be bound by the provisions hereof as if such Affiliate were originally a party hereto.

2. Buy - Sell Arrangement. (a) At any time after the first anniversary of the date hereof, but only for so long as both a Governance Termination Event and a Principal Termination Event have not occurred, if either group believes, in its good faith judgment that a bona fide dispute exists between the Groups, then such Group (the "Initiating Group"), by written notice (the "Notice") to the other Group (the "Other Group"), may initiate a buy-sell option (the "Option") subject to the terms and conditions set forth below.

(b) The Initiating Group may initiate the Option only if the holders of at least 75% of its Specified Shares approve such initiation. All other actions taken with respect to the Option by a Group shall require the approval of the holders of at least a majority of its Specified Shares.

(c) The Notice shall specify a price per share (or other security) for all of the Specified Shares owned by the Other Group. The Other Group shall have the irrevocable Option to elect either (i) to sell (the "Sale Option") to the Initiating Group (or its designee) all of the Specified Shares owned by the Other Group at the date of receipt of the Notice (the "Receipt Date") at the price per share (or other security) set forth in the Notice or (ii) to purchase (the "Purchase Option") all of the Specified Shares owned by the Initiating Group on the Receipt Date at the price per share (or other security) set forth in the Notice. Such election, which shall be irrevocable, shall be

made by written notice from the Other Group to the Initiating Group within 15 days of the Receipt Date, provided however if the Other Group fails to duly make an election in this time period, it shall conclusively be deemed to have elected the Sale Option.

(d) The closing (the "Closing") of the purchase and sale under the Sale Option or the Purchase Option shall take place at the offices of the Company on a date specified in writing on at least 5 business days' notice by the Group purchasing the Specified Shares (the "Buying Group") to the Group selling its Specified Shares (the "Selling Group"), but in any event within 45 days of the Receipt Date (subject to adjournment if and to the extent necessary to obtain any necessary governmental approvals or to satisfy any legal waiting periods). The purchase price shall be payable by the Buying Group (or its designee) to the Selling Group in U.S. dollars in cash or immediately available funds at the Closing. At the Closing, the Selling Group shall transfer its Specified Shares to the Buying Group (or its designee) and shall deliver such Specified Shares to the Buying Group (or its designee), with appropriate instruments of transfer, free and clear of any lien, claim or encumbrance. Pending the Closing, the Specified Shares of the Selling Group shall be voted by the Buying Group, and appropriate proxies shall be promptly delivered to effectuate this agreement.

(e) Each Group shall execute and deliver such instruments and agreements, and shall take such actions, as may be reasonably requested by the other Group to carry out the purposes of this Section 2.

3. Agreement Not to Compete. (a) Each of the Executives agrees that for so long as he is employed by, or a director of, the Company or a subsidiary of the Company, and for 18 months thereafter, he will not (i) engage in any "Competitive Activity," as defined below, within the world (including, without limitation, anywhere in the United States of America) or (ii) directly or indirectly solicit for employment, including, without limitation, recommending to any subsequent employer the solicitation for employment of, any employee of the Company.

(b) Each of the Executives represents and agrees that he has not and, for so long as he is employed by or a director of the Company or a subsidiary of the Company, and for three years thereafter, he will not, appropriate for his own use, disclose to any third party, or authorize anyone else to disclose, unless authorized by the Company, any secret, confidential, proprietary or financial information concerning the operations, future plans, methods of doing business, or financial condition of the Company or any subsidiary or Affiliate thereof, or any customer lists, customer files or other information relating to the customers of the Company, or any Subsidiary or affiliate thereof that he obtained as a result of which his employment with the Company and which is not

otherwise publicly available (unless it became publicly available in violation of this Section 3(c)).

(c) Should a court of competent jurisdiction determine that any provision of this Section 3 is unenforceable, in period of time, geographical area, or otherwise, the parties hereto agree that the provision shall be interpreted and enforced to the maximum extent which such court deems enforceable.

4. Severability. Any term, provision, covenant or restriction contained in this Shareholders Agreement held by a court or other governmental authority of competent jurisdiction to be invalid, void or unenforceable shall be ineffective to the extent of such invalidity, voidness or unenforceability, but neither the remaining terms, provisions, covenants or restrictions contained in this Shareholders Agreement nor the validity or enforceability thereof in any other jurisdiction shall be affected or impaired thereby. Any term, provision, covenant or restriction contained in this Shareholders Agreement that is so found to be so broad as to be unenforceable shall be interpreted to be as broad as is enforceable.

5. Successors; No Third Party Beneficiaries. The terms and conditions of this Shareholders Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. Nothing in this Shareholders Agreement, expressed or implied, is intended to confer upon any party, other than the parties hereto, and their respective successors and assigns, any rights, remedies, obligations, or liabilities under or by reason of this Shareholders Agreement, except as expressly provided herein.

