

FORM 10-Q
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

(Mark One)

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

For the quarterly period ended December 31, 2007

OR

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

For the transition period from _____ to _____

Commission file number 001-4802

Becton, Dickinson and Company
(Exact name of registrant as specified in its charter)

New Jersey
(State or other jurisdiction of
incorporation or organization)

22-0760120
(I.R.S. Employer Identification No.)

1 Becton Drive, Franklin Lakes, New Jersey 07417-1880
(Address of principal executive offices)
(Zip Code)

(201) 847-6800
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year,
if changed since last report)

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

Indicate by checkmark whether the registrant is a large accelerated filer, an accelerated filer or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by checkmark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

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

Class of Common Stock
Common stock, par value \$1.00

Shares Outstanding as of December 31, 2007
244,055,592

BECTON, DICKINSON AND COMPANY
FORM 10-Q
For the quarterly period ended December 31, 2007

TABLE OF CONTENTS

<u>Part I.</u>	<u>FINANCIAL INFORMATION</u>	<u>Page Number</u>
Item 1.	Financial Statements (Unaudited)	
	Condensed Consolidated Balance Sheets	3
	Condensed Consolidated Statements of Income	4
	Condensed Consolidated Statements of Cash Flows	5
	Notes to Condensed Consolidated Financial Statements	6
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	16
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	23
Item 4.	Controls and Procedures	23
<u>Part II.</u>	<u>OTHER INFORMATION</u>	
Item 1.	Legal Proceedings	24
Item 1A.	Risk Factors	25
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	25
Item 3.	Defaults Upon Senior Securities	25
Item 4.	Submission of Matters to a Vote of Security Holders	25
Item 5.	Other Information	27
Item 6.	Exhibits	27
Signatures		28
Exhibits		29

ITEM 1. FINANCIAL STATEMENTS
 BECTON, DICKINSON AND COMPANY
 CONDENSED CONSOLIDATED BALANCE SHEETS
 Thousands of dollars

<u>Assets</u>	December 31, 2007 <u>(Unaudited)</u>	September 30, 2007
Current Assets:		
Cash and equivalents	\$ 750,762	\$ 511,482
Short-term investments	168,875	158,040
Trade receivables, net	1,020,751	1,083,152
Inventories:		
Materials	146,387	142,484
Work in process	203,649	195,155
Finished products	<u>729,959</u>	<u>714,320</u>
	1,079,995	1,051,959
Prepaid expenses, deferred taxes and other	<u>324,684</u>	<u>325,933</u>
Total Current Assets	<u>3,345,067</u>	<u>3,130,566</u>
Property, plant and equipment		
Property, plant and equipment	5,468,174	5,354,115
Less allowances for depreciation and amortization	<u>2,924,175</u>	<u>2,856,777</u>
	2,543,999	2,497,338
Goodwill		
Goodwill	621,587	621,414
Core and Developed Technology, Net		
Core and Developed Technology, Net	364,294	374,779
Other Intangibles, Net		
Other Intangibles, Net	93,868	95,938
Capitalized Software, Net		
Capitalized Software, Net	130,868	142,738
Other		
Other	<u>466,851</u>	<u>466,592</u>
Total Assets	<u>\$ 7,566,534</u>	<u>\$ 7,329,365</u>
<u>Liabilities and Shareholders' Equity</u>		
Current Liabilities:		
Short-term debt	\$ 208,206	\$ 207,634
Payables and accrued expenses	<u>1,288,600</u>	<u>1,271,175</u>
Total Current Liabilities	1,496,806	1,478,809
Long-Term Debt		
Long-Term Debt	957,627	955,713
Long-Term Employee Benefit Obligations		
Long-Term Employee Benefit Obligations	427,610	444,874
Deferred Income Taxes and Other		
Deferred Income Taxes and Other	160,215	88,012
Commitments and Contingencies		
Commitments and Contingencies	-	-
Shareholders' Equity:		
Common stock	332,662	332,662
Capital in excess of par value	1,189,584	1,125,368
Retained earnings	6,191,051	5,995,787
Deferred compensation	14,837	12,205
Common shares in treasury – at cost	<u>(3,237,074)</u>	<u>(3,105,893)</u>
Accumulated other comprehensive income	33,216	1,828
Total Shareholders' Equity	<u>4,524,276</u>	<u>4,361,957</u>
Total Liabilities and Shareholders' Equity	<u>\$ 7,566,534</u>	<u>\$ 7,329,365</u>

See notes to condensed consolidated financial statements

BECTON, DICKINSON AND COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
Thousands of dollars, except per share data
(Unaudited)

	Three Months Ended December 31,	
	2007	2006
Revenues	\$ 1,705,767	\$ 1,501,526
Cost of products sold	829,846	708,933
Selling and administrative	421,718	384,084
Research and development	91,527	79,940
Acquired in-process research and development	-	114,739
Total Operating Costs and Expenses	<u>1,343,091</u>	<u>1,287,696</u>
Operating Income	362,676	213,830
Interest income	13,528	16,114
Interest expense	(10,339)	(12,868)
Other income (expense), net	<u>707</u>	<u>(2,368)</u>
Income From Continuing Operations Before Income Taxes	366,572	214,708
Income tax provision	<u>95,676</u>	<u>83,657</u>
Income From Continuing Operations	270,896	131,051
Income from Discontinued Operations, net	<u>652</u>	<u>11,828</u>
Net Income	<u>\$ 271,548</u>	<u>\$ 142,879</u>
<u>Basic Earnings per Share:</u>		
Income from Continuing Operations	\$ 1.11	\$ 0.53
Income from Discontinued Operations	-	0.05
Basic Earnings per Share	<u>\$ 1.11</u>	<u>\$ 0.58</u>
<u>Diluted Earnings per Share:</u>		
Income from Continuing Operations	\$ 1.07	\$ 0.51
Income from Discontinued Operations	-	0.05
Diluted Earnings per Share	<u>\$ 1.07</u>	<u>\$ 0.56</u>
Dividends per Common Share	<u>\$ 0.285</u>	<u>\$ 0.245</u>

See notes to condensed consolidated financial statements

BECTON, DICKINSON AND COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
Thousands of dollars
(Unaudited)

	Three Months Ended December 31,	
	2007	2006
<u>Operating Activities</u>		
Net income	\$ 271,548	\$ 142,879
Income from discontinued operations, net	(652)	(11,828)
Income from continuing operations	270,896	131,051
Adjustments to income from continuing operations to derive net cash provided by continuing operating activities, net of amounts acquired:		
Depreciation and amortization	115,212	101,081
Share-based compensation	35,666	34,611
Deferred income taxes	(1,473)	(27,457)
Acquired in-process research and development	-	114,739
Change in working capital	52,788	(23,579)
Pension obligation	(12,930)	(67,973)
Other, net	12,973	13,599
Net Cash Provided by Continuing Operating Activities	473,132	276,072
<u>Investing Activities</u>		
Capital expenditures	(121,176)	(110,579)
Capitalized software	(4,140)	(5,405)
Purchases of investments, net	(4,752)	(1,587)
Acquisitions of businesses, net of cash acquired	-	(339,528)
Proceeds from discontinued operations	-	19,971
Other, net	(8,662)	(12,415)
Net Cash Used for Continuing Investing Activities	(138,730)	(449,543)
<u>Financing Activities</u>		
Change in short-term debt	532	(122,246)
Payments of debt	(236)	(99,948)
Repurchase of common stock	(122,747)	(112,329)
Excess tax benefits from payments under share-based compensation plans	24,920	9,454
Issuance of common stock and other, net	(3,547)	19,101
Net Cash Used for Continuing Financing Activities	(101,078)	(305,968)
<u>Discontinued Operations</u>		
Net cash provided by operating activities	26	9,487
Effect of exchange rate changes on cash and equivalents	5,930	3,088
Net increase (decrease) in cash and equivalents	239,280	(466,864)
Opening Cash and Equivalents	511,482	1,000,289
Closing Cash and Equivalents	\$ 750,762	\$ 533,425

See notes to condensed consolidated financial statements

BECTON, DICKINSON AND COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
Dollar and share amounts in thousands, except per share data
December 31, 2007

Note 1 - Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and, in the opinion of the management of the Company, include all adjustments which are of a normal recurring nature, necessary for a fair presentation of the financial position and the results of operations and cash flows for the periods presented. However, the financial statements do not include all information and footnotes required for a presentation in accordance with U.S. generally accepted accounting principles. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and the notes thereto included or incorporated by reference in the Company's 2007 Annual Report on Form 10-K. The results of operations for the interim periods are not necessarily indicative of the results of operations to be expected for the full year.

Note 2 - Accounting Change

On October 1, 2007, the Company adopted Financial Accounting Standards Board Interpretation No. 48 "Accounting for Uncertainty in Income Taxes, an interpretation of FASB Statement No. 109" ("FIN 48"). FIN 48 provides guidance for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. As a result of the implementation of FIN 48, the Company recognized a \$5,083 increase in its existing liability for uncertain tax positions, with a corresponding decrease to the October 1, 2007 retained earnings balance. The Company also reclassified the total amount of unrecognized tax benefits of \$71,782 from a current liability account (Payables and accrued expenses) to a non-current liability account (Deferred Income Taxes and Other) on the Condensed Consolidated Balance Sheets, in accordance with FIN 48. If the Company were to recognize the unrecognized tax benefits, the effective tax rate would be favorably impacted. The Company does not anticipate any significant changes over the next 12 months to the amount of unrecognized tax benefits.

The Company includes interest and penalties associated with unrecognized tax benefits as a component of the Income tax provision on the Condensed Consolidated Statements of Income. Accrued interest and penalties related to unrecognized tax benefits, included in the total amount, were \$9,388.

The Company conducts business and files tax returns in numerous countries and currently has tax audits in progress in a number of tax jurisdictions. The U.S. Internal Revenue Service ("IRS") has completed its audit for the tax years through 2002; however, the tax years 2000 through 2002 remain open, with a single issue being considered in the IRS administrative appeals process. For the Company's other major tax jurisdictions where it conducts business, the Company's tax years are generally open after 2001.

Note 3 – Comprehensive Income

Comprehensive income was comprised of the following:

	Three Months Ended December 31,	
	2007	2006
Net Income	\$ 271,548	\$ 142,879
Other Comprehensive Income (Loss), Net of Tax		
Foreign currency translation adjustments	28,248	75,477
Benefit plans adjustment	1,831	-
Unrealized losses on investments, net of amounts reclassified	-	(10,397)
Unrealized gains (losses) on cash flow hedges, net of amounts realized	1,309	(1,726)
	<u>31,388</u>	<u>63,354</u>
Comprehensive Income	\$ <u>302,936</u>	\$ <u>206,233</u>

The amount of unrealized losses or gains on investments and cash flow hedges in comprehensive income has been adjusted to reflect any realized gains and recognized losses included in net income during the three months ended December 31, 2007 and 2006. The change in foreign currency translation adjustments is primarily attributable to stronger European currencies versus the U.S. dollar for the three months ended December 31, 2007 and 2006.

Note 4 - Earnings per Share

The weighted average common shares used in the computations of basic and diluted earnings per share (shares in thousands) were as follows:

	Three Months Ended December 31,	
	2007	2006
Average common shares outstanding	244,292	245,550
Dilutive share equivalents from share-based plans	8,824	9,391
Average common and common equivalent shares outstanding – assuming dilution	<u>253,116</u>	<u>254,941</u>

Note 5 - Contingencies

The Company is named as a defendant in five purported class action suits brought on behalf of direct purchasers of the Company's products, such as distributors, alleging that the Company violated federal antitrust laws, resulting in the charging of higher prices for the Company's products to the plaintiff and other purported class members. The cases filed are as follows:

Louisiana Wholesale Drug Company, Inc., et. al. vs. Becton Dickinson and Company (Civil Action No. 05-1602, U.S. District Court, Newark, New Jersey), filed on March 25, 2005; *SAJ Distributors, Inc. et. al. vs. Becton Dickinson & Co.* (Case 2:05-CV-04763-JD, United States District Court, Eastern District of Pennsylvania), filed on September 6, 2005; *Dik Drug Company, et. al. vs. Becton, Dickinson and Company* (Case No. 2:05-CV-04465, U.S. District Court, Newark, New Jersey), filed on September 12, 2005; *American Sales Company, Inc. et. al. vs. Becton, Dickinson & Co.* (Case No. 2:05-CV-05212-CRM, U.S. District Court, Eastern District of Pennsylvania), filed on October 3, 2005; and *Park Surgical Co. Inc. et. al. vs. Becton, Dickinson and Company* (Case 2:05-CV-05678-CMR, United States District Court, Eastern District of Pennsylvania), filed on October 26, 2005.

The actions brought by Louisiana Wholesale Drug Company and Dik Drug Company in New Jersey have been consolidated under the caption "*In re Hypodermic Products Antitrust Litigation.*"

The Company is also named as a defendant in four purported class action suits brought on behalf of indirect purchasers of the Company's products, alleging that the Company violated federal antitrust laws, resulting in the charging of higher prices for the Company's products to the plaintiff and other purported class members. The cases filed are as follows: *Jabo's Pharmacy, Inc., et. al. v. Becton Dickinson & Company* (Case No. 2:05-CV-00162, United States District Court, Greenville, Tennessee) filed on June 7, 2005; *Drug Mart Tallman, Inc., et. al. v. Becton Dickinson and Company* (Case No. 2:06-CV-00174, U.S. District Court, Newark, New Jersey), filed on January 17, 2006; *Medstar v. Becton Dickinson* (Case No. 06-CV-03258-JLL (RJH), U.S. District Court, Newark, New Jersey), filed on May 18, 2006; and *The Hebrew Home for the Aged at Riverdale v. Becton Dickinson and Company* (Case No. 07-CV-2544, U.S. District Court, Southern District of New York), filed on March 28, 2007. A fifth purported class action on behalf of indirect purchasers (*International Multiple Sclerosis Management Practice v. Becton Dickinson & Company* (Case No. 2:07-cv-10602, U.S. District Court, Newark, New Jersey), filed on April 5, 2007) was voluntarily withdrawn by the plaintiff.

The plaintiffs in each of the antitrust class action lawsuits seek monetary damages. All of the antitrust class action lawsuits have been consolidated for pre-trial purposes in a Multi-District Litigation (MDL) in federal court in New Jersey.

On June 6, 2006, UltiMed, Inc., a Minnesota company, filed suit against the Company in the U.S. District Court in Minneapolis, Minnesota (*UltiMed, Inc. v. Becton, Dickinson and Company* (06CV2266)). The plaintiff alleges, among other things, that the Company excluded the plaintiff from the market for home use insulin syringes by entering into anticompetitive contracts in violation of federal and state antitrust laws. The plaintiff seeks money damages and injunctive relief.

In June 2007, Retractable Technologies, Inc. ("plaintiff") filed a complaint against the Company under the caption *Retractable Technologies, Inc. vs. Becton Dickinson and Company* (Civil Action No. 2:07-cv-250, U.S. District Court, Eastern District of Texas). Plaintiff alleges that the BD Integra™ syringes infringe patents licensed exclusively to the plaintiff. This patent claim was not covered by the release contained in the July 2004 settlement agreement between the Company and plaintiff to settle the lawsuit previously filed by plaintiff. In its complaint, plaintiff also alleges that the Company engaged in false advertising with respect to certain of the Company's safety-engineered products in violation of the Lanham Act; acted to exclude the plaintiff from various product markets and to maintain its market share through, among other things, exclusionary contracts in violation of state and federal antitrust laws; and engaged in unfair competition. The non-patent claims purport to relate to actions allegedly taken by the Company following the date of the July 2004 settlement agreement referenced above. In January 2008, the court granted the Company's motion to sever the patent and non-patent claims into separate cases. Plaintiff seeks treble damages, attorney's fees and injunctive relief.

The Company, along with another manufacturer and several medical product distributors, is named as a defendant in three product liability lawsuits relating to healthcare workers who allegedly sustained accidental needlesticks, but have not become infected with any disease. Generally, these actions allege that healthcare workers have sustained needlesticks using hollow-bore needle devices manufactured by the Company and, as a result, require medical testing, counseling and/or treatment. In some cases, these actions additionally allege that the healthcare workers have sustained mental anguish. Plaintiffs seek money damages in all of these actions. The Company had previously been named as a defendant in eight similar suits relating to healthcare workers who allegedly sustained accidental needlesticks, each of which has either been dismissed with prejudice or voluntarily withdrawn. Regarding the three pending suits:

- In Ohio, *Grant vs. Becton Dickinson et al.* (Case No. 98CVB075616, Franklin County Court), on September 21, 2006, the Ohio Court of Appeals reversed the trial court's grant of class certification. The matter has been remanded to the trial court for a determination of whether the class can be redefined.
- In Oklahoma and South Carolina, cases have been filed on behalf of an unspecified number of healthcare workers seeking class action certification under the laws of these states in state court in Oklahoma, under the caption *Palmer vs. Becton Dickinson et al.* (Case No. CJ-98-685, Sequoyah County District Court), filed on October 27, 1998, and in state court in South Carolina, under the caption *Bales vs. Becton Dickinson et al.* (Case No. 98-CP-40-4343, Richland County Court of Common Pleas), filed on November 25, 1998.

The Company continues to oppose class action certification in these cases, including pursuing all appropriate rights of appeal.

The Company, along with a number of other manufacturers, was named as a defendant in approximately 524 product liability lawsuits in various state and Federal courts related to natural rubber latex gloves which the Company ceased manufacturing in 1995. Cases pending in Federal court are being coordinated under the matter *In re Latex Gloves Products Liability Litigation* (MDL Docket No. 1148) in Philadelphia, and analogous procedures have been implemented in the state courts of California, Pennsylvania, New Jersey and New York. Generally, these actions allege that medical personnel have suffered allergic reactions ranging from skin irritation to anaphylaxis as a result of exposure to medical gloves containing natural rubber latex. Since the inception of this litigation, 467 of these cases have been closed with no liability to the Company, and 46 cases have been settled for an aggregate de minimis amount.

On August 8, 2005, the Company received a subpoena issued by the Attorney General of the State of Connecticut, which seeks documents and information relating to the Company's participation as a member of Healthcare Research & Development Institute, LLC ("HRDI"), a healthcare trade organization. The subpoena indicated that it was issued as part of an investigation into possible violations of the antitrust laws. On August 21, 2006, the Company received a subpoena issued by the Attorney General of the State of Illinois which sought documents and information relating to the Company's participation as a member of HRDI. The subpoena indicated that it was issued as part of an investigation into possible violations of the Illinois Consumer Fraud and Deceptive Business Practices Act, Charitable Trust Act, and Solicitation for Charity Act. An independent member of the Company's board of directors, Gary Mecklenburg, also served as a member and the non-executive chairman of HRDI until November 5, 2006. In January 2007, it was reported that HRDI entered into a settlement with the Attorneys General of Connecticut and Florida with respect to the investigation being conducted by the Connecticut Attorney General (the Company has not been contacted by the State of Florida). To the Company's knowledge, both the Connecticut and Illinois investigations are still ongoing. The Company believes that its participation in HRDI complied fully with the law and has responded to these subpoenas. The Company has not received any communication with respect to either investigation since completing its document production.

On May 28, 2004, Therasense, Inc. ("Therasense") filed suit against the Company in the U.S. District Court for the Northern District of California (Case Number: C 04-02123 WDB) asserting that the Company's blood glucose monitoring products infringe certain Therasense patents. On August 10, 2004, in response to a motion filed by Therasense in the U.S. District Court for the District of Massachusetts, the court transferred to the court in California an action previously filed by the Company against Therasense requesting a declaratory judgment that the Company's products do not infringe the Therasense patents and that the Therasense patents are invalid.

As was previously reported, Becton Dickinson France, S.A., a subsidiary of the Company, was listed among approximately 2,200 other companies in an October 2005 report of the Independent Inquiry Committee ("IIC") of the United Nations ("UN") as having been involved in humanitarian contracts in which unauthorized payments were suspected of having been made to the Iraqi Government in connection with the UN's Oil-for-Food Programme (the "Programme"). The Company conducted an internal review and found no evidence that the Company or any employee or representative of the Company made, authorized, or approved improper payments to

the Iraqi Government in connection with the Programme. The Company reported the results of its internal review to the Vendor Review Committee of the United Nations Procurement Service. In May 2007, the French Judicial Police conducted searches of the Company's offices in France with respect to the matters that were the subject of the 2005 IIC report. The Company was informed that it is one of a number of companies named in the IIC report that is being investigated by the French Judicial Police. The Company is cooperating fully with the investigation.

In July 2007, the Company received notice of a suit instituted in Saudi Arabia by El Seif Development ("El Seif"), a former distributor of the Company (Case No. 7516, Board of Grievances, Saudi Arabia). El Seif sought monetary damages arising out of the termination of its distributor agreement and other contractual arrangements with the Company. This matter has been settled on terms that are not material to the Company.

The Company has been served with a qui tam complaint filed by a private party against the Company in the United States District Court, Northern District of Texas, alleging violations of the Federal False Claims Act ("FCA") and the Texas False Claims Act (the "TFCA"). Under the FCA, the United States Department of Justice, Civil Division has a certain period of time in which to decide whether to join the claim against the Company as an additional plaintiff; if not, the private plaintiff is free to pursue the claim on its own. A similar process is followed under the TFCA. To the Company's knowledge, no decision has yet been made by the Civil Division or the State of Texas whether to join this claim.

The Company believes that it has meritorious defenses to each of the above-mentioned suits pending against the Company and is engaged in a vigorous defense of each of these matters.

The Company is also involved both as a plaintiff and a defendant in other legal proceedings and claims that arise in the ordinary course of business.

The Company is a party to a number of Federal proceedings in the United States brought under the Comprehensive Environment Response, Compensation and Liability Act, also known as "Superfund," and similar state laws. The affected sites are in varying stages of development. In some instances, the remedy has been completed, while in others, environmental studies are commencing. For all sites, there are other potentially responsible parties that may be jointly or severally liable to pay all cleanup costs.

Given the uncertain nature of litigation generally, the Company is not able in all cases to estimate the amount or range of loss that could result from an unfavorable outcome of the litigation to which the Company is a party. In accordance with U.S. generally accepted accounting principles, the Company establishes accruals to the extent probable future losses are estimable (in the case of environmental matters, without considering possible third-party recoveries). In view of the uncertainties discussed above, the Company could incur charges in excess of any currently established accruals and, to the extent available, excess liability insurance. In the opinion of management, any such future charges, individually or in the aggregate, could have a material adverse effect on the Company's consolidated results of operations and consolidated cash flows.

Note 6 – Segment Data

The Company's organizational structure is based upon its three principal business segments: BD Medical ("Medical"), BD Diagnostics ("Diagnostics"), and BD Biosciences ("Biosciences"). The Company evaluates segment performance based upon operating income. Segment operating income represents revenues reduced by product costs and operating expenses. Financial information for the Company's segments was as follows:

	Three Months Ended December 31,	
	2007	2006
<u>Revenues (A)</u>		
Medical	\$ 909,284	\$ 826,247
Diagnostics	522,751	442,400
Biosciences	273,732	232,879
	<u>\$ 1,705,767</u>	<u>\$ 1,501,526</u>

Segment Operating Income

Medical	\$ 262,408	\$ 246,143
Diagnostics	126,926	(345) (B)
Biosciences	78,675	56,235
Total Segment Operating Income	468,009	302,033
Unallocated Items (C)	(101,437)	(87,325)
Income from Continuing Operations Before Income Taxes	<u>\$ 366,572</u>	<u>\$ 214,708</u>

(A) Intersegment revenues are not material.

(B) Includes the acquired in-process research and development charge of \$114,739 recorded in 2007 related to the TriPath Imaging, Inc. acquisition.

(C) Includes primarily share-based compensation expense; interest, net; foreign exchange; and corporate expenses.

	Three Months Ended December 31,	
	2007	2006
<u>Revenues by Organizational Units</u>		
<u>BD Medical</u>		
Medical Surgical Systems	\$ 498,811	\$ 467,751
Diabetes Care	189,387	168,686
Pharmaceutical Systems	201,941	172,940
Ophthalmic Systems	19,145	16,870
	<u>\$ 909,284</u>	<u>\$ 826,247</u>
<u>BD Diagnostics</u>		
Preanalytical Systems	\$ 271,469	\$ 240,072
Diagnostic Systems	251,282	202,328
	<u>\$ 522,751</u>	<u>\$ 442,400</u>
<u>BD Biosciences</u>		
Cell Analysis (A)	\$ 205,113	\$ 168,991
Discovery Labware	68,619	63,888
	<u>\$ 273,732</u>	<u>\$ 232,879</u>
	<u>\$ 1,705,767</u>	<u>\$ 1,501,526</u>

(A) Cell Analysis consists of the Immunocytometry Systems and the Pharmingen organizational units that were previously reported separately.

Note 7 – Share-Based Compensation

The Company grants share-based awards under the 2004 Employee and Director Equity-Based Compensation Plan (the “2004 Plan”), which provides long-term incentive compensation to employees and directors. The Company believes such awards align the interests of its employees and directors with those of its shareholders.

The fair value of share-based payments is recognized as compensation expense in net income. For the three months ended December 31, 2007 and 2006, compensation expense charged to income was \$35,666 and \$34,611, respectively.

The amount of unrecognized compensation expense for all non-vested share-based awards as of December 31, 2007 was approximately \$173,287, which is expected to be recognized over a weighted-average remaining life of approximately 2.5 years.

The fair values of stock appreciation rights granted during the annual share-based grants in November of 2007 and 2006, respectively, were estimated on the date of grant using a lattice-based binomial valuation model based on the following assumptions: risk-free interest rates of 3.83% and 4.56%, respectively; expected volatility of 27% and 28%, respectively; expected dividend yield of 1.35% and 1.37%, respectively; and expected life of 6.5 years for both periods.

Note 8 – Benefit Plans

The Company has defined benefit pension plans covering substantially all of its employees in the United States and certain foreign locations. The Company also provides certain postretirement healthcare and life insurance benefits to qualifying domestic retirees. Other postretirement benefit plans in foreign countries are not material.

Net pension and postretirement cost included the following components for the three months ended December 31:

	<u>Pension Plans</u>		<u>Other Postretirement Benefits</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Service cost	\$ 16,570	\$ 13,804	\$ 1,155	\$ 1,088
Interest cost	20,436	15,124	3,723	3,644
Expected return on plan assets	(24,378)	(17,709)	-	-
Amortization of prior service cost	(285)	39	(1,558)	(1,531)
Amortization of loss	1,995	3,449	987	1,166
	<u>\$ 14,338</u>	<u>\$ 14,707</u>	<u>\$ 4,307</u>	<u>\$ 4,367</u>

Postemployment benefit costs for the three months ended December 31, 2007 and 2006 were \$5,941 and \$6,028, respectively.

Note 9 – Divestiture

In December 2006, the Company sold the blood glucose monitoring product line for \$19,971. The Company separately presents the results of the product line as discontinued operations.

Results of discontinued operations were as follows:

	Three Months Ended December 31,	
	<u>2007</u>	<u>2006</u>
Revenues	\$ <u>1,630</u>	\$ <u>21,738</u>
Income from discontinued operations before income taxes	1,038	18,968
Income tax provision	<u>386</u>	<u>7,140</u>
Income from discontinued operations, net	\$ <u>652</u>	\$ <u>11,828</u>

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Company Overview

Becton, Dickinson and Company ("BD" or the "Company") is a medical technology company engaged principally in the manufacture and sale of a broad range of medical supplies, devices, laboratory equipment and diagnostic products used by healthcare institutions, life science researchers, clinical laboratories, industry and the general public. Our business consists of three worldwide business segments – BD Medical ("Medical"), BD Diagnostics ("Diagnostics") and BD Biosciences ("Biosciences"). Our products are marketed in the United States and internationally through independent distribution channels, directly to end-users and by independent sales representatives.

Financial Results

BD reported first quarter revenues of \$1.706 billion, an increase of 14% from the same period a year ago, and reflected volume increases of approximately 9% and favorable foreign currency translation of approximately 6%, and price decreases of less than 1%. Sales in the United States of safety-engineered devices grew 7% to \$264 million in the first quarter of 2008, compared with the prior year's period. International sales of safety-engineered devices grew 24% to \$119 million in the first quarter of 2008, compared with the prior year's period. Overall, international revenue growth of 17% for the three-month period included an 11% favorable impact of foreign currency translation. As further discussed in our 2007 Annual Report on Form 10-K, we face currency exposure that arises from translating the results of our worldwide operations to the U.S. dollar at exchange rates that fluctuate from the beginning of the period. We purchase option and forward contracts to partially protect against adverse foreign exchange rate movements.

Recent Developments

BD purchases resins, which are oil-based components used in the manufacture of certain products. During the first quarter of 2008, we incurred higher resin purchase costs than the prior year's quarter, primarily due to increases in world oil prices. Such increases did not have a significant impact on our operating results for the quarter as we were able to offset them through productivity improvements and other cost reduction programs. Any additional significant increases in resin purchase costs could impact future operating results.

Results of Operations

Revenues

Refer to Note 6 in the Notes to Condensed Consolidated Financial Statements for segment financial data.

Medical Segment

First quarter revenues of \$909 million represented an increase of \$83 million, or 10%, from the prior year's quarter, including an estimated \$47 million, or 6%, favorable impact due to foreign currency translation. Pharmaceutical Systems and Diabetes Care products led revenue growth in

the segment. Global sales of safety-engineered products were \$187 million, as compared with \$173 million in the prior year's quarter.

Diagnostics Segment

First quarter revenues of \$523 million represented an increase of \$80 million, or 18%, over the prior year's quarter, including an estimated \$22 million, or 5%, favorable impact due to foreign currency translation and 5% attributable to TriPath, which was acquired in December 2006. The Preanalytical Systems unit of the segment reported revenue growth of 13% over the prior year's quarter. Global sales of safety-engineered products totaled \$196 million, compared with \$169 million in the prior year's quarter due, in large part, to strong sales of BD Vacutainer® Push Button Blood Collection Sets in the current year's quarter. Revenues in the Diagnostic Systems unit of the segment increased 24% and reflect growth from molecular testing systems that include BD ProbeTec™ ET and BD Viper™ instruments, as well as GeneOhm. Incremental revenues from TriPath of approximately \$25 million also contributed to growth.

Biosciences Segment

First quarter revenues of \$274 million represented an increase of \$41 million, or 18%, over the prior year's quarter, including an estimated \$15 million, or 6%, favorable impact due to foreign currency translation. Research instruments, as well as clinical and research reagents, continued to be primary growth drivers.

Segment Operating Income

Medical Segment

Segment operating income for the first quarter was \$262 million, or 28.9% of Medical revenues, compared with \$246 million, or 29.8%, in the prior year's quarter. Gross profit margin was lower than the first quarter of 2007 due to increased costs of raw materials, manufacturing startup costs, the unfavorable impact of foreign currency translation and decreased sales of products with higher margins. See further discussion on gross profit margin below. Selling and administrative expense as a percent of Medical revenues in the first quarter of 2008 was significantly lower than the comparable amount in the first quarter of 2007, due to tight spending controls. Research and development expenses for the quarter increased \$1.9 million, or 8%, reflecting increased investment in new products and platforms.

Diagnostics Segment

Segment operating income for the first quarter increased \$127 million, which reflected the acquired in-process research and development charge of \$115 million associated with the TriPath acquisition included in the prior year's quarter. Gross profit margin was lower than the first quarter of 2007. Increased sales of products with relatively higher margins were more than offset by increased costs of raw materials and the unfavorable impact of foreign currency translation. See further discussion on gross profit margin below. Selling and administrative expense as a percentage of Diagnostics revenues in the first quarter of 2008 was lower than the comparable amount in the first quarter of 2007, due to tight spending controls. Research and development expenses in the first quarter of 2008 increased \$8.1 million, or 34%, primarily due to investment in new products and incremental TriPath expenses.

Biosciences Segment

Segment operating income for the first quarter was \$79 million, or 28.7% of Biosciences revenues, compared with \$56 million, or 24.1%, in the prior year's quarter. Gross profit margin as a percentage of revenues increased due to improved production efficiencies, as well as increased sales of products with higher margins. See further discussion on gross profit margin below. Selling and administrative expense as a percent of Biosciences revenues for the quarter decreased compared with the prior year's quarter, as a result of continued spending controls. Research and development spending in the quarter increased \$1.5 million, or 8.4%, reflecting increased investment in new product development.

Gross Profit Margin

Gross profit margin was 51.4% for the first quarter, compared with 52.8% for the comparable prior year period. Gross profit margin in the first quarter of 2008 as compared with the prior year's period reflected an estimated 0.7% unfavorable impact of foreign currency translation and an estimated 0.4% of increased resin and steel costs, as well as manufacturing start-up costs. Increased sales of products with relatively higher margins and productivity gains were more than offset by, among other things, asset write-offs, resulting in an estimated net unfavorable impact of 0.3%. We expect gross profit margin to decrease by about 20 basis points in 2008. Increased resin and steel costs as well as manufacturing start-up costs in 2008 are anticipated to offset expected improvements.

Selling and Administrative Expense

Selling and administrative expense was 24.7% of revenues for the first quarter, compared with 25.6% for the prior year's period. Aggregate expenses for the current period reflect increases in base spending of \$11 million and in expenses associated with TriPath operations of \$8 million, as well as an unfavorable foreign exchange impact of \$19 million. Selling and administrative expense as a percentage of revenues is expected to decrease by about 70 basis points in 2008.

Research and Development Expense

Research and development expense of \$92 million for the first quarter increased 14%, compared with the prior year's amount of \$80 million. The increase in research and development expenditures reflect increased spending for new programs in each of our segments for the three-month period ended 2008. We anticipate Research and development expense to increase by about 11% for 2008.

Non-Operating Expense and Income

Interest income was \$14 million in the first quarter, compared with \$16 million in the prior year's period, resulting from lower cash balances. Interest expense was \$10 million in the first quarter, compared with \$13 million in the prior year's period, which reflects lower debt and higher levels of capitalized interest.

Income Taxes

The income tax rate was 26.1% for the first quarter, compared with the prior year's rate of 39.0%. The prior year's rate reflected the non-deductibility of the acquired in-process research and development charges associated with the TriPath acquisition, which was partially offset by the impact of approximately 2.0% resulting from the retroactive reinstatement of the research and experimentation tax credit. The Company expects the reported tax rate for 2008 to be slightly above 27%.

Income from Continuing Operations and Diluted Earnings Per Share from Continuing Operations

Income from continuing operations and diluted earnings per share from continuing operations for the first quarter of 2008 were \$271 million and \$1.07, respectively. Income from continuing operations and diluted earnings per share from continuing operations for the prior year's first quarter were \$131 million and 51 cents, respectively. The prior year's period reflected the acquired in-process research and development charge associated with the TriPath acquisition of \$115 million or 45 cents per share.

Liquidity and Capital Resources

Net cash provided by continuing operating activities, which continues to be our primary source of funds to finance operating needs and capital expenditures, was \$473 million during the first quarter of 2008, compared with \$276 million in the same period in 2007. Net cash provided by continuing operations in the first quarters of the current and prior year was reduced by changes in the pension obligation, resulting primarily from discretionary cash contributions of approximately \$23 million and \$75 million, respectively.

Net cash used for continuing investing activities for the first quarter of the current year was \$139 million, compared with \$450 million in the prior year period. The prior year amount reflects the payment of \$340 million of net cash for the TriPath acquisition. Capital expenditures were \$121 million in the first three months of 2008 and \$111 million in the same period in 2007. We expect capital spending for 2008 to be about \$650 million.

Net cash used for continuing financing activities for the first quarter of the current year was \$101 million, compared with \$306 million in the prior year period. As of December 31, 2007, total debt of \$1.2 billion represented 20.4% of total capital (shareholders' equity, net non-current deferred income tax liabilities, and debt), versus 20.9% at September 30, 2007. Short-term debt was 18% of total debt at the end of December 31, 2007 and September 30, 2007, respectively. Issuance of common stock is net of cash outflows resulting from share repurchases to satisfy minimum tax withholding on share-based compensation vested or exercised.

For the first quarter of the current year, the Company repurchased \$123 million of its common stock, compared with approximately \$112 million of its common stock in the prior year period. At December 31, 2007, authorization to repurchase an additional 9.6 million common shares remained.

We have in place a commercial paper borrowing program that is available to meet our short-term financing needs, including working capital requirements. Borrowings outstanding under this program were \$200 million at December 31, 2007. During the first quarter of 2008, we amended our syndicated credit facility to extend the expiration date from December 2011 to December 2012. This credit facility, under which there were no borrowings outstanding at December 31, 2007, provides backup support for our commercial paper program and can also be used for other general corporate purposes. This credit facility includes a single financial covenant that requires BD to maintain an interest expense coverage ratio (ratio of earnings before income taxes, depreciation and amortization to interest expense) of not less than 5-to-1 for the most recent four consecutive fiscal quarters. On the last eight measurement dates, this ratio has ranged from 17-to-1 to 26-to-1. In addition, we have informal lines of credit outside the United States.

Contractual Obligations

The contractual obligations table as of September 30, 2007, included in the "Financial Review" section of our 2007 Annual Report, did not reflect amounts associated with uncertain tax positions. As a result of the adoption on October 1, 2007 of Financial Accounting Standards Board ("FASB") Interpretation No. 48 ("FIN 48"), "Accounting for Uncertainty in Income Taxes, an interpretation of FASB Statement No. 109" (see Note 2 to the Condensed Consolidated Financial Statements), our year-end disclosure of contractual obligations will now include information concerning uncertain tax positions. As of December 31, 2007, there have been no significant changes in our contractual obligations.

Cautionary Statement Regarding Forward-Looking Statements

BD and its representatives may from time-to-time make certain forward-looking statements in publicly released material, both written and oral, including statements contained in this report and filings with the Securities and Exchange Commission ("SEC") and in our other reports to shareholders. Forward-looking statements may be identified by the use of words like "plan," "expect," "believe," "intend," "will," "anticipate," "estimate" and other words of similar meaning in conjunction with, among other things, discussions of future operations and financial performance, as well as our strategy for growth, product development, regulatory approvals, market position and expenditures. All statements that address operating performance or events or developments that we expect or anticipate will occur in the future -- including statements relating to volume growth, sales and earnings per share growth, and statements expressing views about future operating results -- are forward-looking.

Forward-looking statements are based on current expectations of future events. The forward-looking statements, are and will be, based on management's then-current views and assumptions regarding future events and operating performance, and speak only as of their dates. Investors should realize that if underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results could vary materially from our expectations and projections. Investors are therefore cautioned not to place undue reliance on any forward-looking statements. Furthermore, we undertake no obligation to update or revise any forward-looking statements whether as a result of new information, future events and developments or otherwise.

The following are some important factors that could cause our actual results to differ from our expectations in any forward-looking statements:

- Regional, national and foreign economic factors, including inflation and fluctuations in interest rates and foreign currency exchange rates, and the potential effect of such fluctuations on revenues, expenses and resulting margins, as well as on competition in certain markets.
- Fluctuations in the cost and availability of oil-based resins and other raw materials and the ability to maintain favorable supplier arrangements and relationships (particularly with respect to sole-source suppliers) and the potential adverse effects of any disruption in the availability of such raw materials.
- We operate in a highly competitive environment. New product introductions by our current or future competitors (for example, new forms of drug delivery) could adversely affect our ability to compete in the global market. Patents attained by competitors, particularly as patents on our products expire, may also adversely impact our competitive position. Certain competitors have established manufacturing sites or have contracted with suppliers in low- cost manufacturing locations as a means to lower their costs. New entrants may also appear.

- Changes in domestic and foreign healthcare industry practices and regulations resulting in increased pricing pressures, including the continued consolidation among healthcare providers; trends toward managed care and healthcare cost containment; and government laws and regulations relating to sales and promotion, reimbursement and pricing generally.
- The effects, if any, of governmental and media activities regarding the business practices of group purchasing organizations, which negotiate product prices on behalf of their member hospitals with BD and other suppliers.
- Our ability to obtain the anticipated benefits of any restructuring programs, if any, that we may undertake.
- Adoption of, or changes, in government laws and regulations affecting domestic and foreign operations, including those relating to trade, monetary and fiscal policies, taxation, environmental matters, sales practices, price controls, licensing and regulatory approval of new products, regulatory requirements for products in the postmarketing phase, or changes in enforcement practices with respect to any such laws and regulations. In particular, environmental laws, particularly with respect to the emission of greenhouse gases, are becoming more stringent throughout the world, which may increase our costs of operations or necessitate changes in our manufacturing plants or processes.
- Fluctuations in U.S. and international governmental funding and policies for life science research.
- Difficulties inherent in product development, including the potential inability to successfully continue technological innovation, complete clinical trials, obtain regulatory approvals in the United States and abroad, obtain coverage and adequate reimbursement for new products, or gain and maintain market approval of products, as well as the possibility of encountering infringement claims by competitors with respect to patent or other intellectual property rights, all of which can preclude or delay commercialization of a product.
- Pending and potential litigation or other proceedings adverse to BD, including antitrust claims, product liability claims, and patent infringement claims and the availability or collectibility of insurance.
- The effects, if any, of adverse media exposure or other publicity regarding BD's business or operations.
- Our ability to achieve earnings forecasts, which are generated based on projected volumes and sales of many product types, some of which are more profitable than others. There can be no assurance that we will achieve the projected level or mix of product sales.

- The effect of market fluctuations on the value of assets in BD's pension plans and the possibility that BD may need to make additional contributions to the plans as a result of any decline in the value of such assets.
- Our ability to effect infrastructure enhancements and incorporate new systems technologies into our operations.
- Product efficacy or safety concerns resulting in product recalls, regulatory action on the part of the U.S. Food and Drug Administration (or foreign counterparts) or declining sales.
- Economic and political conditions in international markets, including civil unrest, terrorist activity, governmental changes, restrictions on the ability to transfer capital across borders and expropriation of assets by a government.
- The effects of natural disasters, including hurricanes or pandemic diseases, on our ability to manufacture our products, particularly where production of a product line is concentrated in one or more plants, or on our ability to source components from suppliers that are needed for such manufacturing.
- Our ability to penetrate developing and emerging markets, which also depends on economic and political conditions, and how well we are able to acquire or form strategic business alliances with local companies and make necessary infrastructure enhancements to production facilities, distribution networks, sales equipment and technology.
- The impact of business combinations, including acquisitions and divestitures, both internally on BD and externally on the healthcare industry.
- Issuance of new or revised accounting standards by the Financial Accounting Standards Board or the SEC.

The foregoing list sets forth many, but not all, of the factors that could impact our ability to achieve results described in any forward-looking statements. Investors should understand that it is not possible to predict or identify all such factors and should not consider this list to be a complete statement of all potential risks and uncertainties.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no material changes in information reported since the end of the fiscal year ended September 30, 2007.

Item 4. Controls and Procedures

An evaluation was carried out by BD's management, with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of BD's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934) as of December 31, 2007. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the design and operation of these disclosure controls and procedures were, as of the end of the period covered by this report, effective. There were no changes in our internal control over financial reporting during the fiscal quarter ended December 31, 2007 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

We are involved, both as a plaintiff and a defendant, in various legal proceedings which arise in the ordinary course of business, including product liability and environmental matters as set forth in our 2007 Annual Report on Form 10-K.

Since September 30, 2007, the following developments have occurred with respect to the legal proceedings in which we are involved:

In July 2007, BD received notice of a suit instituted in Saudi Arabia by El Seif Development ("El Seif"), a former BD distributor (Case No. 7516, Board of Grievances, Saudi Arabia). El Seif sought monetary damages arising out of the termination of its distributor agreement and other contractual arrangements with BD. This matter has been settled on terms that are not material to BD.

In January 2008, the court in Retractable Technologies, Inc. vs. Becton Dickinson and Company (Civil Action No. 2:07-cv-250, U.S. District Court, Eastern District of Texas) granted BD's motion to sever the plaintiff's patent and non-patent claims into separate cases.

Summary

Given the uncertain nature of litigation generally, BD is not able in all cases to estimate the amount or range of loss that could result from an unfavorable outcome of the litigation to which BD is a party. In accordance with U.S. generally accepted accounting principles, BD establishes accruals to the extent probable future losses are estimable (in the case of environmental matters, without considering possible third-party recoveries). In view of the uncertainties of litigation, BD could incur charges in excess of any currently established accruals and, to the extent available, excess liability insurance. In the opinion of management, any such future charges, individually or in the aggregate, could have a material adverse effect on BD's consolidated results of operations and consolidated cash flows.

Item 1A. Risk Factors

There have been no material changes from the risk factors disclosed in Part 1, Item 1A, of our Annual Report on Form 10-K for the 2007 fiscal year.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The table below sets forth certain information regarding our purchases of common stock of BD during the quarter ended December 31, 2007.