6. Notices. All notices or other communications which are required or permitted hereunder shall be in writing and delivered personally, or sent by telecopier or reputable overnight courier and delivered to the applicable address as follows:

If to Rafael Vaquero Bazan, to him at:

Industrias Citricolas de Montemorelos, S.A. de C.V.
Carretera General Teran Kilometro 1
Apartado 87
Montemorelos, N.L., Mexico C.P 67500
Telecopier: (826) 3-44-17

with a copy to:

Jakes Jordaan, Esq.
Jordaan & Pennington
300 Crescent Court, Suite 1605
Dallas, TX 75201
Telecopier: (214) 871-6560

If to Fernando Camacho Casas, to him at:

Operadora Agros, S.A. de C.V.
Rio Neva 17
Col. Cuauthemoc
06500 - Mexico, D.F.
Telecopier: 566-7026

with a copy to:

Jakes Jordaan, Esq.
Jordaan & Pennington
300 Crescent Court, Suite 1605
Dallas, TX 75201
Telecopier: (214) 871-6560

If to Purchaser, to:

M & M Nominee L.L.C.
c/o Soros Fund Managment
888 Seventh Avenue
New York, NY 10106
Attention: Chief Financial Officer
Telecopier: (212) 974-8399

with a copy to:

Promecap, S.C.
Bosque de Alisos No. 47A, 3er piso
Colonia Bosques de las Lomas
C.P. 05120 Mexico, D.F.
Mexico
Attention: Federico Chavez Peon
Telecopier: 011-525-259-6269

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with a copy to:

Joseph Stern, Esq.

Fried, Frank, Harris, Shriver & Jacobson
One New York Plaza
New York, New York 10004
Telecopier: (214) 859-4000

7. Specific Performance. The parties hereto agree that if for any reason Purchaser or the Company shall have failed to perform its obligations under this Shareholders Agreement, then either party hereto seeking to enforce this Shareholders Agreement against such non-performing party shall be entitled to specific performance and injunctive and other equitable relief, and the parties hereto further agree to waive any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief. This provision is without prejudice to any other rights that either party hereto may have against the other party hereto for any failure to perform its obligations under this Shareholders Agreement.

8. Governing Law. This Shareholders Agreement shall be governed by the laws of the State of Delaware, without giving effect to the conflict of laws principles thereof. Each party hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of Delaware and of the United States of America located in Wilmington, Delaware, for any Litigation (and agrees not to commence any Litigation except in any such court). Each party hereby irrevocably and unconditionally waives any objection to the laying of venue of any Action in the courts of the State of Delaware or of the United States of America located in Wilmington, Delaware, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any Action brought in any such court has been brought in an inconvenient forum.

9. Waiver and Amendment. Any provision of this Shareholders Agreement may be waived in writing at any time by the party that is entitled to the benefits of such provision. This Shareholders Agreement may not be modified, amended, altered or supplemented except upon the execution and delivery of a written agreement executed by the Purchaser and the Executives.

10. Defined Terms. As used herein, the following terms shall be defined as follows:

"Affiliate" shall mean, with respect to any Person, any other Person that directly or indirectly controls, is controlled by, or is under common control with such Person.

"Competitive Activity" shall mean engaging in any of the following activities: (i) serving as a director of any Competitor; (ii) directly or indirectly (x) controlling any Competitor or (y) owning any equity or debt

interests in any Competitor (other than equity or debt interests which are publicly traded and do not exceed 2% of the particular class of interests then outstanding) (it being understood that, if any such interests in any Competitor are owned by an investment vehicle or other entity in which the Employee owns an equity interest, a portion of the interests in such Competitor owned by such entity shall be attributed to the Employee, such portion determined by applying the percentage of the equity interest in such entity owned by the Employee to the interests in such Competitor owned by such entity); (iii) directly or indirectly soliciting, diverting, taking away, appropriating or otherwise interfering with any of the customers or suppliers of the Company or any Affiliate controlled by the Company; or (iv) employment by (including serving as an officer of), or providing consulting services to, any Competitor.

"Competitor" shall mean any Person that is engaged in a business similar to any of the businesses currently or hereafter conducted by the Company or its subsidiaries (but not including businesses the Company enters into after the Executive is no longer an employee or director of the Company or any of its subsidiaries).

"control" (and the correlative term "controlling") shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of any Person, whether through the ownership of equity interests, by contract or otherwise.

"Governance Termination Event" shall be deemed to have occurred when either (i) the Purchase Agreement has been amended or Purchaser has waived compliance therewith, or (ii) Purchaser's ownership of Common Stock has fallen, in either event such that the Company is not obliged to observe the covenants set forth in Section 4.1 and 4.10 of the Purchase Agreement.

"Group" shall mean the Purchaser Group or the Principal Group.

"Person" shall mean an individual, a corporation, a limited liability company, a partnership, an association, a trust or any other entity or organization, including a governmental entity.

"Principal Group" shall mean the Executives and any Permitted Transferees who own any Principal Shares.

"Principal Shares" shall mean the 927,801 shares of Common Stock owned by the Executives as of the date hereof, including any securities issued in respect thereof as a dividend or stock-split or in a reorganization, merger, reclassification or otherwise, but excluding any shares of Common Stock

Transferred other than to a Permitted Transferee.