Issuer Purchases of Equity Securities

For the three months ended December 31, 2007	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs (2)
October 1 – 31, 2007	1,659	\$82.51	-	11,111,814
November 1 – 30, 2007	1,502,704	\$81.83	1,500,000	9,611,814
December 1 – 31, 2007	13,012	\$83.23	-	9,611,814
Total	1,517,375	\$81.85	1,500,000	9,611,814

- (1) Includes 3,015 shares purchased during the quarter in open market transactions by the trustee under BD's Deferred Compensation Plan and 1996 Directors' Deferral Plan, and 14,360 shares delivered to BD in connection with stock option exercises.
- (2) Repurchases of 1,111,814 were made pursuant to a repurchase program for 10 million shares announced on November 22, 2005. The remaining repurchases of were made pursuant to a repurchase program covering 10 million shares authorized by the Board of Directors of BD (the "Board") on July 24, 2007 (the "2007 Program"). There is no expiration date for the 2007 Program.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Submission of Matters to a Vote of Security Holders

There were no matters submitted to a vote of security holders during the fiscal quarter ended December 31, 2007.

Our Annual Meeting of Shareholders was held on January 29, 2008, at which the following matters were voted upon:

- i.) A management proposal for the election of five directors for the terms indicated below was voted upon as follows:

<u>Nominee</u>	<u>Term</u>	<u>For Votes</u>	<u>Votes</u>	<u>Withheld</u>
Basil L. Anderson	3 Years	217,003,936		4,546,941
Marshall O. Larsen	3 Years	216,687,878		4,862,999
Gary A. Mecklenburg	3 Years	217,243,382		4,307,495
Cathy E. Minehan	3 Years	167,485,929		54,064,948
Alfred Sommer	3 Years	190,608,193		30,942,684

The directors whose term of office as a director continued after the meeting are: Henry P. Becton, Jr., Edward F. DeGraan, Claire M. Fraser-Liggett, Edward J. Ludwig, Adel A.F. Mahmoud, James F. Orr, Willard J. Overlock, Jr. and Bertram L. Scott.

- ii.) A management proposal to ratify the selection of Ernst & Young, LLP as independent registered public accounting firm for the fiscal year ending September 30, 2008 was voted upon. 217,209,892 shares were voted for the proposal, 2,534,609 shares were voted against, and 1,806,376 shares abstained.
- iii.) A shareholder proposal requesting that the Board of Directors take the necessary steps to provide for the annual election of directors was voted upon. 165,660,344 shares were voted for the proposal, 33,089,524 shares were voted against, 2,561,047 shares abstained, and there were 20,239,961 broker non-votes.
- iv.) A shareholder proposal requesting that the Board of Directors take the necessary steps to provide for cumulative voting in the election of directors was voted upon. 71,175,797 shares were voted for the proposal, 127,873,513 shares were voted against, 2,261,605 shares abstained, and there were 20,239,961 broker non-votes.
- v.) A shareholder proposal requesting that the Company provide an environmental report was voted upon. 53,282,419 shares were voted for the proposal, 94,125,388 shares were voted against, 53,903,109 shares abstained, and there were 20,239,961 broker non-votes.

Item 5. Other Information

Not applicable.

Item 6. Exhibits

Exhibit 10(d)(i) Deferred Compensation Plan, as amended and restated as of December 31, 2007.

Exhibit 10(d)(ii) 1996 Directors' Deferral Plan, as amended and restated as of December 31, 2007.

Exhibit 10(r) Amended and Restated Five-Year Credit Agreement, dated as of December 1, 2006 among the registrant and the banks named therein.

Exhibit 31 Certifications of Chief Executive Officer and Chief Financial Officer, pursuant to SEC Rule 13a - 14(a).

Exhibit 32 Certifications of Chief Executive Officer and Chief Financial Officer, pursuant to Rule 13a - 14(b) and Section 1350 of Chapter 63 of Title 18 of the U.S. Code.

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 thereunto duly authorized.

Becton, Dickinson and Company
(Registrant)

Dated: February 4, 2008

/s/ John R. Considine
John R. Considine
Senior Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)

/s/ William A. Tozzi
William A. Tozzi
Vice President - Finance
(Chief Accounting Officer)

INDEX TO EXHIBITS

<u>Exhibit Number</u>	<u>Description of Exhibits</u>
10(d)(i)	Deferred Compensation Plan, as amended and restated as of December 31, 2007
10(d)(ii)	1996 Directors' Deferral Plan, as amended and restated as of December 31, 2007
10(r)	Amended and Restated Five-Year Credit Agreement, dated as of December 1, 2006 among the registrant and the banks named therein.
31	Certifications of Chief Executive Officer and Chief Financial Officer, pursuant to SEC Rule 13a - 14(a).
32	Certifications of Chief Executive Officer and Chief Financial Officer, pursuant to Rule 13a - 14(b) and Section 1350 of Chapter 63 of Title 18 of the U.S. Code.

BECTON, DICKINSON AND COMPANY

DEFERRED COMPENSATION PLAN

(Formerly the Becton, Dickinson and Company Salary and Bonus Deferral Plan)

Amended and Restated as of December 31, 2007

BECTON, DICKINSON AND COMPANY
DEFERRED COMPENSATION PLAN
Amended and Restated as of December 31, 2007

TABLE OF CONTENTS

ARTICLE I	Definitions	
Section 1.1	“Accounts”	2
Section 1.2	“Annual Open Enrollment Period”	2
Section 1.3	“Base Salary”	2
Section 1.4	“Beneficiary”	
Section 1.5	“Board of Directors”	2
Section 1.6	“Bonus”	2
Section 1.7	“Change in Control”	2
Section 1.8	“Code”	4
Section 1.9	“Committee”	4
Section 1.10	“Common Stock”	4
Section 1.11	“Company”	5
Section 1.12	“Company Discretionary Credits”	5
Section 1.13	“Company Discretionary Credit Account”	5
Section 1.14	“Company Matching Credits”	5
Section 1.15	“Company Matching Credit Account”	5
Section 1.16	“Deferral Election”	5
Section 1.17	“Deferred Bonus”	5
Section 1.18	“Deferred Bonus Account”	5
Section 1.19	“Deferred Bonus Election”	5
Section 1.20	“Deferred Equity-Based Compensation”	5
Section 1.21	“Deferred Equity-Based Compensation Account”	5
Section 1.22	“Deferred Equity-Based Compensation Election”	5
Section 1.23	“Deferred Salary”	6
Section 1.24	“Deferred Salary Account”	6
Section 1.25	“Deferred Salary Election”	6
Section 1.26	“Deferred SERP Distribution”	6
Section 1.27	“Deferred SERP Distribution Account”	6
Section 1.28	“Deferred SERP Distribution Election”	6
Section 1.29	“Deferred Stock Account”	6
Section 1.30	“Deferred Stock Election”	6
Section 1.31	“Disabled”	6
Section 1.32	“Dividend Reinvestment Return”	6
Section 1.33	“Equity-Based Compensation”	6
Section 1.34	“Equity-Based Compensation Plan”	6
Section 1.35	“ERISA”	7
Section 1.36	“Excess Compensation”	
Section 1.37	“Fiscal Year”	7
Section 1.38	“Investment Election”	7

Section 1.39	“Investment Options”	7
Section 1.40	“NYSE”	7
Section 1.41	“Other Stock-Based Awards”	7
Section 1.42	“Participant”	7
Section 1.43	“Performance Units”	7
Section 1.44	“Plan”	7
Section 1.45	“Plan Year” means the calendar year	7
Section 1.46	“Restricted Stock Units”	7
Section 1.47	“SERP”	7
Section 1.48	“Stock Award Plan”	7
Section 1.49	“Stock Trust”	8
ARTICLE II	Eligibility and Participation	9
Section 2.1	Eligibility	9
Section 2.2	Participation	9
ARTICLE III	Deferral Elections and Deferral Periods	12
Section 3.1	Deferred Salary Election	12
Section 3.2	Deferred Bonus Election	12
Section 3.3	Deferred Equity-Based Compensation Election	13
Section 3.4	Deferred SERP Distribution Election	14
Section 3.5	Company Matching Credits	14
Section 3.6	Company Discretionary Credits	15
Section 3.7	Deferral Period	15
Section 3.8	Modification of Deferral Period	16
ARTICLE IV	Participants’ Accounts	17
Section 4.1	Crediting of Employee Deferrals and Company Matching and Discretionary Credits	17
Section 4.2	Investment Election	17
Section 4.3	Hypothetical Earnings	17
Section 4.4	Vesting	20
Section 4.5	Account Statements	20
ARTICLE V	Distributions and Withdrawals	21
Section 5.1	Timing of Distribution	21
Section 5.2	Form of Distribution	24
ARTICLE VI	General Provisions	27
Section 6.1	Unsecured Promise to Pay	27
Section 6.2	Plan Unfunded	27
Section 6.3	Designation of Beneficiary	27
Section 6.4	Expenses	28
Section 6.5	Voting Common Stock	28
Section 6.6	Non-Assignability	28

Section 6.7	Mandatory Deferral	28
Section 6.8	Employment/Participation Rights	28
Section 6.9	Severability	29
Section 6.10	No Individual Liability	29
Section 6.11	Tax Withholding	29
Section 6.12	Applicable Law	30
Section 6.13	Incompetency	30
Section 6.14	Notice of Address	30
ARTICLE VII	Administration	31
Section 7.1	Committee	31
Section 7.2	Claims Procedure	31
ARTICLE VIII	Amendment, Termination and Effective Date	32
Section 8.1	Amendment of the Plan	32
Section 8.2	Termination of the Plan	32
Section 8.3	No Impairment of Benefits	32
Section 8.4	Effective Date	32

BECTON, DICKINSON AND COMPANY

DEFERRED COMPENSATION PLAN

Amended and Restated as of December 31, 2007

FOREWORD

Effective as of August 1, 1994 (the "Effective Date"), Becton, Dickinson and Company (the "Company") adopted the Becton, Dickinson and Company Salary and Bonus Deferral Plan (the "Plan") for the benefit of certain of its employees. The Plan is intended to be an unfunded plan of deferred compensation primarily for the benefit of a select group of management and highly compensated employees. To the extent that the Plan permits the voluntary deferral of bonuses, the Plan is intended to amend and replace the Bonus Deferral Option of the Becton, Dickinson and Company Executive Bonus Plan.

The purpose of the Plan is to permit those employees of the Company who are part of a select group of management or highly compensated employees to defer, pursuant to the provisions of the Plan, a portion of the salaries, bonuses and other remuneration (including certain equity-based compensation) otherwise payable to them.

Effective as of August 15, 1996, the Board of Directors of the Company amended the Plan to permit Participants to have their deferred salaries or deferred bonuses considered to be invested in Common Stock of the Company, to permit those Participants to vote a number of shares of Common Stock equal to the number considered to be held for their benefit under the Plan, and for certain other purposes.

Effective as of November 1, 2001, the Plan was amended and restated to rename the Plan as the Becton, Dickinson and Company Deferred Compensation Plan, and to modify the deferral opportunities and the distribution and withdrawal options under the Plan, and to make certain other modifications deemed desirable.

Effective as of March 22, 2004, the Plan was amended and restated to permit participants to defer certain equity-based compensation awarded under the Becton, Dickinson and Company Stock Award Plan (the "Stock Award Plan") and the Becton, Dickinson and Company 2004 Employee and Director Equity-Based Compensation Plan (the "Equity-Based Compensation Plan") and to clarify the Committee's discretion to require Deferral Elections to be made earlier than September 30 of a Plan Year with respect to amounts to be paid in a year or years following the Plan Year.

Effective as of March 27, 2007, the Plan was amended and restated to expand the instances in which Participants would receive Company Matching Credits.

Effective as of December 31, 2007, the Plan is amended to require the deferral until termination of Basic Deferred Salary, Basic Deferred Bonus and Company Matching Credits.

ARTICLE I

Definitions

Section 1.1 “Accounts” means the bookkeeping accounts established under the Plan, if any, on behalf of a Participant and includes earnings credited thereon or losses charged thereto.

Section 1.2 “Annual Open Enrollment Period” means the annual period designated by the Committee, which ends not later than the December 31 of a Plan Year, during which a Participant may make or change elections to defer annual Base Salary, Bonuses, Equity-Based Compensation, and SERP distributions. Notwithstanding the foregoing, the Annual Open Enrollment Period for 2001 shall be the period designated by the Committee which ends not later than November 9, 2001.

Section 1.3 “Base Salary” means the base salary or wages otherwise taken into account under the Becton, Dickinson and Company Savings Incentive Plan, determined in accordance with the provisions of such plan, but without regard to the limitation on compensation otherwise required under Code section 401(a)(17), and without regard to any deferrals of the foregoing of compensation under this or any other plan of deferred compensation maintained by the Company.

Section 1.4 “Beneficiary” means the beneficiary who, pursuant to the provisions of this Plan, is to receive the amount, if any, payable under this Plan upon the death of a Participant.

Section 1.5 “Board of Directors” means the Board of Directors of the Company.

Section 1.6 “Bonus” means the annual bonus payable under the Company’s Performance Incentive Plan, or any successor thereto.

Section 1.7 “Change in Control” of the Company means any of the following events:

(1) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) (a “Person”) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 25% or more of either (A) the then-outstanding shares of common stock of the Company (the “Outstanding Company Common Stock”) or (B) the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the “Outstanding Company Voting Securities”); provided, however, that, for purposes of this Section 1.6, the following acquisitions shall not constitute a Change of Control: (i) any acquisition directly from the Company, (ii) any acquisition by the Company, (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any affiliated company, (iv) any acquisition by any corporation pursuant to a transaction that complies with Sections 1.6(3)(A), 1.6(3)(B) and 1.6(3)(C), or (v) any acquisition that the Board determines, in good faith, was

inadvertent, if the acquiring Person divests as promptly as practicable a sufficient amount of the Outstanding Company Common Stock and/or the Outstanding Company Voting Securities, as applicable, to reverse such acquisition of 25% or more thereof.

(2) Individuals who, as of April 24, 2000, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to April 24, 2000 whose election, or nomination for election as a director by the Company's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board.

(3) Consummation of a reorganization, merger, consolidation or sale or other disposition of all or substantially all of the assets of the Company (a "Business Combination"), in each case, unless, following such Business Combination, (A) all or substantially all of the individuals and entities that were the beneficial owners of the Outstanding Company Common Stock and the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 60% of the then-outstanding shares of common stock and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation that, as a result of such transaction, owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be, (B) no Person (excluding any corporation resulting from such Business Combination or any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 25% or more of, respectively, the then-outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then-outstanding voting securities of such corporation, except to the extent that such ownership existed prior to the Business Combination, and (C) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination; or

(4) Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company.

Section 1.8 “Code” means the Internal Revenue Code of 1986, as amended, or any successor statute.

Section 1.9 “Committee” means the committee that is responsible for administering the Plan. The Committee shall consist of three or more employees of the Company as determined by, and appointed by, the Board of Directors. The Committee may delegate pursuant to a written authorization (including, by way of illustration, through a contract, memorandum, or other written delegation document) any or all of its responsibilities involving ongoing day-to-day administration or ministerial acts, as set forth in this Plan to one or more individuals or service-providers. In any case where this Plan refers to the Committee, such reference is deemed to be a reference to any delegate of the Committee appointed for such purpose.

Section 1.10 “Common Stock” means the common stock (\$1.00 par value) of the Company, including any shares into which it may be split, subdivided or combined.

- Section 1.11 “Company” means Becton, Dickinson and Company and any successor to such corporation by merger, purchase or otherwise.
- Section 1.12 “Company Discretionary Credits” means the amounts credited to a Participant’s Company Discretionary Credit Account, if any, pursuant to Section 3.6.
- Section 1.13 “Company Discretionary Credit Account” means the bookkeeping account established under Section 3.6, if any, on behalf of a Participant and includes any earnings credited thereon or losses charged thereto pursuant to Article IV.
- Section 1.14 “Company Matching Credits” means the amounts credited to a Participant’s Company Matching Credit Account, if any, pursuant to Section 3.5.
- Section 1.15 “Company Matching Credit Account” means the bookkeeping account established under Section 3.5, if any, on behalf of a Participant and includes any earnings credited thereon or losses charged thereto pursuant to Article IV.
- Section 1.16 “Deferral Election” means the Participant’s election to participate in this Plan and defer amounts eligible for deferral in accordance with the Plan terms. Except as the context otherwise requires, references herein to Deferral Elections include any subsequent modifications of a prior Deferral Election.
- Section 1.17 “Deferred Bonus” means the amount of a Participant’s Bonus that such Participant has elected to defer until a later year pursuant to an election under Section 3.2. Reference in this Plan to a Participant’s “Basic Deferred Bonus” shall mean the first six percent (6%) of a Participant’s Bonus that such Participant has elected to defer under this Plan in any Plan Year. Reference in this Plan to a Participant’s “Supplemental Deferred Bonus” shall mean any Bonus deferred by a Participant under the Plan that does not constitute Basic Deferred Bonus.
- Section 1.18 “Deferred Bonus Account” means the bookkeeping account established under Section 3.2 on behalf of a Participant, and includes any earnings credited thereon or losses charged thereto pursuant to Article IV.
- Section 1.19 “Deferred Bonus Election” means the election by a Participant under Section 3.2 to defer a portion of the Participant’s Bonus until a later year.
- Section 1.20 “Deferred Equity-Based Compensation” means the amount of a Participant’s Equity-Based Compensation that such Participant has elected to defer until a later year pursuant to an election under Section 3.3.
- Section 1.21 “Deferred Equity-Based Compensation Account” means the bookkeeping account established under Section 3.3 on behalf of a Participant, and includes any earnings credited thereon or losses charged thereto pursuant to Section 4.3(b) .
- Section 1.22 “Deferred Equity-Based Compensation Election” means the election by a Participant under Section 3.3 to defer a portion of the Participant’s Equity-Based Compensation.

Section 1.23 “Deferred Salary” means the amount of a Participant’s Base Salary that such Participant has elected to defer until a later year pursuant to an election under Section 3.1. Reference to a Participant’s “Basic Deferred Salary” shall mean the first six percent (6%) of a Participant’s Base Salary that such Participant has elected to defer under the Plan in any Plan Year. Reference to a Participant’s “Supplemental Deferred Salary” shall mean any Base Salary deferred by a Participant under the Plan that does not constitute Basic Deferred Salary.

Section 1.24 “Deferred Salary Account” means the bookkeeping account established under Section 3.1 on behalf of a Participant, and includes any earnings credited thereon or losses charged thereto pursuant to Article IV.

Section 1.25 “Deferred Salary Election” means the election by a Participant under Section 3.1 to defer until a later year a portion of his or her Base Salary.

Section 1.26 “Deferred SERP Distribution” means the amount of a Participant’s SERP distribution that such Participant has elected to defer under this Plan pursuant to an election under Section 3.4.

Section 1.27 “Deferred SERP Distribution Account” means the bookkeeping account established under Section 3.4 on behalf of a Participant, and includes any earnings credited thereon or losses charged thereto pursuant to Article IV.

Section 1.28 “Deferred SERP Distribution Election” means the election by a Participant under Section 3.4 to defer all or a portion of the Participant’s SERP distribution.

Section 1.29 “Deferred Stock Account” means the bookkeeping account established under Section 4.3(b) on behalf of a Participant and includes, in addition to amounts stated in that Section, any Dividend Reinvestment Return credited thereon.

Section 1.30 “Deferred Stock Election” means the election by a Participant under Section 4.3(b) to have applicable deferred amounts credited in the form of Common Stock to the Participant’s Deferred Stock Account.

Section 1.31 “Disabled” means that a Participant is totally and permanently disabled as defined in the Company’s Long-Term Disability Plan.

Section 1.32 “Dividend Reinvestment Return” means the amounts which are credited to each Participant’s Deferred Stock Account pursuant to Section 4.3(b) to reflect dividends declared by the Company on its Common Stock.

Section 1.33 “Equity-Based Compensation” means (i) November 24, 2003, awards granted under the Stock Award Plan and (ii) Restricted Stock Units, Performance Units, and Other Stock-Based Awards granted under Sections 7, 8, and 9 of the Equity-Based Compensation Plan, and does not include any such awards that qualify as vested stock, restricted stock, stock option awards, or stock appreciation rights.

Section 1.34 “Equity-Based Compensation Plan” means the Becton, Dickinson and Company 2004 Employee and Director Equity-Based Compensation Plan.

Section 1.35 “ERISA” means the Employee Retirement Income Security Act of 1974, as amended, or any successor statute.

Section 1.36 “Excess Compensation” means (i) the sum of a Participant’s base salary and bonus payments for a Plan Year otherwise includible as “Basic Pay” as defined in the Becton, Dickinson and Company Savings Incentive Plan, without regard to the dollar limit otherwise in effect for such Plan Year under Code section 401(a)(17) or deferrals under this Plan, minus (ii) the dollar limit otherwise in effect for such Plan Year under Code section 401(a)(17).

Section 1.37 “Fiscal Year” means the fiscal year of the Company, which currently is the twelve month period commencing on the first day of October and ending on the last day of September of the following calendar year.

Section 1.38 “Investment Election” means the Participant’s election to have deferred amounts credited with hypothetical earnings credits (or losses) that track the investment performance of the Investment Options and/or Company Common Stock in accordance with Article IV.

Section 1.39 “Investment Options” means those hypothetical targeted investment options designated by the Committee as measurements of the rate of return to be credited to (or charged against) amounts deferred to Participants’ Accounts.

Section 1.40 “NYSE” means The New York Stock Exchange.

Section 1.41 “Other Stock-Based Awards” means awards granted under Section 9 of the Equity-Based Compensation Plan.

Section 1.42 “Participant” means a common law employee of the Company who meets the eligibility and participation requirements set forth in Article II.

Section 1.43 “Performance Units” means awards granted under Section 8 of the Equity-Based Compensation Plan.

Section 1.44 “Plan” means the Becton, Dickinson and Company Deferred Compensation Plan (previously the Becton, Dickinson and Company Salary and Bonus Deferral Plan) as from time to time in effect.

Section 1.45 “Plan Year” means the calendar year.

Section 1.46 “Restricted Stock Units” means Restricted Stock Units granted under Section 7 of the Equity-Based Compensation Plan.

Section 1.47 “SERP” means the Becton, Dickinson and Company Retirement Benefit Restoration Plan, as from time to time in effect.

Section 1.48 “Stock Award Plan” means the Becton, Dickinson and Company Stock Award Plan as the same may be amended from time to time.

Section 1.49 “Stock Trust” means the Becton, Dickinson and Company Deferred Salary and Bonus Trust established as of August 15, 1996 between the Company and Wachovia Bank of North Carolina, N.A., as amended from time to time thereafter.

ARTICLE II

Eligibility and Participation

Section 2.1 Eligibility

- (a) An individual shall be eligible to become a Participant in this Plan if the individual meets the following requirements:
 - (i) the individual is a common law employee of a unit of the Company (or of one of its subsidiaries) to which the Plan has been adopted pursuant to a decision by, or with the approval of, the Board of Directors;
 - (ii) the individual is not a nonresident alien of the United States receiving no United States source income within the meaning of sections 861(a)(3) or 911(d)(2) of the Code; and
 - (iii) the employee has annualized Base Salary of \$100,000 or more for the calendar year in which the Deferral Election is required to be made.
- (b) The Committee shall have the ability to adjust, prospectively for any Plan Year, the dollar limitation in Section 2.1(a)(iii).
- (c) The Committee may also:
 - (i) designate as ineligible particular individuals, groups of individuals or employees of business units who otherwise would be eligible under Section 2.1(a); or
 - (ii) designate as eligible particular individuals, groups of individuals or employees of business units who otherwise would be ineligible under Section 2.1(a).
- (d) An employee who, at any time, ceases to meet the foregoing eligibility requirements, as determined in the sole discretion of the Committee, shall thereafter cease to be a Participant eligible to continue making deferrals under the Plan, and any deferral elections then in effect shall cease to be effective. In such case, the individual may remain a Participant in the Plan with respect to amounts already deferred prior to the date such individual ceased to be an active Participant.

Section 2.2 Participation

- (a) Deferral Election. As soon as practicable after the Committee determines that an employee is eligible to become a Participant, the Committee shall

provide the Participant with the appropriate election forms with which a Participant may make a Deferral Election. In the case of an employee who first becomes eligible during a Plan Year, such Deferral Election may be made within the first thirty (30) days of eligibility with respect to any Salary to be earned thereafter for the remainder of the Plan Year. In the case of a newly-hired participant, such Deferral Election within the first thirty (30) days of eligibility may also be made with respect to any Equity- Based Compensation awarded or granted at the time of hire and to be earned thereafter. In the case of Bonus awards granted in 2004 and 2005 and Equity-Based Compensation awards granted in 2003 and 2004, the Deferred Bonus and Deferred Equity-Based Compensation Elections shall be made by September 30, 2004, or such earlier time determined by the Committee. In the event that such Deferred Bonus and Deferred Equity-Based Compensation Elections are required by the Committee to be made earlier than September 30, 2004, in order that the Deferral Elections will be grandfathered under certain proposed legislation, but the legislation, as enacted, does not grandfather the Deferral Elections, the early Deferral Elections shall be void. If the Participant does not return the completed forms to the Committee at such time as required by the Committee, the Participant will not be allowed to participate in the Plan until the next Annual Open Enrollment Period. All Deferral Elections hereunder (including any modifications of prior Deferral Elections otherwise permitted under the Plan) may be made in accordance with written, electronic or telephonic procedures prescribed by the Committee.

- (b) Contents of Deferral Election. A Participant's Deferral Election must be made in the manner designated by the Committee and must be accompanied by:
- (i) an election to defer Base Salary and/or Bonus, and a deferral period election with respect to any Supplemental Deferred Salary and/or Supplemental Deferred Bonus;
 - (ii) an election to defer Equity-Based Compensation and a deferral period election with respect to Equity-Based Compensation, as determined by the Committee;
 - (iii) an election to defer SERP distributions and any Company Discretionary Credits and a separate deferral period election with respect to each such separate category of deferral;
 - (iv) an Investment Election (except with respect to an Equity-Based Compensation Election, which shall automatically be credited to a Deferred Stock Account for investment return purposes);
 - (v) a designation of a Beneficiary or Beneficiaries to receive any deferred amounts owed upon the Participant's death;

- (vi) subject to section 2.2(b)(i), a designation as to the form of distribution for each separate year's deferral and each separate category of deferral (including Company Matching Credits); provided, however, that if no specific election is made with respect to any deferred amount (including Company Matching Credits), the Participant will be deemed to have elected to receive such amounts in the form of a lump sum distribution (in cash and, solely to the extent distributable amounts are credited to the Participant's Deferred Stock Account at the time of the distribution, shares of Common Stock);
- (vii) an application for a policy of life insurance under which the Participant is the insured and the Company is the sole owner of and beneficiary under such policy; and
- (viii) such additional information as the Committee deems necessary or appropriate.

ARTICLE III

Deferral Elections and Deferral Periods

Section 3.1 Deferred Salary Election

- (a) Each Participant who has elected to defer the maximum pre-tax elective deferral that is permitted for a calendar year under the Becton, Dickinson and Company Savings Incentive Plan and under Code section 402(g) may make a Deferred Salary Election with respect to Base Salary otherwise to be paid in such calendar year, provided that a valid Deferred Salary Election is made by the date specified in Section 3.1(b). A Participant may elect to defer from 1% to 75% of the Participant's Base Salary (in increments of 1%); provided, however, that the Participant must elect a Deferred Salary amount of at least \$5,000. Notwithstanding the foregoing, any Deferred Salary Election must be made in a manner that will ensure that the Participant is paid a sufficient amount of Base Salary that will allow adequate amounts available for (i) any pre-tax elective deferrals under the Becton, Dickinson and Company Savings Incentive Plan, and (ii) any amounts to be deferred by the Participant in order to participate in any other benefit programs maintained by the Company.
- (b) Except with respect to Deferred Salary Elections made by Participants who first become eligible to participate during a Plan Year (which elections must be made as specified in Section 2.2(a)), a Deferred Salary Election with respect to Base Salary for a particular calendar year must be made on or before the December 31 (November 9, 2001 with respect to salary earned during the 2002 year) preceding the commencement of such calendar year or at such earlier time as determined by the Committee.

Once a Deferred Salary Election is made, it shall be irrevocable for the applicable calendar year and apply only to Base Salary otherwise to be paid during the applicable calendar year. Such Deferred Salary shall be credited to the Participant's Deferred Salary Account as of the first business day after the last day of each payroll period.

Section 3.2 Deferred Bonus Election

- (a) Each Participant who agrees to defer the maximum pre-tax elective deferral that is permitted for a calendar year under the Becton, Dickinson and Company Savings Incentive Plan and under Code section 402(g) may elect to make a Deferred Bonus Election with respect to a Bonus otherwise to be paid in the calendar year immediately following (or, in the discretion of the Committee, in a later year following) the year of the Participant's Deferred Bonus Election. A Participant may elect to defer from 1% to 100% of the Participant's Bonus (in increments of 1%); provided,

however, that the Participant's Deferred Bonus Election must result in a deferral of at least \$5,000.

- (b) A Deferred Bonus Election with respect to any Bonus to be paid in a particular calendar year must be made on or before the September 30 preceding the commencement of such calendar year (November 9, 2001 with respect to Bonus amounts to be paid in 2002) or at such earlier time as determined by the Committee. Notwithstanding the foregoing, with respect to Bonus amounts that are not otherwise paid during 2007, an eligible Participant may make a deferral election with respect to such Bonus at such time as determined by the Committee in a manner consistent with guidance issued pursuant to Code section 409A. Once made, a Deferred Bonus Election cannot be changed or revoked except as provided herein. Such Deferred Bonus shall be credited to the Participant's Deferred Bonus Account as of the first business day in January of the year that the Bonus otherwise would have been paid to the Participant in the absence of any deferral hereunder.

Section 3.3 Deferred Equity-Based Compensation Election

- (a) To the extent permitted by law on a tax deferred basis, each Participant may elect to make a Deferred Equity-Based Compensation Election with respect to Equity-Based Compensation otherwise to be paid in the calendar year immediately following (or, in the discretion of the Committee, in a later year following) the year of the Participant's Deferred Equity-Based Compensation Election. A Participant may elect to defer from 1% to 100% of the Participant's Equity-Based Compensation, and may make separate elections with respect to each of the Participant's Restricted Stock Units, Performance Units, Other Stock-Based Awards, and November 24, 2003, awards under the Stock Award Plan, provided, however, that the Participant's total Equity-Based Compensation Election must result in a deferral of at 100 units of Equity-Based Compensation.
- (b) A Deferred Equity-Based Compensation Election with respect to any Equity-Based Compensation to be paid in a particular calendar year must be made on or before September 30 preceding the commencement of such calendar year or at such earlier time as determined by the Committee.

Once made, a Deferred Equity-Based Compensation Election cannot be changed or revoked except as provided herein. Such Deferred Equity- Based Compensation shall be credited to the Participant's Deferred Equity-Based Compensation Account as soon as practicable after the Equity-Based Compensation otherwise would vest and be paid, and will be credited for investment tracking purposes to the Participant's Deferred Stock Account under Section 4.3(b).

Section 3.4 Deferred SERP Distribution Election

- (a) Each Participant who is otherwise a participant in the SERP may elect to make a Deferred SERP Distribution Election, at the time specified in subsection (b) below, with respect to a SERP distribution that is otherwise to be paid to the Participant. A Participant may elect to defer from 1% to 100% of the Participant's applicable SERP distribution (in increments of 1%); provided, however, that the total of the Participant's Deferred SERP Distribution Election must result in a deferral of at least \$5,000.
- (b) A Deferred SERP Distribution Election with respect to any SERP distribution payable during a particular calendar year must be made at least one year before the date that the SERP distribution is otherwise payable to the Participant. Once made, a Deferred SERP Distribution Election cannot be changed or revoked except as provided herein. Such Deferred SERP Distribution shall be credited to the Participant's Deferred SERP Distribution Account as soon as practicable after such amount would otherwise have been payable to the Participant. If the Participant otherwise becomes entitled to a SERP distribution after having made such an election and before the end of such one-year period, such election shall be ineffective and the applicable SERP distribution shall not be deferred hereunder.

Section 3.5 Company Matching Credits

If a Participant has made a Deferred Salary Election in accordance with Section 3.1 or a Deferred Bonus Election in accordance with Section 3.2, then the Participant shall be eligible to have Company Matching Credits credited to the Participant's Company Matching Credit Account. Such Company Matching Credits shall be credited to the Participant's Company Matching Credit Account as soon as practicable as determined by the Committee after such deferral is credited to the Participant's Deferred Salary Account and/or Deferred Bonus Account and shall be subject to the overall Plan Year limit on such amounts described below and the vesting schedule described in Article IV. The amount of such Company Matching Credits for a Plan Year shall equal the sum of (i) 75% of the total amount of Deferred Bonus and Deferred Salary the Participant has deferred under the Plan, not in excess of 6% of the Participant's Excess Compensation, plus (ii) 4.5% of the positive difference, if any, of the dollar limit otherwise in effect for such Plan Year under Code section 401(a)(17) minus the Participant's actual "Basic Pay" as defined under the Becton, Dickinson and Company Savings Incentive Plan; provided, however, that in no event shall the total amount of Company Matching Credits to which a Participant is entitled to during a Plan Year exceed 4.5% of two (2) times the dollar limit otherwise in effect for such Plan Year under Code section 401(a)(17). Any Company Matching Credits credited to a Participant's Company Matching Credit Account pursuant to a Deferred

Salary Election or Deferred Bonus Election made in accordance with the terms of the Plan are independent of and not affected by any matching contributions to which such Participant is entitled to under the Becton, Dickinson and Company Savings Incentive Plan.

Section 3.6 Company Discretionary Credits

The Company may, in its sole discretion, provide for additional credits to all or some Participants' Accounts at any time. Such amounts shall be credited to the Participant's Company Discretionary Credit Account and shall be subject to the vesting schedule established by the Company at the time such amounts are credited.

Section 3.7 Deferral Period

- (a) Except as provided in Section 3.7(b), with respect to amounts deferred in accordance with Sections 3.1 through 3.6, in accordance with section 2.2(b), each Participant must elect the deferral period for each separate category of deferral. Subject to the additional deferral provisions of Section 3.8 and the acceleration provisions of Article V, a Participant's deferral period may be for a specified number of years or until a specified date, subject to any limitations that the Committee in its discretion may choose to apply, provided that, in all events, a deferral period must be for at least two (2) years from the first day of the Plan Year in which the deferred amounts would otherwise be payable (or, in the case of amounts described in Section 3.5 or Section 3.6, credited to the Participant's Account). However, notwithstanding the deferral period otherwise specified, payments shall be paid or begin to be paid under the Plan in accordance with the mandatory distribution provisions in Article V.
- (b) Notwithstanding the provisions of Section 3.7(a) and Section 2.2(b), and subject to Section 5.1(f), effective for amounts deferred on and after January 1, 2008,
- (i) all Basic Deferred Salary deferred by a Participant pursuant to Section 3.1,
 - (ii) all Basic Deferred Bonus deferred by a Participant pursuant to Section 3.2, and
 - (iii) all Company Matching Credits credited to a Participant's Company Matching Credit Account pursuant to Section 3.5

shall be deferred until the Participant's termination of employment with the Company and may not be deferred to a specified date prior to such Participant's termination of employment with the Company.

Modification of Deferral Period

- (a) With respect to any previously deferred amount credited to a Participant's Accounts, a Participant may request that the Committee approve an additional deferral period of at least two (2) years from the date the previously deferred amounts were otherwise payable. Any such request must be made by written notice to the Committee at least twelve (12) months before the expiration of the deferral period for any previously deferred amount with respect to which an additional deferral election is requested. A separate additional deferral election is required to be made for each separate category of previously deferred amount that is treated as subject to a single deferral period election under section 2.2(b) above. Each such additional deferral election request shall include a newly designated manner of payment election in accordance with the provision of Section 5.2 below. No more than two such extensions may be elected by a Participant with respect to any specific deferred amount.
- (b) With respect to any previously deferred amount credited to a Participant's Accounts, a Participant may request that the Committee approve an accelerated deferral date with respect to amounts that are not otherwise payable for at least three (3) years from the date of such request, provided that the resulting accelerated deferral date may not be any earlier than two (2) years from the date of such Participant election. A separate deferral modification election is required to be made for each separate category of previously deferred amount that is treated as subject to a single deferral period election under section 2.2(b) above. Each such modified deferral period request shall include a newly designated manner of payment election in accordance with the provisions of Section 5.2 below. No more than two such modifications may be elected by a Participant with respect to any specific deferred amount.

ARTICLE IV

Participants' Accounts

Section 4.1 Crediting of Employee Deferrals and Company Matching and Discretionary Credits

Deferrals to this Plan that are made under Article III shall be credited to the Participant's Accounts in accordance with such rules established by the Committee from time to time. Each Participant's Accounts shall be administered in a way to permit separate Deferral Elections, deferral periods, and Investment Elections with respect to various Plan Year deferrals and compensation types as the Committee determines, in its sole discretion, are necessary or appropriate.

Section 4.2 Investment Election

Effective January 1, 2002, all balances reflected through December 31, 2001 credited to the Accounts of Participants who are not actively employed on January 1, 2002 shall continue to be credited with earnings (or charged with losses) to reflect the income (or loss) that would have been earned had the deferred amounts been invested in the Investment Options then in effect with respect to such Participants. With respect to amounts credited to all other Participants' Accounts under the Plan, Participants' Investment Elections with respect to deferred amounts hereunder shall be made pursuant to the written, telephonic or electronic methods prescribed by the Committee and subject to such rules on Investment Elections and Investment Options as established by the Committee from time to time. Upon receipt by the Committee, and in accordance with rules established by the Committee, an Investment Election shall be effective as soon as practicable after receipt and processing of the election by the Committee. Investment Elections will continue in effect until changed by the Participant. An eligible Participant (including a Participant who terminates employment on or after January 1, 2002) may change a prior Investment Election (or default Investment Election) with respect to deferred amounts on a monthly basis, by notifying the Committee, at such time and in such manner as approved by the Committee. Any such changed Investment Election may result in amending Investment Elections for prior deferrals or for future deferrals or both.

Section 4.3 Hypothetical Earnings

- (a) General. Subject to Section 4.2, additional hypothetical bookkeeping amounts shall be credited to (or deducted from) a Participant's Accounts to reflect the earnings (or losses) that would have been experienced had

the deferred amounts been invested in the Investment Options selected by the Participant as targeted rates of return, net of all fees and expenses otherwise associated with the Investment Options. The Committee may add or delete Investment Options, on a prospective basis, by notifying all Participants whose Accounts are hypothetically invested in such Options, in advance, and soliciting elections to transfer deferred amounts so that they track investments in other Investment Options then available.

- (b) Company Stock Investment Option. Instead of having deferred amounts credited with hypothetical earnings (or losses) in accordance with Section 4.3(a), and subject to Section 4.2, a Participant may elect to have all or part of the Participant's deferred amounts (in whole percentage increments) credited in the form of Common Stock to a Deferred Stock Account. Such an election may be made as a part of the Participant's Deferral Election and thereafter on the same basis as Participants are permitted to make other Investment Elections and using the same or similar procedures as participants use to make other Investment Elections under Section 4.2. In addition, any amounts credited to a Participant's Accounts other than the Participant's Deferred Stock Account may be transferred for hypothetical investment tracking purposes to the Participant's Deferred Stock Account. In all events, once amounts are credited to a Participant's Deferred Stock Account, no Investment Election may cause amounts credited to a Participant's Deferred Stock Account to be transferred for hypothetical investment tracking purposes to a Participant's Accounts other than the Participant's Deferred Stock Account. All distributions of amounts credited to a Participant's Deferred Stock Account may only be distributed in whole shares of Common Stock (with cash for fractional shares).

A Participant's Deferred Stock Account will be credited:

- (i) as of the first business day after the last day of each bi-weekly payroll period, with the number of shares of Common Stock (in whole shares and fractional shares, as determined by the Committee) determined by dividing the Participant's deferred amounts attributable to Deferred Salary for such bi-weekly payroll period subject to the Deferred Stock Election by the price for shares of Common Stock, determined by the Committee, as of the day such deferred amounts are credited to the Participant's Account; and
- (ii) annually, as of the first business day in January of each calendar year, with the number of shares of Common Stock (in whole shares and fractional shares, as determined by the Committee) determined by dividing the portion of the Participant's Deferred Bonus and Company Matching Credits subject to the Deferred Stock Election by the price for shares of Common Stock, determined by the

Committee, as of the day such deferred amounts are credited to the Participant's Accounts; and

- (iii) at such other times as the Committee determines with respect to all other deferred amounts under the Plan, with the number of shares of Common Stock (in whole shares and fractional shares, as determined by the Committee) determined by dividing the portion of the Participant's deferred amounts to be credited in the Deferred Stock Account by the price for shares of Common Stock, determined by the Committee, as of the day such deferred amounts are credited to the Participant's Account, or, in the case of deferred amounts measured in stock units, by crediting the account with the same number of shares of Common Stock.

If the Company enters into transactions involving stock splits, stock dividends, reverse splits or any other recapitalization transactions, the number of shares of Common Stock credited to a Participant's Deferred Stock Account will be adjusted (in whole shares and fractional shares, as determined by the Committee) so that the Participant's Deferred Stock Account reflects the same equity percentage interest in the Company after the recapitalization as was the case before such transaction.

If at least a majority of the Company's stock is sold or exchanged by its shareholders pursuant to an integrated plan for cash or property (including stock of another corporation) or if substantially all of the assets of the Company are disposed of and, as a consequence thereof, cash or property is distributed to the Company's shareholders, each Participant's Deferred Stock Account will, to the extent not already so credited under this Section 4.3(b), be (i) credited with the amount of cash or property receivable by a Company shareholder directly holding the same number of shares of Common Stock as is credited to such Participant's Deferred Stock Account and (ii) debited by that number of shares of Common Stock surrendered by such equivalent Company shareholder.

Each time the Company declares a dividend on its Common Stock, each Participant's Deferred Stock Account will be credited with a Dividend Reinvestment Return equal to that number of shares of Common Stock (in whole shares and fractional shares, as determined by the Committee) determined by dividing (i) the amount that would have been paid (or the fair market value thereof, if the dividend is not paid in cash) to the Participant on the total number of shares of Common Stock credited to the Participant's Deferred Stock Account had that number of shares of Common Stock been held by such Participant by (ii) the price for shares of Common Stock, determined by the Committee, as of the dividend payment date.

(c) Limitations on Allocations and Reallocations to and From Deferred Stock Account

Pursuant to the Policy Statement on Insider Trading and Compliance, as the same may be amended (the "Policy"), there are time periods (each, a "blackout period") during which time Participants may not effect transactions, directly or indirectly, in Company equity securities. Under the Policy, the Company's Corporate Secretary may also impose additional blackout periods with respect to some or all Participants. Participants whose ability to effect transactions is prohibited during such blackout periods also will be prohibited during such periods from making any Investment Election or Deferred Stock Election that increases or decreases the amount credited to the participant's Deferred Stock Account. The Committee, at the direction of the Company's Corporate Secretary, shall adopt and implement procedures to ensure that the provisions of this Paragraph are carried out.

Section 4.4 Vesting

At all times a Participant shall be fully vested in his Deferred Salary, Deferred Bonus, Deferred Equity-Based Compensation, and Deferred SERP Distribution Accounts hereunder (including any earnings or losses and Dividend Reinvestment Return thereon). A Participant shall become vested in any Company Matching Credits in the same manner and to the same extent as the Participant is vested in matching contributions otherwise credited to the Participant under the Becton, Dickinson and Company Savings Incentive Plan. A Participant shall become vested in any Company Discretionary Credits pursuant to the vesting schedule established by the Company at the time such Credits, if any, are made. Except as otherwise provided in Section 5.1(b) (death) or Section 5.1(c) (disability), if a Participant terminates employment at any time prior to becoming fully vested in amounts credited to the Participant's Accounts hereunder, the nonvested amounts credited to the Participant's Accounts shall be immediately forfeited and the Participant shall have no right or interest in such nonvested deferred amounts.

Section 4.5 Account Statements

Within 60 days following the end of each Plan Year (or at such more frequent times determined by the Committee), the Committee shall furnish each Participant with a statement of Account which shall set forth the balances of the individual's Accounts as of the end of such Plan Year (or as of such time determined by the Committee), inclusive of tracked earnings (or losses) and any Dividend Reinvestment Return. In addition, the Committee shall maintain records reflecting each year's deferrals separately by type of compensation.