A "Principal Termination Event" shall be deemed to have occurred when (i) the Principal Group Transfers (other than to Permitted Transferees) more than 50% of the Principal Shares owned by the Principals as of the date hereof (adjusted for any stock splits, stock dividends, recapitalizations and similar transactions), or (ii) neither Executive is a senior executive or director of the Company.

"Purchaser Group" shall mean Purchaser and any Affiliates of Purchaser who own any Purchaser Shares.

"Purchaser Shares" shall mean the shares of Common Stock acquired pursuant to the Purchase Agreement or the Option Agreement, dated as of the date hereof, between Purchaser and the Company, including any securities issued in respect thereof as a dividend or stock-split or in a reorganization, merger, reclassification or otherwise, but excluding any shares Transferred by Purchaser other than to Affiliates of Purchaser who agree to be bound by the terms hereof.

"Specified Shares" shall, at any time, mean with respect to (i) the Purchaser Group, the Purchaser Shares then owned by the Purchaser Group, and (ii) the Principal Group, the Principal Shares then owned by the Principal Group.

"subsidiary" shall mean, with respect to any Person, any other Person more than 10% of whose outstanding capital stock or equity interests is owned directly or indirectly by such Person.

IN WITNESS WHEREOF, each of the parties hereto has executed this Shareholders Agreement as of the date first written above.

PURCHASER:

M & M NOMINEE L.L.C.

By: /s/ Peter Streinger

Name: Peter Streinger
Title: Manager

THE EXECUTIVES:

/s/ Rafael Vaquero Bazan

Rafael Vaquero Bazan

/s/ Fernando Camacho Casas

Fernando Camacho Casas

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The undersigned partnership agrees to be bound, as if it were an Executive, by the provisions of the foregoing agreement with respect to the shares of the Company that it owns.

GARZA JASSO Y ASOCIADOS

By: /s/ Rafael Vaquero Bazan

Name: Rafael Vaquero Bazan
Title: General Partner

The undersigned company agrees to be bound, as if it were an Executive, by the provisions of the foregoing agreement with respect to the shares of the Company that it owns.

AGROS S.A. DE CV SOCIEDAD DE INVESATOR DE CAPITALES

By: /s/ Fernando Camacho Casas

Name: Fernando Camacho Casas
Title: General Director

EXHIBIT 99.8

[UNIMARK GROUP LOGO]

THE UNIMARK GROUP

For Immediate Release
July 20, 1998

For Further Information, Contact:
Rafael Vaquero, Chief Executive Officer
Soren Bjorn, Vice President - Operations
Jim Drewitz, Investor Relations
817-491-2992

THE UNIMARK GROUP, INC. ANNOUNCES SALE OF $14.99 MILLION OF COMMON STOCK TO AFFILIATE OF MEXICO STRATEGIC INVESTMENT FUND, LTD.

- NET PROCEEDS ARE INTENDED TO REDUCE OUTSTANDING DEBT AND FINANCE LEMON PROJECT -

Bartonville, TX July 20, 1998 - The UniMark Group, Inc. (NASDAQ NMS symbol: "UNMG"), announces the Company has sold 3,305,500 newly issued shares of Common Stock at a purchase price of $4.5375 per share, for an aggregate purchase price of $14,998,706 to M&M Nominee L.L.C., an affiliate of the Mexico Strategic Investment Fund, Ltd. In connection with the transaction, the Company granted the Fund options to acquire additional 2,000,000 shares of Common Stock, representation on the Company's Board of Directors and certain veto rights regarding financial and corporate matters. The Company intends to use the net proceeds to reduce its outstanding debt, finance its lemon project and for working capital purposes. Mr. Rafael Vaquero, the Company's Chief Executive Officer said, "We look forward to the Company experiencing long-term benefits resulting from its improved capital structure, internal reorganization and restructuring initiatives, as well as, its new affiliation with the Mexico Strategic Investment Fund, Ltd."

The Fund is indirectly owned by a large number of institutional investors and high net worth individual who invest through Quantum Industrial Partners L.D.C. and Quasar Strategic Partners, L.D.C (members of the Quantum Group of Funds), and through other institutional accounts. The funds in the Quantum Group of Funds are advised by Soros Fund Management L.L.C., an affiliate of Mexico Strategic Advisors, L.L.C., the adviser to the Fund. The Fund's investment program emphasizes long-term investments in Latin American companies.

The UniMark Group, Inc. is a vertically integrated citrus and tropical fruit growing, processing, marketing and distribution company with operations in Mexico, the United States and Canada.

Certain of the above information is forward-looking and as such, only reflects the Company's best assessment at this time. Investors are cautioned that forward-looking statements involve risks and uncertainty, that actual results may differ materially from such statements, and that investors should not place undue reliance on such statements. For a discussion of factors that may affect actual results, investors should refer to the Company's filing with the Securities and Exchange Commission.

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