ARTICLE V

Distributions and Withdrawals

Section 5.1 Timing of Distribution

- (a) Time of Distribution – Distributions Other than Death, Disability, or Scheduled Distributions Except as otherwise provided herein in the case of a Participant who retires and subject to Section 5.1(d), a Participant's vested Accounts shall be paid or commence to be paid, in the form of distribution elected in a particular Deferral Election (subject to Section 5.2), at such date as determined in the sole discretion of the Committee following the earlier of: (i) the Participant's termination of employment, or (ii) the date otherwise specified in the Participant's Deferral Election. In the case of a Participant who retires from employment hereunder (as defined below), and subject to Section 5.1(d), a Participant's vested Accounts shall be paid or commence to be paid, in the form of distribution elected in a particular Deferral Election (subject to Section 5.2), at such date as determined in the sole discretion of the Committee following the later of: (i) the Participant's retirement from active employment (or, in the case of certain Equity-Based Compensation that vests one year after retirement, one year after retirement), or (ii) the date otherwise specified in the Participant's Deferral Election; provided however that, in all events distributions to such a retired Participant must be made (or commence to be paid) as of the earlier of the Participant's attainment of age 70 or death. For purposes of this Section 5.1(a), a Participant has "retired" from active employment if:
- (i) the Participant terminates from active employment after having attained age 65 with five years of service with the Company or an affiliate;
 - (ii) the Participant terminates from active employment after having attained age 55 with ten years of service with the Company or an affiliate; or
 - (iii) the Committee, in its sole discretion, otherwise determines that the Participant has retired for this purpose.
- (b) Timing of Distributions – Participant's Death. If a Participant dies before the full distribution of the Participant's Accounts under this Article V, any deferred amounts that are not vested and have not previously been forfeited shall become 100% vested. Unless the Participant had commenced receiving installment payments, as soon as practicable after the Participant's death, all remaining amounts credited to the Participant's Accounts shall be paid in a single lump sum payment to the Participant's

named beneficiary (or beneficiaries). In the absence of any beneficiary designation, payment shall be made to the personal representative, executor or administrator of the Participant's estate. Beneficiary designations may be changed by a Participant at any time without the consent of the Participant's spouse or any prior beneficiary. If the Participant dies after having commenced to receive installment payments, the Participant's beneficiary may accelerate the payment of any remaining installment payments as follows:

- (i) The beneficiary may request (within a reasonable time after the Participant's death, as specified by the Committee) that all remaining installment payments that are otherwise to be paid to the beneficiary at least twelve (12) months after the date of the request be accelerated and paid in a single lump sum payment as of a date specified by the Committee that is at least twelve (12) months after the date of the request; or
 - (ii) The beneficiary may request (within a reasonable time after the Participant's death, as specified by the Committee) that all remaining installment payments that are otherwise to be paid to the beneficiary be accelerated and paid in the form of an immediate lump sum payment, subject to the requirement that ten percent (10%) of the remaining amounts be permanently forfeited.
- (c) Timing of Distributions – Participant's Disability. Notwithstanding anything in the Plan to the contrary, if a Participant becomes Disabled, the Participant will be treated as having terminated employment and any deferred amounts that are not vested and have not previously been forfeited shall become 100% vested. Notwithstanding anything in a Participant's Deferral Election to the contrary with respect to payment commencement, as soon as practicable after the Participant becomes Disabled, all remaining amounts credited to the Participant's Accounts shall be paid or commence to be paid to the Participant in the form of distribution elected by the Participant in the Participant's Deferral Election. In addition, as soon as practicable after the Participant becomes Disabled, the Participant may request that the Committee change any installment distribution election so that amounts subject to the election are accelerated and paid in the form of a single lump sum distribution. Such distribution shall be made only if the Committee, taking into account the type of factors taken into account in the event of a hardship under Section 5.1(f), in its sole discretion, approves such request.
- (d) Scheduled Distribution. As a part of the Participant's Deferral Election, a Participant may elect to receive a lump sum distribution or annual installments (over 2, 3, 4 or 5 years, as elected by the Participant) equal to all or any part of the vested balance of the Participant's Accounts to be paid (or commence to be paid) at a scheduled distribution date, subject to

the timing requirements in Section 5.1(a). For these purposes, the amount of each installment payment shall be determined by multiplying the value of the Participant's remaining vested Accounts subject to the scheduled distribution election by a fraction, the numerator of which is one (1) and the denominator of which is the number of calendar years remaining in the installment period. These scheduled distributions are generally available only for distributions that are scheduled to commence to be paid while a Participant is employed by the Company. If a Participant terminates employment before commencing receipt of scheduled distributions, the timing requirements of Section 5.1(a) shall apply (which requirements provide for payment upon termination of employment, unless the Participant has attained retirement age, in which case a later distribution date may apply). If a Participant terminates employment while receiving scheduled installment payments, such installment payments shall continue to be paid in the same form of distribution, subject to the Participant's right to accelerate the remaining payments in accordance with Section 5.1(e) or Section 5.1(f). Notwithstanding the foregoing, if a Participant's employment is terminated for cause, as determined by the Company, full payment of all remaining amounts in such Participant's Account shall be paid in the form of a single lump sum payment as soon as practicable after such termination.

- (e) Early Distribution. Notwithstanding any other provision of the Plan, a Participant or beneficiary may, at any time prior to or subsequent to commencement of payments, request in writing to the Committee to have any or all vested amounts in his or her Accounts paid in an immediate lump sum distribution, provided that an amount equal to ten percent (10%) of the requested distribution shall be permanently forfeited from the Participant's Accounts prior to such distribution. Any such lump sum distribution shall be paid as soon as practicable after the Committee's receipt of the Participant's (or beneficiary's) request. The minimum permitted early distribution under this Section 5.1(e) shall be \$3,000.
- (f) Hardship Distribution. At any time prior to the time an amount is otherwise payable hereunder, an active Participant may request a distribution of all or a portion of any vested amounts credited to the Participant's Accounts on account of the Participant's financial hardship, subject to the following requirements:
 - (i) Such distribution shall be made, in the sole discretion of the Committee, if the Participant has incurred an unforeseeable emergency.
 - (ii) For purposes of this Plan, an "unforeseeable emergency" shall mean an unanticipated emergency that is caused by an event beyond the control of the Participant and that would result in severe financial hardship to the Participant resulting from a sudden

and unexpected illness or accident of the Participant or of a Participant's dependent (as defined in Code section 152(a)), loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the Participant's control. The circumstances that will constitute an unforeseeable emergency will depend upon the facts of each case and be based on the information supplied by the Participant, in writing, pursuant to the procedure prescribed by the Committee. In addition to the foregoing, distributions under this subsection shall not be allowed for purposes of sending a child to college or the Participant's desire to purchase a home or other residence. In all events, distributions made on account of an unforeseeable emergency are limited to the extent reasonably needed to satisfy the emergency need.

- (iii) Notwithstanding the foregoing, payment under this subsection may not be made to the extent that such hardship is or may be relieved:
 - (A) through reimbursement or compensation by insurance or otherwise,
 - (B) by liquidation of the Participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship, or
 - (C) by cessation of deferrals under the Plan.
- (iv) All distributions under this subsection shall be made in cash as soon as practicable after the Committee has approved the distribution and that the requirements of this subsection have been met.
- (v) The minimum permitted hardship withdrawal shall be \$3,000.

Section 5.2 Form of Distribution

- (a) General. Except as otherwise provided in this Article V, all amounts payable from a Participant's Accounts shall be paid in one of the forms of distribution described in Subsections (b) and (c) below, as elected by the Participant in a Deferral Election or as modified by the Participant in accordance with Subsection (d) below. Any Participant who fails to elect a form of distribution with respect to any deferral amount (or any compensation type) shall be deemed to have elected to receive such amounts in the form of a lump sum distribution in cash and, to the extent distributable amounts are credited to the Participant's Deferred Stock Account, in shares of Common Stock (with any fractional share interest therein paid in cash to the extent of the then fair market value thereof).

- (b) Lump Sum Distribution. A Participant may elect, in accordance with such procedures established by the Committee, to have any vested deferral amounts credited to his Accounts paid in the form of a single lump sum distribution at the time otherwise required or permitted under the Plan.
- (c) Annual Installment Distributions. A Participant may elect, in accordance with such procedures established by the Committee, to have any vested deferral amounts credited to his Accounts paid at the time otherwise required or permitted in the form of annual installments over a 5, 10 or 15- year period commencing at the time otherwise required or permitted under the Plan and paid annually thereafter for the remainder of the installment period (subject to Section 5.1(b)). For these purposes, the amount of each installment payment shall be determined by multiplying the value of the Participant's remaining vested Accounts by a fraction, the numerator of which is one (1) and the denominator of which is the number of calendar years remaining in the installment period. Notwithstanding the foregoing, if a Participant's employment is terminated for cause, as determined by the Company, full payment of all remaining amounts in such Participant's Account shall be paid in the form of a single lump sum payment as soon as practicable after such termination.
- (d) Change in Form
- (i) Notwithstanding the foregoing, in accordance with the written, telephonic or electronic procedures prescribed by the Committee, a Participant may elect to change the form applicable to a particular category of deferral at any time, provided that such election must be made at least twelve (12) consecutive months before the date on which such distribution otherwise would have been made or commenced. Any such change that is not in effect for at least the applicable twelve (12) month period shall be disregarded and the last valid election shall be substituted in its place. In the absence of such a valid election, distribution shall be made in the form of a single lump sum distribution in cash and, to the extent distributable amounts are credited to the Participant's Deferred Stock Account, in shares of Common Stock (with any fractional share interest therein paid in cash to the extent of the then fair market value thereof).
- (ii) In addition, with respect to a Participant who has commenced receiving installment payments, such Participant may elect, pursuant to the written, telephonic or electronic method prescribed by the Committee (or its delegate), to have all remaining installment payments that are otherwise to be paid to the Participant at least twelve (12) months after the date of the election be accelerated and paid in a single lump sum payment as of a date specified by the Committee that is at least twelve (12) months after the date of the election.

ARTICLE VI

General Provisions

Section 6.1 Unsecured Promise to Pay

The Company shall make no provision for the funding of any amounts payable hereunder that (i) would cause the Plan to be a funded plan for purposes of section 404(a)(5) of the Code, or Title I of ERISA, or (ii) would cause the Plan to be other than an “unfunded and unsecured promise to pay money or other property in the future” under Treasury Regulations § 1.83 -3(e); and, except to the extent specified in the Stock Trust following a “change of control” (as defined in the Stock Trust) of the Company, the Company shall have no obligation to make any arrangement for the accumulation of funds to pay any amounts under this Plan. Subject to the restrictions of the preceding sentence and in Section 4.3, the Company, in its sole discretion, may establish one or more grantor trusts described in Treasury Regulations § 1.677(a) -1(d) to accumulate funds and/or shares of Common Stock to pay amounts under this Plan, provided that the assets of such trust(s) shall be required to be used to satisfy the claims of the Company’s general creditors in the event of the Company’s bankruptcy or insolvency.

Section 6.2 Plan Unfunded

In the event that the Company (or one of its subsidiaries) shall decide to establish an advance accrual reserve on its books against the future expense of payments hereunder, such reserve shall not under any circumstances be deemed to be an asset of this Plan but, at all times, shall remain a part of the general assets of the Company (or such subsidiary), subject to claims of the Company’s (or such subsidiary’s) creditors. A person entitled to any amount under this Plan shall be a general unsecured creditor of the Company (or the Participant’s employer subsidiary) with respect to such amount. Furthermore, a person entitled to a payment or distribution with respect to any amounts credited to Participant Accounts shall have a claim upon the Company (or the Participant’s employer subsidiary) only to the extent of the vested balance(s) credited to such Accounts.

Section 6.3 Designation of Beneficiary

The Participant’s beneficiary under this Plan with respect to amounts credited to the Participant’s Accounts hereunder shall be the person designated to receive benefits on account of the Participant’s death on a form provided by the Committee.

Section 6.4 Expenses

All commissions, fees and expenses that may be incurred in operating the Plan and any related trust(s) established in accordance with the Plan (including the Stock Trust) will be paid by the Company.

Section 6.5 Voting Common Stock

Each Participant who has a Deferred Stock Account shall be entitled to provide directions to the Committee to cause the Committee to similarly direct the Trustee of the Stock Trust to vote, on any matter presented for a vote to the shareholders of the Company, that number of shares of Common Stock held by the Stock Trust equivalent to the number of shares of Common Stock credited to the Participant's Deferred Stock Account. The Committee shall arrange for distribution to all such Participants in a timely manner all communications directed generally to the shareholders of the Company as to which their votes are solicited. If the Stock Trust ever holds fewer shares of Common Stock than there are shares allocated to Deferred Stock Accounts under the Plan as to which timely and proper directions have been received from the applicable Plan participants, the Committee will direct the Trustee to vote all shares held in the Stock Trust in the same proportion as the total shares covered by timely and proper directions that have been directed to be voted.

Section 6.6 Non-Assignability

Participants, their legal representatives and their beneficiaries shall have no right to anticipate, alienate, sell, assign, transfer, pledge or encumber their interests in the Plan, nor shall such interests be subject to attachment, garnishment, levy or execution by or on behalf of creditors of the Participants or of their beneficiaries.

Section 6.7 Mandatory Deferral

Notwithstanding any other provision of this Plan, the Compensation and Benefits Committee of the Company's Board of Directors may require an employee to defer: (i) the portion of any Base Salary, Bonus amount, Equity-Based Compensation, or SERP distribution, or (ii) the portion of any payment from any Account hereunder, in any case where the Company anticipates that such portion otherwise would be nondeductible pursuant to section 162(m) of the Code.

Section 6.8 Employment/Participation Rights

- (a) Nothing in the Plan shall interfere with or limit in any way the right of the Company to terminate any Participant's employment at any time, nor confer upon any Participant any right to continue in the employ of the Company.

- (b) Nothing in the Plan shall be construed to be evidence of any agreement or understanding, express or implied, that the Company will continue to employ a Participant in any particular position or at any particular rate of remuneration.
- (c) No employee shall have a right to be selected as a Participant, or, having been so selected, to be continued as a Participant.
- (d) Nothing in this Plan shall affect the right of a recipient to participate in and receive benefits under and in accordance with any pension, profit-sharing, deferred compensation or other benefit plan or program of the Company.

Section 6.9 Severability

If any particular provision of the Plan shall be found to be illegal or unenforceable for any reason, the illegality or lack of enforceability of such provision shall not affect the remaining provisions of the Plan, and the Plan shall be construed and enforced as if the illegal or unenforceable provision had not been included.

Section 6.10 No Individual Liability

It is declared to be the express purpose and intention of the Plan that no liability whatsoever shall attach to or be incurred by the shareholders, officers, or directors of the Company (or any affiliate) or any representative appointed hereunder by the Company (or any affiliate), under or by reason of any of the terms or conditions of the Plan.

Section 6.11 Tax and Other Withholding

The Company shall have the right to deduct from any payment made under the Plan any amount required by federal, state, local, or foreign law to be withheld with respect to such payment. The Company shall also have the right to withhold from other current salary or wages any amount required by federal, state, local, or foreign law to be withheld with respect to compensation deferred under the Plan at any time prior to payment of such deferred compensation, or if such other current salary or wages are insufficient to satisfy such withholding requirement, to require the Participant to pay the Company such amount required to be withheld to the extent such requirement cannot be satisfied through withholding on other current salary or wages. Additionally, should deferrals under this Plan cause there to be insufficient current salary or wages for purposes of withholding taxes or other amounts required by federal, state, local, or foreign law to be withheld from current salary or wages, the Company shall require the Participant to pay the Company such amount required to be withheld to the extent such requirement cannot be satisfied through withholding on other

current salary or wages. Amounts deferred under the Plan will be taken into account for purposes of any withholding obligation under the Federal Insurance Contributions Act and Federal Unemployment Tax Act at the later of the Plan Year during which the services are performed or the Plan Year during which the rights to the amounts are no longer subject to a substantial risk of forfeiture, as required by section 3121(v) and 3306(r) of the Code and the regulations promulgated thereunder.

Section 6.12 Applicable Law

This Plan shall be governed by and construed in accordance with the laws of the State of New Jersey except to the extent governed by applicable federal law.

Section 6.13 Incompetency

Any person receiving or claiming benefits under the Plan shall be conclusively presumed to be mentally competent and of age until the Committee receives written notice, in a form and manner acceptable to it, that such person is incompetent or a minor, and that a guardian, conservator, or other person legally vested with the care of his estate has been appointed. If the Committee finds that any person to whom a benefit is payable under the Plan is unable to properly care for his or her affairs, or is a minor, then any payment due (unless a prior claim therefor shall have been made by a duly appointed legal representative) may be paid to the spouse, a child, a parent, or a brother or sister, or to any person deemed by the Committee to have incurred expense for the care of such person otherwise entitled to payment. If a guardian or conservator of the estate of any person receiving or claiming benefits under the Plan shall be appointed by a court of competent jurisdiction, payments shall be made to such guardian or conservator provided that proper proof of appointment is furnished in a form and manner suitable to the Committee. Any payment made under the provisions of this Section shall be a complete discharge of liability therefor under the Plan.

Section 6.14 Notice of Address

Any payment made to a Participant or a designated beneficiary at the last known post office address of the distributee on file with the Committee, shall constitute a complete acquittance and discharge of any obligations of the Company under this Plan, unless the Committee shall have received prior written notice of any change in the condition or status of the distributee. Neither the Committee, the Company nor any director, officer, or employee of the Company shall have any duty or obligation to search for or ascertain the whereabouts of a Participant or a designated beneficiary.

ARTICLE VII

Administration

Section 7.1 Committee

Prior to a Change in Control, the Plan shall be administered by the Committee. The Committee shall have the exclusive right to interpret the Plan (including questions of construction and interpretation) and the decisions, actions and records of the Committee shall be conclusive and binding upon the Company and all persons having or claiming to have any right or interest in or under the Plan. The Committee may delegate to such officers, employees or departments of the Company, or to service-providers or other persons, such authority, duties, and responsibilities of the Committee as it, in its sole discretion, considers necessary or appropriate for the proper and efficient operation of the Plan, including, without limitation, (i) interpretation of the Plan, (ii) approval and payment of claims, and (iii) establishment of procedures for administration of the Plan. Notwithstanding the foregoing, after a Change in Control, the trustee of any grantor trust established for the purpose of accumulating funds to satisfy the obligations incurred by the Company under this Plan shall administer the Plan and shall have the same privileges and rights as given to the Committee prior to a Change in Control.

Section 7.2 Claims Procedure

Any person dissatisfied with the Committee's determination of a claim for benefits (or claim for eligibility for participation) hereunder must file a written request for reconsideration with the Committee. This request must include a written explanation setting forth the specific reasons for such reconsideration. The Committee shall review its determination promptly and render a written decision with respect to the claim, setting forth the specific reasons for such denial written in a manner calculated to be understood by the claimant. Such claimant shall be given a reasonable time within which to comment, in writing, to the Committee with respect to such explanation. The Committee shall review its determination promptly and render a written decision with respect to the claim. Such decision of the Committee shall be conclusive, binding, and final upon all claimants under this Plan.

ARTICLE VIII

Amendment, Termination and Effective Date

Section 8.1 Amendment of the Plan

Subject to Section 8.3, the Plan may be wholly or partially amended or otherwise modified at any time by written action of the Board of Directors.

Section 8.2 Termination of the Plan

Subject to the provisions of Section 8.3, the Plan may be terminated at any time by written action of the Board of Directors.

Section 8.3 No Impairment of Benefits

Notwithstanding the provisions of Sections 8.1 and 8.2, no amendment to or termination of the Plan shall reduce the amount credited to any Participant's Accounts hereunder.

Section 8.4 Effective Date

The Plan, as previously amended and restated, was effective as of August 15, 1996. The Plan as set forth herein is amended and restated effective as of December 31, 2007.

BECTON, DICKINSON AND COMPANY

1996 DIRECTORS' DEFERRAL PLAN

Adopted As Of November 1, 1996
And Amended and Restated As of December 31, 2007

ARTICLE I

Definitions

- 1.1 "Accrued Pension" means the U.S. dollar amount of the actuarially-determined present value of the accrued and unpaid past service pension benefits under the Directors' Nonqualified Pension Arrangements of a Director acting as such at and as of June 30, 1996, as calculated by Kwasha Lipton as of the Termination Date, taking into account the Director's age and years and months of past service and such other assumptions as shall be reasonable and uniformly applied to all Directors.
- 1.2 "Additional Deferral Election" means the election by a participant under Section 3.6(b) to further defer the date payment otherwise would be made (or begin to be made) from a participant's Deferred Account.
- 1.3 "Annual Share Amount" means the number of shares of Common Stock (which is set as of the date hereof at 400 shares) that the Board, from time to time, may agree to credit to Deferred Stock Accounts as compensation to continuing Directors.
- 1.4 "Board" means the Board of Directors of the Company.
- 1.5 "Change-of-Form Election" means the election by a participant under Section 3.6(a) to change the form of distribution from any of his or her Deferred Accounts.
- 1.6 "Code" means the Internal Revenue Code of 1986, as amended, or any successor statute.
- 1.7 "Committee" means the Committee on Directors of the Board, or such other committee as may be designated by the Board to be responsible for administering the Plan.
- 1.8 "Common Stock" means the common stock (\$1.00 par value) of the Company, including any shares into which it may be split, subdivided or combined.
- 1.9 "Company" means Becton, Dickinson and Company, and any successor thereto.
- 1.10 "Conversion Election" means the election by a participant under Section 3.5(a) to convert some or all of his or her Deferred Retainer Account balance, Deferred Fees Account balance and/or Deferred Dividends Account balance from a cash balance into a Deferred Stock Account balance.

- 1.11 "Deferral Election" means a Deferred Pension Election, Restricted Stock Election, Deferred Dividends Election, Deferred Retainer Election, Deferred Fees Election and/or a form-of-distribution election under Section 3.4(e).
- 1.12 "Deferred Account" means the participant's Deferred Pension Account, Deferred Dividends Account, Deferred Retainer Account, Deferred Fees Account, Deferred Cash Account and/or Deferred Stock Account.
- 1.13 "Deferred Cash Account" means the bookkeeping account established under Section 3.5(b) on behalf of a participant, and includes any Interest Return credited thereto pursuant to Section 3.7(a).
- 1.14 "Deferred Dividends" means the amount of cash dividends on his or her Restricted Stock that a participant has elected to defer until a later year pursuant to an election under Section 3.2 (c).
- 1.15 "Deferred Dividends Account" means the bookkeeping account established under Section 3.2(c) on behalf of a participant, and includes any Interest Return credited thereto pursuant to Section 3.7(a).
- 1.16 "Deferred Dividends Election" means the election by a participant under Section 3.2(c) to defer until a later year receipt of some or all of the dividends payable in the following year on his or her Restricted Stock.
- 1.17 "Deferred Fees" means the amount of a participant's fees (other than the participant's annual Board retainer fees) that such participant has elected to defer until a later year pursuant to an election under Section 3.3(a).
- 1.18 "Deferred Fees Account" means the bookkeeping account established under Section 3.3 on behalf of a participant, and includes any Interest Return credited thereto pursuant to Section 3.7(a).
- 1.19 "Deferred Fees Election" means the election by a participant under Section 3.3 to defer until a later year receipt of some or all of his or her fees (other than annual Board retainer).
- 1.20 "Deferred Pension" means the amount of a participant's Accrued Pension that such participant has elected to defer until a later year pursuant to an election under Section 3.1.
- 1.21 "Deferred Pension Account" means the bookkeeping Account established under Section 3.1 on behalf of a participant, and includes any Interest Return credited thereto pursuant to Section 3.7(a).
- 1.22 "Deferred Pension Election" means the election by a participant under Section 3.1 to defer until a later year receipt of some or all of his or her Accrued Pension.

- 1.23 "Deferred Retainer" means the amount of a participant's annual Board retainer fees that such participant has elected to defer until a later year pursuant to an election under Section 3.3(a).
- 1.24 "Deferred Retainer Account" means the bookkeeping account established under Section 3.3 on behalf of a participant, and includes any Interest Return credited thereto pursuant to Section 3.7(a).
- 1.25 "Deferred Retainer Election" means the election by a participant under Section 3.3(a) to defer until a later year receipt of some or all of his or her annual Board retainer.
- 1.26 "Deferred Stock Account" means the bookkeeping account established under Sections 3.2, 3.4 and/or 3.5 on behalf of a participant and includes, in addition to amounts stated in those Sections, all Dividend Reinvestment Returns credited thereto pursuant to Section 3.7(b).
- 1.27 "Deferred Stock Election" means the election by a participant under Section 3.4(a) and/or (c) to have his or her Deferred Pension, Deferred Dividends, Deferred Retainer and/or Deferred Fees credited in the form of Common Stock to the participant's Deferred Stock Account.
- 1.28 "Director" means a member of the Board.
- 1.29 "Directors' Nonqualified Pension Arrangements" means the unfunded pension benefits payable to Directors pursuant to resolutions of the Board dated November 24, 1981 and March 28, 1995.
- 1.30 "Directors' Stock Trust" means the Becton, Dickinson and Company 1996 Directors' Deferral Trust established as of November 15, 1996 between the Company and Wachovia Bank of North Carolina, N.A.
- 1.31 "Dividend Reinvestment Return" means the amounts which are credited to each participant's Deferred Stock Account pursuant to Section 3.7(b) to reflect dividends declared and paid by the Company on its Common Stock.
- 1.32 "Effective Date" means the effective date of the Plan set forth in Section 5.4.
- 1.33 "ERISA" means the Employee Retirement Income Security Act of 1974, as amended, or any successor statute.
- 1.34 "Interest Return" means the amounts which are credited from time to time to each participant's Deferred Pension Account, Deferred Dividends Account, Deferred Retainer Account, Deferred Fees Account and/or Deferred Cash Account pursuant to Section 3.7(a).

- 1.35 "Investment Election" means the participant's election to have deferred amounts credited with hypothetical earnings credits (or losses) that track the investment performance of the Investment Options in accordance with Article III.
- 1.36 "Investment Options" means those hypothetical targeted investment options, other than Common Stock, designated by the Committee as measurements of the rate of return to be credited to (or charged against) amounts deferred to participants' accounts other than their Deferred Stock Accounts.
- 1.37 "NYSE" means The New York Stock Exchange.
- 1.38 "Payment Date" means the last day of January, April, July or October of each calendar year on which the Directors are paid their compensation for the immediately preceding three (3) month period.
- 1.39 "Plan" means the Becton, Dickinson and Company 1996 Directors' Deferral Plan as from time to time in effect.
- 1.40 "Restricted Stock" means the shares of Common Stock issued to a Director, and bearing restrictions, pursuant to the Company's 1994 Restricted Stock Plan for Non-Employee Directors.
- 1.41 "Restricted Stock Election" means the election by a participant under Section 3.2(a) to surrender some or all of his or her shares of Restricted Stock to the Company and to have an equal number of shares of Common Stock credited to the participant's Deferred Stock Account.
- 1.42 "Shareholders' Meeting" means the regular annual meeting of the shareholders of the Company.
- 1.43 "Termination Date" means December 1, 1996, the date as of which the Directors' Nonqualified Pension Arrangements will have been effectively terminated.

ARTICLE II

Participation

2.1 Participation

- (a) Participation in the Plan shall be limited to an individual who, as at the Effective Date of the Plan and/or any subsequent first day of any calendar quarter, is a Director.
- (b) The Committee may, consistent with Company policy:
 - (i) designate as ineligible particular individuals or groups of individuals who otherwise would be eligible under Section 2.1(a); or
 - (ii) designate as eligible particular individuals or groups of individuals who otherwise would be ineligible under Section 2.1(a).

ARTICLE III

Deferral Elections, Accounts and Distributions

3.1 Deferred Pension Election

- (a) Any participant, who has an Accrued Pension as of the Termination Date, may make a single one-time election, on or before December 5, 1996 in writing and on a form to be furnished by the Committee, to convert 25%, 50%, 75% or 100% of his or her Accrued Pension into a Deferred Pension Account under the Plan. Upon making a Deferred Pension Election, a new Deferred Pension Account will be established in the participant's name and will be credited, on or about December 20, 1996, with the amount of his or her Accrued Pension so converted.
- (b) Once made, a Deferred Pension Election cannot be changed or revoked except as provided herein.
- (c) A Deferred Pension Election shall defer the starting date for the payment of the designated amount of the participant's Accrued Pension, and any Interest Return credited thereon pursuant to Section 3.7, until the earliest of the participant's retirement, permanent and total disability, death or involuntary termination.

- (d) In the event of any such Deferred Pension Election, the form of payment of any distribution (i.e., in a lump sum or in five or in ten approximately equal annual installments) and the starting date of such distribution (i.e., as soon as practicable following the event triggering the distribution or January 31st of the calendar year immediately following such event) shall be elected at the same time. In the event that any distribution is elected to be paid in five or ten approximately equal annual installments, the participant also may elect, at the time of the Deferred Pension Election, to have the form of distribution, automatically and without further action on his or her part, converted to a lump sum payment in accordance with Section 3.8(b) in the event of such participant's death or permanent and total disability occurring prior to the expiration of the complete period of deferral. Except as herein provided, such form-of-payment election shall not be changed or revoked.

3.2

Restricted Stock Elections and Deferred Dividends Elections

- (a) Any participant, who owns Restricted Stock as of the Effective Date, may make a single one-time election, on or before December 5, 1996 and on a form to be furnished by the Committee, to surrender to the Company 25%, 50%, 75% or 100% of his or her shares of Restricted Stock. Upon making such Restricted Stock Election, a new Deferred Stock Account will be established in the participant's name to which will be credited, on or about December 20, 1996, a number of shares of Common Stock equal to the number so surrendered.
- (b) A participant who makes a Restricted Stock Election will defer the receipt of any balance in the participant's Deferred Stock Account, including any Dividend Reinvestment Return credited thereto pursuant to Section 3.7(b), until the earliest of the participant's (i) permanent and total disability, (ii) death and (iii) the later of (1) the date on which such shares of Restricted Stock otherwise would have vested, (2) January 2, 1998, and (3) the date of any retirement or other termination of service.
- (c) Any participant, who owns Restricted Stock from time to time, also can elect, on or before December 31 of any calendar year, to defer 25%, 50%, 75% or 100% of the cash dividends otherwise payable on his or her Restricted Stock for the next succeeding calendar year. Such Deferred Dividends will be credited to the participant's Deferred Dividend Account as of each date on which cash dividends are otherwise paid on the Common Stock.
- (d) A participant who makes a Deferred Dividends Election may defer the payment of any Deferred Dividends, and any Interest Return credited thereon pursuant to Section 3.7(a), until (i) the earliest of the participant's

retirement, permanent and total disability, death or involuntary termination or (ii) a fixed date which is no earlier than three full calendar years after the calendar year during which the Deferred Dividends otherwise were payable and no later than ten years after the earliest date specified in (i), provided, however, that all distributions under Section 3.8(b) must be paid in full no later than ten years after the earliest of the participant's retirement, permanent and total disability, death or involuntary termination.

- (e) Once made, neither a Restricted Stock Election nor a Deferred Dividends Election can be changed or revoked except as provided herein.
- (f) In the event of any such Restricted Stock Election or Deferred Dividends Election, the form of payment of any distribution (i.e., in a lump sum or in five or in ten approximately equal annual installments) and the starting date of such distribution (i.e., as soon as practicable following the event causing the distribution or January 31st of the calendar year immediately following such event) shall be elected at the same time. In the event that any distribution is elected to be paid in five or ten approximately equal annual installments, the participant also may elect, at the time of the Restricted Stock Election or Deferred Dividends Election, to have the form of distribution, automatically and without further action on his or her part, converted to a lump sum payment in accordance with Section 3.8(b) in the event of such participant's death or permanent and total disability occurring prior to the expiration of the complete period of deferral. Except as herein provided, such form-of-payment election shall not be changed or revoked.

3.3

Deferred Retainer Elections and Deferred Fees Elections

- (a) With respect to an individual who is eligible to participate in this Plan in accordance with Section 2.1, elections of Deferred Retainer and/or Deferred Fees shall be made in writing on forms to be furnished by the Committee. A Deferred Retainer Election and/or a Deferred Fees Election shall apply only to the Director's annual retainer or fees, as the case may be, for the particular calendar year specified in the election. A participant may elect to defer from 1% of his or her annual retainer to 100% of that retainer (in increments of 1%) and/or 1% or 100% of his or her other fees (in increments of 1%).
- (b) A Deferred Retainer Election and/or Deferred Fees Election with respect to payments for a particular calendar year (i) must be made on or before the December 31 preceding such calendar year or, in the case of a newly- elected Director, within thirty (30) days following the date on which he or she becomes a member of the Board, and (ii) once made, cannot be changed or revoked except as provided herein. Such Deferred Retainer

shall be credited to the participant's Deferred Retainer Account (or, if none, to a new such account established in the participant's name) and his or her Deferred Fees shall be credited to the participant's Deferred Fees Account (or, if none, to a new such account established in the participant's name) as of each quarterly Payment Date. Revocation of any Deferred Retainer Election or Deferred Fees Election during a calendar year shall only affect future payments and shall reduce the participant's deferral percentage to zero for the remainder of that calendar year. Notice of revocation must be filed with the Committee by the fifteenth day of the month before the beginning of the next three-month period ending on a Payment Date. Such revocation shall not affect any balances credited to the participant's Deferred Retainer Account or Deferred Fees Account, as the case may be, before the effective date of the revocation of the election.

- (c) A participant who makes a Deferred Retainer Election or a Deferred Fees Election may defer the payment of any retainer and/or fees, and any Interest Return credited thereon pursuant to Section 3.7(a), until (i) the earliest of the participant's retirement, permanent and total disability, death or involuntary termination or (ii) a fixed date which is no earlier than three full calendar years after the calendar year during which the Deferred Retainer or Deferred Fees otherwise were payable and no later than ten years after the earliest date specified in (i), provided, however, that all distributions under Section 3.8(b) must be paid in full no later than ten years after the earliest of the participant's retirement, permanent and total disability, death or involuntary termination.
- (d) In the event of any such Deferred Retainer Election or Deferred Fees Election, the form of payment of any distribution (i.e., in a lump sum or in five or ten approximately equal annual installments) and the starting date of such distribution (i.e., as soon as practicable following the event causing the distribution or January 31st of the calendar year immediately following such event) shall be elected at the same time. In the event that any distribution is elected to be paid in five or ten approximately equal annual installments, the participant also may elect, at the time of the Deferred Retainer Election and/or Deferred Fees Election, to have the form of distribution, automatically and without any further action on his or her part, converted to a lump sum payment in accordance with Section 3.8(b) in the event of such participant's death or permanent and total disability occurring prior to the expiration of the complete period of deferral. Except as herein provided, such form-of-payment election shall not be changed or revoked.

Deferred Stock Elections

- (a) Instead of being credited to the participant's Deferred Pension Account, each participant who makes a Deferred Pension Election also may elect to have 25%, 50%, 75% or 100% of the amount otherwise creditable to his or her Deferred Pension Account instead credited in the form of Common Stock to a new Deferred Stock Account established in the participant's name.
- (b) When a Deferred Stock Election is made in connection with a Deferred Pension Election, the participant's Deferred Stock Account will be credited on or about December 20, 1996, with the number of shares of Common Stock (rounded to the nearest one-one hundredth of a share) determined by dividing the amount of the participant's Accrued Pension with respect to which the Deferred Stock Election applies, by the average price paid by the Trustee of the Directors' Stock Trust for shares of Common Stock with respect to such date or, if the Trustee shall not purchase shares of Common Stock equal to the number of shares of Common Stock creditable to all participants' Deferred Stock Accounts on such date, then, to the extent of such shortfall, such price shall be the average of the high and low NYSE market price for the Common Stock on such date and the portion of the participant's Deferred Pension Account balance used in such calculation shall be proportionate to such shortfall amount. At the same time, the participant's Deferred Pension Account will be debited by the amount so credited to the participant's new Deferred Stock Account.
- (c) Instead of being credited to the participant's Deferred Dividends Account, Deferred Retainer Account or Deferred Fees Account, each participant also may elect to have 25%, 50%, 75% or 100% of his or her Deferred Dividends, Deferred Retainer and/or Deferred Fees credited in the form of Common Stock to the participant's Deferred Stock Account. Except as provided in Section 3.5, an election to have Deferred Dividends, Deferred Retainer or Deferred Fees credited to the participant's Deferred Stock Account must be made concurrently with the Deferred Dividends Election, Deferred Retainer Election or Deferred Fees Election, as the case may be.
- (d) A participant's Deferred Stock Account will be credited:
 - i) regularly, as of each date on which dividends are paid on the Common Stock, with the number of shares of Common Stock (rounded to the nearest one-one hundredth of a share) determined by dividing the portion of the participant's Deferred Dividends for such dividend payment date subject to the Deferred Stock Election by the average price paid by the Trustee of the Director's Stock

Trust for shares of Common Stock with respect to such dividend payment date or, if the Trustee shall not at such time purchase any shares of Common Stock, then the price shall be the average of the high and low NYSE market price for the Common Stock on such date;

- ii) quarterly, as of each Payment Date, with the number of shares of Common Stock (rounded to the nearest one-one hundredth of a share) determined by dividing the portion of the participant's Deferred Retainer and/or Deferred Fees accumulated during the preceding fiscal quarter and which are subject to the Deferred Stock Election by the average price paid by the Trustee of the Director's Stock Trust for shares of Common Stock with respect to such Payment Date or, if the Trustee shall not at such time purchase any shares of Common Stock, then the price shall be the average of the high and low NYSE market price for the Common Stock on such date; and
 - iii) annually, as of the day after the Shareholders' Meeting with the Annual Share Amount, if, after such meetings the participant was elected or continued to serve as a Director of the Company.
- (e) Each participant who has a Deferred Stock Account shall receive distributions from such Account attributable to his or her Annual Share Amounts, and any Dividend Reinvestment Return credited thereon pursuant to Section 3.7(b), upon the earliest of the participant's retirement, permanent and total disability, death or involuntary termination. Such participant, within thirty (30) days after his or her Deferred Stock Account is credited with an Annual Share Amount, shall elect the form of payment of any such distribution (i.e., in a lump sum or in five or in ten approximately equal annual installments) and the starting date of such distribution (i.e., as soon as practicable following the event triggering the distribution or January 31st of the calendar year immediately following such event).

In the event that any distribution is elected to be paid in five or ten approximately equal annual installments, the participant also may elect, at the time of the initial form-of-distribution election, to have the form of distribution, automatically and without further action on his or her part, converted to a lump sum payment in accordance with Section 3.8(b) in the event of such participant's death or permanent and total disability occurring prior to the expiration of the complete period of deferral. Except as herein provided, such form-of-distribution election shall not be changed or revoked.

- (f) In the event of any merger, consolidation, reorganization, recapitalization, stock dividend (including without limitation, stock dividends consisting of

securities other than the shares of Common Stock), distribution (other than regular cash dividends), stock split, reverse stock split, separation, spin-off, split-off or other distribution of stock or property of the Company, or other change in the corporate structure or capitalization, there shall be appropriate adjustment made by the Board in the number and kind of shares (rounded to the nearest one-one hundredth of a share) or other property that shall be credited in the aggregate and to individual participants' deferred stock accounts under the Plan, so that the participants' Deferred Stock Accounts reflect the same equity percentage interest in the Company after the transaction as was the case before such transaction, and so that each share of Common Stock credited to a participant's Deferred Stock Account before a transaction accrues the same benefits after the transaction as does each share of Common Stock outstanding before such transaction.

- (g) If at least a majority of the Company's stock is sold or exchanged by its Shareholders pursuant to an integrated plan for cash or property (including Stock of another corporation) or if substantially all of the assets of the Company are disposed of and, as a consequence thereof, cash or property is distributed to the Company's shareholders, each participant's Deferred Stock Account will, to the extent not already so credited under Section 3.7(b), be (i) credited with the amount of cash or property receivable by a Company shareholder directly holding the same number of shares of Common Stock as is credited to such participant's Deferred Stock Account and (ii) debited by that number of shares of Common Stock surrendered by such equivalent Company shareholder.
- (h) Each participant who has a Deferred Stock Account also shall be entitled to provide directions to the Committee to cause the Committee to similarly direct the Trustee of the Trust to vote, on any matter presented for a vote to the shareholders of the Company, that number of shares of Common Stock held by the Trust equivalent to the number of shares of Common Stock credited to the participant's Deferred Stock Account. The Committee shall arrange for distribution to all participants in a timely manner of all communications directed generally to the shareholders of the Company as to which their votes are solicited.
- (i) Pursuant to the Policy Statement on Insider Trading and Securities Transactions, as the same may be amended (the "Policy"), there are time periods (each, a "blackout period") during which time participants may not effect transactions, directly or indirectly, in Company equity securities. Under the Policy, the Company's Corporate Secretary may also impose additional blackout periods with respect to some or all participants. Participants whose ability to effect transactions is prohibited during such blackout periods also will be prohibited during such periods from making any Conversion Election, Deferred Stock Election or Investment Election that increases or decreases the amount credited to the participant's Deferred Stock Account. The Committee, at the direction of

the Company's Corporate Secretary, shall adopt and implement procedures to ensure that the provisions of this subsection are carried out.

3.5 Conversion Elections

- (a) Any individual who has a Deferred Dividends Account, Deferred Fees Account, Deferred Retainer Account and/or a Deferred Cash Account may make an additional election, to convert any whole percentage of the participant's deferred account balance as of the date of such election from a cash balance into a Common Stock balance which would be credited to his or her Deferred Stock Account (or, if none, to a new such account established in the participant's name).
- (b) When a Conversion Election is made, the participant's Deferred Stock Account will be credited, on or about January 2nd of the year following the election, with the number of shares of Common Stock (rounded to the nearest one-one hundredth of a share) determined by dividing the balance in the participant's Deferred Dividends Account, Deferred Retainer Account, Deferred Fees Account, and/or Deferred Cash Account by the average price paid by the Trustee of the Directors' Stock Trust for shares of Common Stock with respect to such date, or, if the Trustee shall not purchase shares of Common Stock equal to the number of shares of Common Stock creditable to all participants' Deferred Stock Accounts on such date, then, to the extent of such shortfall, such price shall be the average of the high and low NYSE market price for the Common Stock on such date and the portion of the participant's Deferred Dividends Account balance, Deferred Retainer Account balance, Deferred Fees Account balance and/or Deferred Cash Account balance used in such calculation shall be proportionate to such shortfall amount. At the same time, the participant's Deferred Dividends Account, Deferred Retainer Account, Deferred Fees Account and/or Deferred Cash Account, as the case may be, will be debited by an amount equal to the amount so credited to the participant's Deferred Stock Account.

3.6 Change-of-Form Elections and Additional Deferral Elections

- (a) Any participant, who has made a Deferral Election, may make an additional election to change the form of distribution of the balance in any of his or her Deferred Accounts to one of the three acceptable forms of distributions under Section 3.8(b). Only one Change-of-Form Election may be made by any participant with respect to the balance in any Deferred Account attributable to any individual Deferral Election during any three (3) calendar years; provided, however, that no such Change-of- Form Election will be effective with respect to any balance in any participant's Deferred Account, unless made in connection with the

establishment of the Deferred Account, until such balance has been in such Deferred Account for at least two (2) calendar years.

- (b) Any participant who has made a Restricted Stock Election, Deferred Dividends Election, Deferred Retainer Election or Deferred Fees Election may make an additional election to further postpone the initial starting date for distributions of the balance in his or her Deferred Dividends Account, Deferred Retainer Account, Deferred Fees Account or Deferred Stock Account (to the extent attributable to a Deferred Stock Election or Conversion Election with respect to a Restricted Stock Election, Deferred Dividends Election, Deferred Retainer Election and/or Deferred Fees Election) to a date no earlier than three full calendar years thereafter and no later than the latest date that would have been permitted under Sections 3.2(d) or 3.3(c), as the case may be, for the initial Deferral Election; provided, however, that only one such Additional Deferral Election may be made with respect to the balance in any Deferred Account attributable to any individual Deferral Election.

3.7

Investment Return on Deferred Accounts

- (a) If a participant does not make an Investment Election as provided below, the Committee shall credit the balance of each participant's Deferred Pension Account, Deferred Dividends Account, Deferred Retainer Account, Deferred Fees Account and Deferred Cash Account during the calendar year with an Interest Return equal to interest thereon. Such balances shall include all Interest Returns previously credited to the account. The Interest Return to be credited for each calendar year shall be calculated by multiplying the average daily balance in each such Deferred Account by the Moody's Seasoned Aaa Corporate Bond Rate in effect on the first business day of September of the previous calendar year, as published in the weekly *Federal Reserve Statistical Release (Publication H.15)*. Notwithstanding the foregoing, at the time the participant makes a Deferral Election (other than a Restricted Stock Election or a form of distribution election), the participant may make an Investment Election and select Investment Options with respect to the amounts credited to those accounts. If a participant makes an Investment Election, additional hypothetical bookkeeping amounts shall be credited to (or deducted from) the participant's Deferred Pension Account, Deferred Dividends Account, Deferred Retainer Account, Deferred Fees Account or Deferred Cash Account to reflect the earnings (or losses) that would have been experienced had the deferred amounts been invested in the Investment Options selected by the participant as targeted rates of return, net of all fees and expenses otherwise associated with the Investment Options. The Committee may add or delete Investment Options, on a prospective basis, by notifying all participants whose accounts are hypothetically invested in such Investment Options, in

advance, and soliciting elections to transfer deferred amounts so that they track investments in other Investment Options then available. Investment Elections will continue in effect until changed by the participant. A participant may change a prior Investment Election on a monthly basis, in such manner as approved by the Committee.

- (b) Each time the Company declares a dividend on its Common Stock, each participant's Deferred Stock Account will be credited with a Dividend Reinvestment Return equal to that number of shares of Common Stock (rounded to the nearest one-one hundredth of a share) determined by dividing (i) the amount that would have been paid (or the fair market value thereof, if the dividend is not paid in cash) to the participant on the total number of shares of Common Stock credited to the participant's Deferred Stock Account had that number of shares of Common Stock been held by such participant by (ii) the average price paid by the Trustee of the Stock Trust for shares of Common Stock with respect to the dividend payment date or, if the Trustee shall not at such time purchase any shares of Common Stock, then the price shall be the average of the high and low NYSE market price for the Common Stock on such date.
- (c) Within 60 days following the end of each calendar year, the Committee shall furnish each participant with a statement of account which shall set forth the balance in each of the individual's Deferred Accounts as of the end of such calendar year, inclusive of cumulative Interest Return and/or Dividend Reinvestment Return.

3.8 Distributions

- (a) Upon occurrence of an event specified in the participant's Deferral Election, as modified by any Change-of-Form Election, the amount of a participant's Deferred Pension Account, Deferred Dividends Account, Deferred Retainer Account, Deferred Fees Account and/or Deferred Cash Account shall be paid in cash and the amount of a participant's Deferred Stock Account shall, except as otherwise provided in Section 3.4(g) or 3.9 or to the extent the Company is otherwise, in the reasonable judgment of the Committee, precluded from doing so, be paid in shares of Common Stock (with any fractional share interest therein paid in cash to the extent of the then fair market value thereof), in each case to the participant or his or her beneficiary, as applicable. Such payment(s) shall be from the general assets of the Company (including the Directors' Stock Trust) in accordance with this Section 3.8.
- (b) Unless other arrangements are specified by the Committee on a uniform and nondiscriminatory basis, deferred amounts shall be paid in the form of (i) a lump sum payment, (ii) in five approximately equal annual installments or (iii) in ten approximately equal annual installments, as

elected by the participant at the time of his or her Deferral Election and as modified by any applicable subsequent Change-of-Form Election; provided, however, that payments shall be made only in a single lump sum if payment commences due to termination for cause. Such payments shall be made (or begin to be made) as soon as practicable following the occurrence of the event making payment necessary or, if so elected in the Deferral Election, on the January 31st of the calendar year immediately following such event.

- (c) In case of an unforeseeable emergency, a participant may request the Committee, on a form to be provided by the Committee, that payment be made earlier than the date to which it was deferred; provided, however, that no such acceleration of the distribution date(s) shall apply to that portion of the balance(s) in the participant's Deferred Accounts either attributable to Annual Share Amounts, and any Dividend Reinvestment Return credited thereon pursuant to Section 3.7(b), or to a Deferred Pension Election, and any Interest Return or Dividend Reinvestment Return credited thereon pursuant to Section 3.7.

For purposes of this Section 3.8(c), an "unforeseeable emergency" shall be limited to a severe financial hardship to the participant resulting from a sudden and unexpected illness or accident of the participant or of a dependent (as defined in section 152(a) of the Code) of the participant, loss of the participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant. The circumstances that will constitute an unforeseeable emergency will depend upon the facts of each case, but, in any case, payment may not be made to the extent that such hardship is or may be relieved: (i) through reimbursement or compensation by available insurance or otherwise, (ii) by liquidation of the participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship or (iii) by cessation of deferrals under the Plan.

The Committee shall consider any requests for payment under this Section 3.8(c) on a uniform and nondiscriminatory basis and in accordance with the standards of interpretation described in section 457 of the Code and the regulations thereunder.

- (d) The Company shall deduct from all payments under the Plan federal, State and local income and employment taxes, as required by applicable law. No participant or beneficiary shall be entitled to receive any distribution of shares of Common Stock credited to a participant's Deferred Stock Account until the Company has received full payment of such withholding obligations in cash.

General Provisions

- (a) The Company shall make no provision for the funding of any Deferred Accounts payable hereunder that (i) would cause the Plan to be a funded plan for purposes of section 404(a)(5) of the Code or (ii) would cause the Plan to be other than an "unfunded and unsecured promise to pay money or other property in the future" under Treasury Regulations § 1.83-3(e); and, except to the extent specified in the Directors' Stock Trust following a "change of control" (as defined in the Directors' Stock Trust) of the Company, the Company shall have no obligation to make any arrangement for the accumulation of funds to pay any amounts under this Plan. Subject to the restrictions of the preceding sentence and in Section 3.9(c), the Company, in its sole discretion, may establish one or more grantor trusts described in Treasury Regulations § 1.677(a)-1(d) to accumulate funds and/or shares of Common Stock to pay amounts under this Plan, provided that the assets of such trust(s) shall be required to be used to satisfy the claims of the Company's general creditors in the event of the Company's bankruptcy or insolvency.
- (b) In the event that the Company shall decide to establish an advance accrual reserve on its books against the future expense of payments from any Deferred Account, such reserve shall not under any circumstances be deemed to be an asset of this Plan but, at all times, shall remain a part of the general assets of the Company, subject to claims of the Company's creditors.
- (c) A person entitled to any amount under this Plan shall be a general unsecured creditor of the Company with respect to such amount. Furthermore, a person entitled to a payment or distribution with respect to a Deferred Account, shall have a claim upon the Company only to the extent of the balance(s) in his or her Deferred Accounts.
- (d) The participant's beneficiary under this Plan with respect to the balance(s) in his or her Deferred Accounts shall be the person designated to receive benefits on account of the participant's death on a form provided by the Committee.
- (e) All commissions, fees and expenses that may be incurred in operating the Plan and any related trust(s) established in accordance with Section 3.9(a) (including the Directors' Stock Trust) will be paid by the Company.
- (f) Notwithstanding any other provision of this Plan: (i) elections under this Plan may only be made by participants while they are directors of the Company; (ii) no Conversion Election, Change-of-Form Election or Additional Deferral Election shall be effective if made within six (6) months prior to the earlier of (1) the date of the participant's scheduled

retirement or (2) the date the participant voluntarily terminates service on the Board; (iii) no Change-of-Form Election or Additional Deferral Election shall be effective with respect to any balance in any Deferred Account that is scheduled to be paid (or to begin to be paid) within six (6) months after the date of such election; and (iv) distributions otherwise payable to a participant in the form of Common Stock shall be delayed and/or instead paid in cash in an amount equal to the fair market value thereof if such payment in Common Stock would violate any federal or State securities laws (including Section 16(b) of the Securities Exchange Act of 1934, as amended) and/or rules and regulations promulgated thereunder.

Non-Assignability

3.10

Participants, their legal representatives and their beneficiaries shall have no right to anticipate, alienate, sell, assign, transfer, pledge or encumber their interests in the Plan, nor shall such interests be subject to attachment, garnishment, levy or execution by or on behalf of creditors of the participants or of their beneficiaries.

ARTICLE IV

Administration

4.1

Plan Administrator

Subject to the express provisions of the Plan, the Committee shall have the exclusive right to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to it and to make all other determinations necessary or advisable for the administration of the Plan. The decisions, actions and records of the Committee shall be conclusive and binding upon the Company and all persons having or claiming to have any right or interest in or under the Plan.

The Committee may delegate to such officers, employees or departments of the Company such authority, duties, and responsibilities of the Committee as it, in its sole discretion, considers necessary or appropriate for the proper and efficient operation of the Plan, including, without limitation, (i) interpretation of the Plan, (ii) approval and payment of claims, and (iii) establishment of procedures for administration of the Plan.

ARTICLE V

Amendment, Termination and Effective Date

5.1 Amendment of the Plan

Subject to the provisions of Section 5.3, the Plan may be wholly or partially amended or otherwise modified at any time by written action of the Board of Directors.

5.2 Termination of the Plan

Subject to the provisions of Section 5.3, the Plan may be terminated at any time by written action of the Board of Directors.

5.3 No Impairment of Benefits

Notwithstanding the provisions of Sections 5.1 and 5.2, no amendment to or termination of the Plan shall impair any rights to benefits which have accrued hereunder.

5.4 Effective Date

The Plan is effective as of November 1, 1996.

APPENDIX A

EXTENDED DEFERRAL OF EQUITY BASED COMPENSATION INCLUDING

RESTRICTED STOCK UNITS

Effective November 21, 2006, the following provisions apply to a participant's ability to defer distribution of Equity-Based Compensation:

A.1 Definitions. The following definitions apply to this Appendix A. Any defined term not defined in this Section A.1 will have the same meaning provided under Article I of the Plan.

- (a) "Deferred Equity-Based Compensation Account" means the bookkeeping account established as a sub-account of the Deferred Stock Account on behalf of a participant who makes an Equity-Based Compensation Deferral Election pursuant to Section A.2.
- (b) "Equity-Based Compensation Plan" means the Becton, Dickinson and Company 2004 Employee and Director Equity-Based Compensation Plan.
- (c) "Equity-Based Compensation Deferral Election" means the election by a participant under Section A.2 to defer all or a portion of the participant's Equity-Based Compensation.
- (d) "Equity-Based Compensation" means restricted stock units and other stock-based awards granted under the Equity-Based Compensation Plan, and does not include any such awards that qualify as vested stock, restricted stock, stock option awards, or stock appreciation rights.

A.2 Equity-Based Compensation Deferral Election.

- (a) Each participant may make an Equity-Based Compensation Deferral Election to defer the initial starting date the Equity-Based Compensation is otherwise distributable to the participant or change an existing Equity-Based Compensation Deferral Election. Any Equity-Based Compensation Deferral Election that changes the time of distribution of a participant's Equity-Based Compensation: 1) must delay receipt of such distribution for at least 5 (five) years but not more than 10 (ten) years beyond the original distribution date; 2) must be made at least 12 months before the original distribution date; and 3) will not be effective until 12 months after the new election. Notwithstanding the foregoing, and in accordance with Code Section 409A and any guidance issued thereunder: (I) a participant may make an Equity-Based Compensation Deferral Election that changes the time and manner of payment of Equity-Based Compensation subject to Code Section 409A and deferred on or before December 31, 2006 at any time on or before December 31, 2006, provided that the election (1) is for Equity-Based

Compensation not otherwise distributable in 2006, and (2) does not cause an amount to be distributed to a participant in 2006; and (II) a participant may make an Equity-Based Compensation Deferral Election that changes the time and manner of payment of Equity-Based Compensation subject to Code Section 409A and deferred on or before December 31, 2007 at any time on or before December 31, 2007, provided that if any such election is made during the calendar year ending on December 31, 2007, the election (1) is for Equity-Based Compensation not otherwise distributable in 2007, and (2) does not cause an amount to be distributed to a participant in 2007. A participant may make an Equity-Based Compensation Deferral Election for any percentage of the participant's Equity- Based Compensation that is a multiple of 10%. Once made, an Equity-Based Compensation Deferral Election cannot be changed or revoked except as provided herein.

- (b) The Committee shall provide the participant with the appropriate election forms with which a participant may make an Equity-Based Compensation Deferral Election. All Equity-Based Compensation Deferral Elections (including any modifications of prior Equity-Based Compensation Deferral Elections otherwise permitted under the Plan) may be made in accordance with written, electronic or telephonic procedures prescribed by the Committee.
- (c) Equity-Based Compensation that is deferred pursuant to an Equity-Based Compensation Deferral Election will be transferred to the Deferred Equity-Based Compensation Account, and credited with dividend equivalent rights as follows: each time the Company declares a dividend on its Common Stock, each participant's Deferred Equity-Based Compensation Account will be credited with a Dividend Reinvestment Return equal to that number of shares of Common Stock (rounded to the nearest one-one hundredth of a share) determined by dividing (i) the amount that would have been paid (or the fair market value thereof, if the dividend is not paid in cash) to the participant on the total number of shares of Common Stock credited to the participant's Deferred Equity-Based Compensation Account had that number of shares of Common Stock been held by such participant by (ii) the average price paid by the Trustee of the Stock Trust for shares of Common Stock with respect to the dividend payment date or, if the Trustee shall not at such time purchase any shares of Common Stock, then the price shall be the average of the high and low NYSE market price for the Common Stock on such date.

A.3 Diversification of Equity-Based Compensation Upon Termination of Service

- (a) On and after the date the participant separates from service on the Board, and before the occurrence of the event specified in the terms of the participant's Equity-Based Compensation Deferral Election form, amounts in the participant's Deferred Equity-Based Compensation Account shall, except as otherwise provided in the Plan or to the extent the Company is otherwise, in the reasonable judgment of the Committee, precluded from doing so, be transferred to the participant's Deferred Stock Account and administered in accordance with the Plan provisions governing the Deferred Stock Account.

A.4 Distributions of Equity-Based Compensation

- (a) Upon the occurrence of an event specified in the terms of the participant's Equity- Based Compensation Deferral Election form, the Equity-Based Compensation in a participant's Deferred Stock Account shall be paid in accordance with the Plan provisions governing the distribution of the Deferred Stock Account, in each case to the participant or his or her beneficiary, as applicable; and the Equity-Based Compensation in a participant's Deferred Cash Account, if any, shall be paid in the same manner as provided in Section 3.8(a) for the Deferred Cash Account, in each case to the participant or his or her beneficiary, as applicable.
- (b) Deferred amounts shall be distributed (or begin to be distributed) as soon as practicable following the occurrence of the event making distribution necessary, but in no event later than the fifteenth day of the third month following the end of the calendar year in which such distribution event occurs.

U.S. \$1,000,000,000

**AMENDED AND RESTATED
FIVE YEAR CREDIT AGREEMENT**

Dated as of December 1, 2006

Among

BECTON, DICKINSON AND COMPANY
as Borrower

and

THE BANKS NAMED HEREIN
as Banks

CITICORP USA, INC.
as Administrative Agent

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., NEW YORK BRANCH
as Syndication Agent

and

CITIGROUP GLOBAL MARKETS INC.

and

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., NEW YORK BRANCH
as Joint Lead Arrangers and Joint Bookrunners

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
ARTICLE I DEFINITIONS AND ACCOUNTING TERMS	
SECTION 1.01. <u>Certain Defined Terms</u>	1
SECTION 1.02. <u>Computation of Time Periods</u>	13
SECTION 1.03. <u>Accounting Terms</u>	13
ARTICLE II AMOUNTS AND TERMS OF THE ADVANCES	
SECTION 2.01. <u>The A Advances</u>	13
SECTION 2.02. <u>Making the A Advances</u>	14
SECTION 2.03. <u>The B Advances</u>	15
SECTION 2.04. <u>Certain Fees</u>	18
SECTION 2.05. <u>Reduction and Extensions of the Commitments</u>	19
SECTION 2.06. <u>Repayment of A Advances</u>	20
SECTION 2.07. <u>Interest</u>	20
SECTION 2.08. <u>Additional Interest on Eurodollar Rate Advances</u>	20
SECTION 2.09. <u>Interest Rate Determinations; Changes in Rating Systems</u>	21
SECTION 2.10. <u>Voluntary Conversion and Continuation of A Advances</u>	22
SECTION 2.11. <u>Prepayments of A Advances</u>	23
SECTION 2.12. <u>Increased Costs</u>	23
SECTION 2.13. <u>Illegality</u>	25
SECTION 2.14. <u>Payments and Computations</u>	25
SECTION 2.15. <u>Taxes</u>	26
SECTION 2.16. <u>Sharing of Payments, Etc</u>	28
ARTICLE III CONDITIONS OF LENDING	
SECTION 3.01. <u>Condition Precedent to Effectiveness of this Agreement</u>	29
SECTION 3.02. <u>Conditions Precedent to Each A Borrowing</u>	30
SECTION 3.03. <u>Conditions Precedent to Each B Borrowing</u>	30
ARTICLE IV REPRESENTATIONS AND WARRANTIES	
SECTION 4.01. <u>Representations and Warranties of the Borrower</u>	31
ARTICLE V COVENANTS OF THE BORROWER	
SECTION 5.01. <u>Affirmative Covenants</u>	33
SECTION 5.02. <u>Negative Covenants</u>	35

ARTICLE VI
EVENTS OF DEFAULT

SECTION 6.01. <u>Events of Default</u>	37
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ARTICLE VII
THE ADMINISTRATIVE AGENT

SECTION 7.01. <u>Authorization and Action</u>	38
SECTION 7.02. <u>Administrative Agent's Reliance, Etc.</u>	39
SECTION 7.03. <u>CUSA and Affiliates</u>	39
SECTION 7.04. <u>Lender Credit Decision</u>	39
SECTION 7.05. <u>Indemnification</u>	40
SECTION 7.06. <u>Successor Administrative Agent</u>	40

ARTICLE VIII
MISCELLANEOUS

SECTION 8.01. <u>Amendments, Etc.</u>	41
SECTION 8.02. <u>Notices, Etc.</u>	41
SECTION 8.03. <u>No Waiver; Remedies</u>	43
SECTION 8.04. <u>Costs, Expenses and Indemnification</u>	43
SECTION 8.05. <u>Right of Set-off</u>	44
SECTION 8.06. <u>Binding Effect</u>	44
SECTION 8.07. <u>Assignments, Designations and Participations</u>	45
SECTION 8.08. <u>Governing Law; Submission to Jurisdiction</u>	49
SECTION 8.09. <u>Severability</u>	49
SECTION 8.10. <u>Execution in Counterparts</u>	49
SECTION 8.11. <u>Survival</u>	49
SECTION 8.12. <u>Substitution of Lender</u>	49
SECTION 8.13. <u>Confidentiality</u>	50
SECTION 8.14. <u>No Fiduciary Relationship</u>	50
SECTION 8.15. <u>Patriot Act Notice</u>	51
SECTION 8.16. <u>Waiver of Jury Trial</u>	52

EXHIBITS

- Exhibit A-1 - Form of A Note
- Exhibit A-2 - Form of B Note
- Exhibit B-1 - Form of Notice of A Borrowing
- Exhibit B-2 - Form of Notice of B Borrowing
- Exhibit C - Form of Assignment and Acceptance
- Exhibit D - Form of Designation Agreement
- Exhibit E - Form of Opinion of General
Counsel of the Borrower
- Exhibit F - Form of Opinion of Special New York
Counsel to the Administrative Agent

AMENDED AND RESTATED FIVE YEAR CREDIT AGREEMENT dated as of December 1, 2006 among BECTON, DICKINSON AND COMPANY, a New Jersey corporation (the "Borrower"), the banks (the "Banks") listed on the signature pages hereof, THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., NEW YORK BRANCH, as syndication agent, and CITICORP USA, INC. ("CUSA") as administrative agent (in such capacity, the "Administrative Agent") for the Lenders hereunder.

PRELIMINARY STATEMENTS:

(1) The Borrower is party to an Amended and Restated Five Year Credit Agreement dated as of August 13, 2004 (as amended, supplemented or otherwise modified from time to time to (but not including) the date of this Amended and Restated Five Year Credit Agreement (this "Agreement"), the "Existing Credit Agreement") with the banks, financial institutions and other institutional lenders party thereto and CUSA, as Administrative Agent for the lenders.

(2) The parties to this Agreement desire to amend the Existing Credit Agreement as set forth herein and to restate the Existing Credit Agreement in its entirety as set forth below.

(3) The Borrower has requested that the Banks make loans to it in an aggregate principal amount not exceeding \$1,000,000,000 at any one time outstanding to support the Borrower's commercial paper program and for other general corporate purposes, and the Banks are prepared to make such loans upon the terms and conditions hereof. Accordingly, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS AND ACCOUNTING TERMS

SECTION 1.01. Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

"A Advance" means an advance by a Lender to the Borrower as part of an A Borrowing and refers to a Base Rate Advance or a Eurodollar Rate Advance, each of which shall be a "Type" of A Advance.

"A Borrowing" means (a) a borrowing consisting of simultaneous A Advances of the same Type having the same Interest Period and (b) other than for purposes of Sections 2.02 and 3.02, (i) the simultaneous Conversion of A Advances of one Type to A Advances of the other Type (having, in the case of Conversions into Eurodollar Rate Advances, the same Interest Period) and (ii) the simultaneous Continuation of Eurodollar Rate Advances as Eurodollar Rate Advances having the same Interest Period.

"A Note" means a promissory note of the Borrower payable to the order of any Lender, in substantially the form of Exhibit A-1 hereto, evidencing the aggregate

indebtedness of the Borrower to such Lender resulting from the A Advances made by such Lender.

"Advance" means an A Advance or a B Advance.

"Affiliate" means, as to any Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person or is a director or officer of such Person. For purposes of this definition, the term "control" (including the terms "controlling", "controlled by" and "under common control with") of a Person means the possession, direct or indirect, of the power to vote 5% or more of the voting capital stock of such Person or to direct or cause the direction of the management and policies of such Person, whether through the ownership of such voting capital stock, by contract or otherwise.

"Applicable Facility Fee Rate" for any Rating Level Period means the rate set forth below opposite the reference to such Rating Level Period:

<u>Rating Level Period</u>	<u>Applicable Facility Fee Rate (% p.a.)</u>
Level 1 Period	0.0450%
Level 2 Period	0.0500%
Level 3 Period	0.0600%
Level 4 Period	0.0700%
Level 5 Period	0.0800%
Level 6 Period	0.1000%

Each change in the Applicable Facility Fee Rate resulting from a Rating Level Change shall be effective on the effective date of such Rating Level Change.

"Applicable Lending Office" means, with respect to each Lender, such Lender's Domestic Lending Office in the case of a Base Rate Advance and such Lender's Eurodollar Lending Office in the case of a Eurodollar Rate Advance and, in the case of a B Advance, the office of such Lender notified by such Lender to the Administrative Agent as its Applicable Lending Office with respect to such B Advance.

"Applicable Margin" for any A Advance for any Rating Level Period means the rate for the respective Type of A Advance set forth below opposite the reference to such Rating Level Period:

<u>Rating Level Period</u>	<u>Applicable Margin (% p.a.)</u>	
	<u>Base Rate Advances</u>	<u>Eurodollar Rate Advances</u>
Level 1 Period	0.0000%	0.1050%
Level 2 Period	0.0000%	0.1500%
Level 3 Period	0.0000%	0.1900%
Level 4 Period	0.0000%	0.2300%
Level 5 Period	0.0000%	0.2700%
Level 6 Period	0.0000%	0.3500%

Each change in the Applicable Margin resulting from a Rating Level Change shall be effective (including with respect to each A Advance then outstanding) on the effective date of such Rating Level Change.

"Applicable Utilization Fee Rate" for any Rating Level Period means the rate set forth below opposite the reference to such Rating Level Period:

<u>Rating Level Period</u>	<u>Applicable Utilization Fee Rate (% p.a.)</u>
Level 1 Period	0.0500%
Level 2 Period	0.0500%
Level 3 Period	0.0500%
Level 4 Period	0.0500%
Level 5 Period	0.1000%
Level 6 Period	0.1000%

Each change in the Applicable Utilization Fee Rate resulting from a Rating Level Change shall be effective on the effective date of such Rating Level Change.

"Assignment and Acceptance" means an assignment and acceptance entered into by a Lender and an Eligible Assignee, and accepted by the Administrative Agent, in substantially the form of Exhibit C hereto.

"B Advance" means an advance by a Lender to the Borrower as part of a B Borrowing resulting from the auction bidding procedure described in Section 2.03.

"B Borrowing" means a borrowing consisting of simultaneous B Advances from each of the Lenders whose offer to make one or more B Advances as part of such borrowing has been accepted by the Borrower under the auction bidding procedure described in Section 2.03.

"B Note" means a promissory note of the Borrower payable to the order of any Lender, in substantially the form of Exhibit A-2 hereto, evidencing the indebtedness of the Borrower to such Lender resulting from a B Advance made by such Lender.

"B Reduction" has the meaning specified in Section 2.01.

"Base Rate" means, for any period, a fluctuating interest rate per annum in effect from time to time which rate per annum shall at all times be equal to the higher of:

(a) the rate of interest announced publicly by Citibank in New York, New York from time to time as Citibank's base rate; and

(b) 1/2 of one percent per annum above the Federal Funds Rate for such period.

"Base Rate Advance" means an A Advance which bears interest as provided in Section 2.07(a)(i) or 2.07(b)(i)(x) ..

"Borrowing" means an A Borrowing or a B Borrowing.

"Business Day" means a day of the year on which banks are not required or authorized to close in New York City and, if the applicable Business Day relates to any Eurodollar Rate Advance, on which dealings are carried on in the London interbank market.

"Change in Control" means any of the following events:

(a) any "person" or "group" (as such terms are used for purposes of Sections 13(d) and 14(d) of the Exchange Act, whether or not applicable, except that for purposes of this paragraph (a) such person or group shall be deemed to have "beneficial ownership" of all shares that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time) is or becomes the "beneficial owner" (as such term is used in Rule 13d-3 promulgated pursuant to the Exchange Act), directly or indirectly, of more than 50% of the aggregate voting power of all Voting Stock of the Borrower; or

(b) during any period of 25 consecutive calendar months, a majority of the Board of Directors of the Borrower shall no longer be composed of individuals (i) who were members of said Board on the first day of such period, (ii) whose election or nomination to said Board was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of said Board or (iii) whose election or nomination to said Board was approved by individuals referred to in clauses (i) and (ii) above constituting at the time of such election or nomination at least a majority of said Board.

"Citibank" means Citibank, N.A.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Commitment" has the meaning specified in Section 2.01.

"Commitment Termination Date" means December 1, 2011 or, if the Commitment Termination Date is extended pursuant to Section 2.05(b), the date to which such Commitment Termination Date is extended, provided in each case that if such date is not a Business Day, then the Commitment Termination Date shall be the immediately preceding Business Day.

"Consolidated Subsidiary" means, at any date, any Subsidiary of the Borrower or other entity the accounts of which would be consolidated with those of the Borrower in its consolidated financial statements if such statements were prepared as of such date.

"Continuation", "Continue" and "Continued" each refers to a continuation of Eurodollar Rate Advances from one Interest Period to the next Interest Period pursuant to Section 2.10.

"Convert", "Conversion" and "Converted" each refers to a conversion of Advances of one Type into Advances of the other Type pursuant to Section 2.09 or 2.10.

"Debt" means (a) indebtedness for borrowed money, (b) obligations evidenced by bonds, debentures, notes or other similar instruments, (c) obligations to pay the deferred purchase price of property or services, (d) obligations as lessee under leases which shall have been or should be, in accordance with GAAP, recorded as capital leases, and (e) obligations under direct or indirect guaranties in respect of, and obligations (contingent or otherwise) to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of others of the kinds referred to in clauses (a) through (d) above; provided that neither trade accounts payable arising in the ordinary course of business nor obligations in respect of insurance policies or performance or surety bonds which are not themselves guarantees of Debt (nor drafts, acceptances or similar instruments evidencing the same nor obligations in respect of letters of credit supporting the payment of the same) shall constitute Debt.

"Default" means an event that, with notice or lapse of time or both, would become an Event of Default.

"Designated Bidder" means (a) an Eligible Assignee or (b) a special purpose corporation which is engaged in making, purchasing or otherwise investing in commercial loans in the ordinary course of its business and that issues (or the parent of which issues) commercial paper rated at least P-1 by Moody's or A-1 by Standard & Poor's (or a comparable rating from a successor of either of them), that, in either case, (i) is organized under the laws of the United States or any State thereof, (ii) shall have become a party hereto pursuant to Section 8.07(d), (e) and (f), and (iii) is not otherwise a Lender.

"Designation Agreement" means a designation agreement entered into by a Lender (other than a Designated Bidder) and a Designated Bidder, and accepted by the Administrative Agent, in substantially the form of Exhibit D hereto.

"Domestic Lending Office" means, with respect to any Lender, the office of such Lender specified as its "Domestic Lending Office" in the Administrative Questionnaire of such Bank or in the Assignment and Acceptance pursuant to which it became a Lender, or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Administrative Agent.

"EBITDA" means, for any period, the sum (without duplication), for the Borrower and its Consolidated Subsidiaries (on a consolidated basis), of (a) net income for such period plus (b) to the extent deducted in determining net income for such period, the sum of (i) depreciation and amortization for such period, (ii) Interest Expense for such period and (iii) taxes for such period.

"Effective Date" means the earliest date as of which the conditions precedent to effectiveness set forth in Section 3.01 shall have been satisfied or waived.

"Eligible Assignee" means:

(a) a commercial bank organized under the laws of the United States, or any State thereof, and having total assets in excess of \$1,000,000,000;

(b) a savings and loan association or savings bank organized under the laws of the United States, or any State thereof, and having total assets in excess of \$500,000,000;

(c) a commercial bank organized under the laws of any other country which is a member of the OECD or has concluded special lending arrangements with the International Monetary Fund associated with its General Arrangements to Borrow or of the Cayman Islands, or a political subdivision of any such country, and having total assets in excess of \$1,000,000,000, provided that such bank is acting through a branch or agency located in the United States;

(d) the central bank of any country which is a member of the OECD;

(e) a finance company, insurance company or other financial institution or fund (whether a corporation, partnership or other entity) which is engaged in making,

purchasing or otherwise investing in commercial loans in the ordinary course of its business, and having total assets in excess of \$150,000,000;

(f) a Lender; and

(g) an Affiliate of a Lender;

provided that neither the Borrower nor any Affiliate of the Borrower shall qualify as an Eligible Assignee.

"Environmental Laws" means any and all present and future Federal, state, local and foreign laws, rules or regulations, and any orders or decrees, in each case as now or hereafter in effect, relating to the regulation or protection of human health, safety or the environment or to emissions, discharges, releases or threatened releases of pollutants, contaminants, chemicals or toxic or hazardous substances or wastes into the indoor or outdoor environment, including, without limitation, ambient air, soil, surface water, ground water, wetlands, land or subsurface strata, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, chemicals or toxic or hazardous substances or wastes.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"ERISA Affiliate" means any corporation or trade or business that is a member of any group of organizations (a) described in Section 414(b) or (c) of the Code of which the Borrower is a member and (b) solely for purposes of potential liability under Section 302(c)(11) of ERISA and Section 412(c)(11) of the Code and the lien created under Section 302(f) of ERISA and Section 412(n) of the Code, described in Section 414(m) or (o) of the Code of which the Borrower is a member.

"Eurocurrency Liabilities" has the meaning assigned to that term in Regulation D of the Board of Governors of the Federal Reserve System, as in effect from time to time.

"Eurodollar Lending Office" means, with respect to any Lender, the office of such Lender specified as its "Eurodollar Lending Office" in the Administrative Questionnaire of such Lender or in the Assignment and Acceptance pursuant to which it became a Lender (or, if no such office is specified, its Domestic Lending Office), or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Administrative Agent.

"Eurodollar Rate" means, for any Interest Period for each Eurodollar Rate Advance, an interest rate per annum equal to the rate per annum (rounded upward to the nearest whole multiple of 1/16 of 1% per annum) appearing on Moneyline Telerate Markets Page 3750 (or any successor page) as the London interbank offered rate for deposits in U.S. dollars at approximately 11:00 A.M. (London time) two Business Days

prior to the first day of such Interest Period for a term comparable to such Interest Period or, if for any reason such rate is not available, the average (rounded upward to the nearest whole multiple of 1/16 of 1% per annum, if such average is not such a multiple) of the rate per annum at which deposits in U.S. dollars are offered by the principal office of each of the Reference Banks in London, England to prime banks in the London interbank market at 11:00 A.M. (London time) two Business Days before the first day of such Interest Period in an amount substantially equal to such Reference Bank's Eurodollar Rate Advance comprising part of the related A Borrowing and for a period equal to such Interest Period. If the Moneyline Telerate Markets Page 3750 (or any successor page) is unavailable, the Eurodollar Rate for any Interest Period for each Eurodollar Rate Advance comprising part of such related A Borrowing shall be determined by the Administrative Agent on the basis of applicable rates furnished to and received by the Administrative Agent from the Reference Banks two Business Days before the first day of such Interest Period, subject, however, to the provisions of Section 2.09.

"Eurodollar Rate Advance" means an A Advance which bears interest as provided in Section 2.07(a)(ii) or 2.07(b)(i)(y).

"Eurodollar Rate Reserve Percentage" of any Lender for any Interest Period for any Eurodollar Rate Advance means the effective rate (expressed as a percentage) at which reserve requirements (including, without limitation, emergency, supplemental and other marginal reserve requirements) are imposed on such Lender during such Interest Period (or if more than one such percentage shall be so applicable, the daily average of such percentages for those days in such Interest Period during which any such percentage shall be so applicable) under regulations issued from time to time by the Board of Governors of the Federal Reserve System (or any successor) with respect to liabilities or assets consisting of or including Eurocurrency Liabilities having a term equal to such Interest Period.

"Events of Default" has the meaning specified in Section 6.01.

"Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time.

"Excluded Period" means, with respect to any additional amount payable under Section 2.12, the period ending 120 days prior to the applicable Lender's delivery of a certificate referenced in Section 2.12(a) or 2.12(b), as applicable, with respect to such additional amount.

"Existing Commitment Termination Date" has the meaning specified in Section 2.05(b).

"Existing Credit Agreement" has the meaning specified in the Preliminary Statements.

"Facility Fee" has the meaning specified in Section 2.04(a).

"Federal Funds Rate" means, for any period, a fluctuating interest rate per annum equal for each day during such period to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

"GAAP" has the meaning specified in Section 1.03.

"Interest Coverage Ratio" means, at any date of determination thereof, the ratio of (a) EBITDA for the period of four consecutive fiscal quarters most recently ended on or prior to such date to (b) Interest Expense for such period.

"Interest Expense" means, for any period, the sum (determined without duplication) of the aggregate amount of cash interest accruing during such period on the Debt of the Borrower and its Consolidated Subsidiaries (on a consolidated basis), including, without limitation, the interest portion of payments under capital lease obligations and any capitalized interest.

"Interest Period" means, with respect to any Eurodollar Rate Advance, the period beginning on the date such Eurodollar Rate Advance is made or Continued, or Converted from a Base Rate Advance, and ending on the last day of the period selected by the Borrower pursuant to the provisions below. The duration of each such Interest Period shall be one, two, three or six months, and subject to clause (iii) of this definition, nine or twelve months, as the Borrower may, upon notice received by the Administrative Agent not later than 11:00 A.M. (New York City time) on the third Business Day prior to the first day of such Interest Period, select; provided, however, that:

(i) the Borrower may not select any Interest Period that ends after the Termination Date;

(ii) each Interest Period that begins on the last Business Day of a calendar month (or on any day for which there is no numerically corresponding day in the appropriate subsequent calendar month) shall end on the last Business Day of the appropriate subsequent calendar month;

(iii) the Borrower shall not be entitled to select an Interest Period having duration of nine or twelve months unless, by 2:00 P.M. (New York City time) on the third Business Day prior to the first day of such Interest Period, each Lender notifies the Administrative Agent that such Lender will be providing funding for such Eurodollar Rate Advance with such Interest Period (the failure of any Lender to so respond by such time being deemed for all purposes of this Agreement as an objection by such Lender to the requested duration of such Interest Period); provided that, if any or all of the Lenders object to the requested duration of such Interest Period, the duration of the Interest Period for such Eurodollar Rate Advance shall be one, two, three or six months, as specified by

the Borrower as the desired alternative to an Interest Period of nine months or twelve months; and

(iv) whenever the last day of any Interest Period would otherwise occur on a day other than a Business Day, the last day of such Interest Period shall be extended to occur on the next succeeding Business Day, provided that, if such extension would cause the last day of such Interest Period to occur in the next following calendar month, the last day of such Interest Period shall occur on the next preceding Business Day.

"Lenders" means the Banks listed on the signature pages hereof, each Person that shall become a party hereto pursuant to Section 2.05, Section 8.07(a), (b) and (c) or Section 8.12, and, except when used in reference to an A Advance, an A Borrowing, an A Note, a Commitment or a related term, each Designated Bidder.

"Lien" means any lien, security interest or other charge or encumbrance of any kind, or any other type of preferential arrangement, including, without limitation, the lien or retained security title of a conditional vendor and any easement, right of way or other encumbrance on title to real property.

"Majority Lenders" means at any time Lenders holding at least 51% of the then aggregate unpaid principal amount of the A Advances held by Lenders, or, if no such principal amount is then outstanding, Lenders having at least 51% of the Commitments.

"Material Adverse Effect" means a material adverse effect on (i) the business, condition (financial or otherwise) or results of operations of the Borrower and its Subsidiaries, taken as a whole, or (ii) the legality, validity or enforceability of this Agreement or any Note.

"Moody's" means Moody's Investors Service, Inc. and its successors.

"Multiemployer Plan" means a multiemployer plan defined as such in Section 3(37) of ERISA to which contributions have been made by the Borrower or any ERISA Affiliate and that is covered by Title IV of ERISA.

"Non-Extending Lender" has the meaning specified in Section 2.05(b) .

"Note" means an A Note or a B Note.

"Notice of A Borrowing" has the meaning specified in Section 2.02(a) .

"Notice of B Borrowing" has the meaning specified in Section 2.03(a) .

"OECD" means the Organization for Economic Cooperation and Development.

"PBGC" means the Pension Benefit Guaranty Corporation or any entity succeeding to any or all of its functions under ERISA.

"Person" means an individual, partnership, corporation (including a business trust), limited liability company, joint stock company, trust, unincorporated association, joint venture or other entity, or a government or any political subdivision or agency thereof.

"Plan" means an employee benefit or other plan established or maintained by the Borrower or any ERISA Affiliate and that is covered by Title IV of ERISA, other than a Multiemployer Plan.

"Rated Securities" means, at any time, the long-term senior unsecured, unguaranteed debt securities of the Borrower outstanding at such time.

"Rating Level Change" means a change in the rating of the Rated Securities by either or both of Moody's or Standard & Poor's (other than as a result of a change in the rating system of such rating agency) that results in the change from one Rating Level Period to another, which Rating Level Change shall be effective on the date on which the relevant change in the rating of the Rated Securities is first announced by Moody's or Standard & Poor's, as the case may be.

"Rating Level Period" means, as of any period, the level set forth below as then in effect, as determined in accordance with the following provisions of this definition:

"Level 1 Period" means a period during which the Rated Securities are rated better than or equal to Aa2 by Moody's or better than or equal to AA by Standard & Poor's.

"Level 2 Period" means a period that is not a Level 1 Period during which the Rated Securities are rated better than or equal to A1 by Moody's or better than or equal to A+ by Standard & Poor's.

"Level 3 Period" means a period that is not a Level 1 Period or a Level 2 Period during which the Rated Securities are rated better than or equal to A2 by Moody's or better than or equal to A by Standard & Poor's.

"Level 4 Period" means a period that is not a Level 1 Period, a Level 2 Period or a Level 3 Period during which the Rated Securities are rated better than or equal to A3 by Moody's or better than or equal to A- by Standard & Poor's.

"Level 5 Period" means a period that is not a Level 1 Period, a Level 2 Period, a Level 3 Period or a Level 4 Period during which the Rated Securities are rated better than or equal to Baa1 by Moody's or better than or equal to BBB+ by Standard & Poor's.

"Level 6 Period" means each period other than a Level 1 Period, a Level 2 Period, a Level 3 Period, a Level 4 Period or a Level 5 Period, and shall include each period during which both Moody's and Standard & Poor's shall not have in

effect a rating for the Rated Securities (other than because either such rating agency shall no longer be in the business of rating corporate debt obligations).

For purposes of the forgoing, (a) if only one of Moody's and Standard & Poor's shall have in effect a rating for the Rated Securities, the Rating Level Period shall be determined by reference to the available rating and (b) if the Rated Securities are rated by Moody's and Standard & Poor's with ratings that would otherwise fall within different Rating Level Periods, the applicable Rating Level Period shall be determined by the rating that results in the higher Rating Level Period except that if the lower of such ratings would result in a Rating Level Period that is more than one level below the higher of such Rating Level Periods, the Rating Level Period shall be determined by reference to the rating that is one level above the lower of such ratings.

"Reference Banks" means CUSA and The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch.

"Register" has the meaning specified in Section 8.07(g) .

"Reportable Event" has the meaning set forth in Title IV of ERISA.

"Standard & Poor's" means Standard & Poor's Ratings Services, presently a division of The McGraw-Hill Companies, Inc., and its successors.

"Subsidiary" means, with respect to any Person, any corporation, partnership, limited liability company or other entity of which at least a majority of the securities or other ownership interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or other persons performing similar functions of such corporation, partnership, limited liability company or other entity (irrespective of whether or not at the time securities or other ownership interests of any other class or classes of such corporation, partnership or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person or one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person.

"Taxes" has the meaning specified in Section 2.15.

"Termination Date" means the Commitment Termination Date or the earlier date of termination in whole of the Commitments pursuant to Section 2.05(a) or 6.01.

"Utilization Fee" has the meaning specified in Section 2.04(b) .

"Voting Stock" means, at any time, the outstanding securities of the Borrower entitled to vote generally in the election of directors of the Borrower.

SECTION 1.02. Computation of Time Periods. In this Agreement in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each means "to but excluding".

SECTION 1.03. Accounting Terms. All accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles ("GAAP") as in effect from time to time, applied on a basis consistent (except for changes concurred in by the Borrower's independent public accountants) with the most recent audited consolidated financial statements of the Borrower and its Consolidated Subsidiaries delivered to the Lenders; provided that, if the Borrower notifies the Administrative Agent that the Borrower wishes to amend any defined term or covenant to eliminate the effect of any change in generally accepted accounting principles on the operation of such defined term or covenant (or if the Administrative Agent notifies the Borrower that the Majority Lenders wish to amend such defined term or covenant for such purpose), then the Borrower's compliance with this Agreement shall be determined on the basis of generally accepted accounting principles in effect immediately before the relevant change in generally accepted accounting principles became effective, until either such notice is withdrawn or such defined term or covenant is amended in a manner satisfactory to the Borrower and the Majority Lenders.

ARTICLE II
AMOUNTS AND TERMS OF THE ADVANCES

SECTION 2.01. The A Advances.

(a) Each Lender severally agrees, on the terms and conditions hereinafter set forth, to make A Advances to the Borrower from time to time on any Business Day during the period from the date hereof until the Termination Date in an aggregate amount not to exceed at any time outstanding the amount set opposite such Lender's name on the signature pages hereof or, if such Lender has entered into any Assignment and Acceptance, set forth for such Lender in the Register, as such amount may be reduced pursuant to Section 2.05(a) (such Lender's "Commitment"), provided that the aggregate amount of the Commitments of the Lenders shall be deemed used from time to time to the extent of the aggregate amount of the B Advances then outstanding and such deemed use of the aggregate amount of the Commitments shall be deemed applied to the Lenders ratably according to their respective Commitments (such deemed use of the aggregate amount of the Commitments being a "B Reduction").

(b) Each A Borrowing (i) shall (except as otherwise provided in Sections 2.09(f) and (g)) be in an aggregate amount not less than \$10,000,000 or an integral multiple of \$1,000,000 in excess thereof and (ii) shall consist of A Advances of the same Type (and, if such Advances are Eurodollar Rate Advances, having the same Interest Period) made, Continued or Converted on the same day by the Lenders ratably according to their respective Commitments. Within the limits of each Lender's Commitment, the Borrower may from time to time borrow, prepay pursuant to Section 2.11(b) and reborrow under this Section 2.01.

SECTION 2.02. Making the A Advances

(a) Each A Borrowing shall be made on notice, given not later than 11:00 A.M. (New York City time) on the third Business Day prior to the date of the proposed A Borrowing (in the case of an A Borrowing consisting of Eurodollar Rate Advances) or given not later than 11:00 A.M. (New York City time) on the Business Day of the proposed A Borrowing (in the case of an A Borrowing consisting of Base Rate Advances), by the Borrower to the Administrative Agent, which shall give to each Lender prompt notice thereof by telecopier. Each such notice of an A Borrowing (a "Notice of A Borrowing") shall be by telecopier, in substantially the form of Exhibit B-1 hereto, specifying therein the requested (i) date of such A Borrowing, (ii) Type of A Advances comprising such A Borrowing, (iii) aggregate amount of such A Borrowing, and (iv) in the case of an A Borrowing consisting of Eurodollar Rate Advances, initial Interest Period for each such A Advance. Each Lender shall, before 1:00 P.M. (New York City time) on the date of such A Borrowing, make available for the account of its Applicable Lending Office to the Administrative Agent at its address referred to in Section 8.02, in same day funds, such Lender's ratable portion of such A Borrowing. After the Administrative Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Article III, the Administrative Agent will make such funds available to the Borrower at the Administrative Agent's aforesaid address.

(b) Anything in subsection (a) above to the contrary notwithstanding, the Borrower may only select Eurodollar Rate Advances for any A Borrowing in an aggregate amount of \$10,000,000 or an integral multiple of \$1,000,000 in excess thereof.

(c) Each Notice of A Borrowing shall be irrevocable and binding on the Borrower. In the case of any A Borrowing which the related Notice of A Borrowing specifies is to be comprised of Eurodollar Rate Advances, the Borrower shall indemnify each Lender against any loss, cost or expense incurred by such Lender as a result of any failure to fulfill, on or before the date specified in such Notice of A Borrowing, the applicable conditions set forth in Article III, including, without limitation, any loss (excluding loss of anticipated profits), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund the A Advance to be made by such Lender as part of such A Borrowing. The Borrower shall pay amounts owing to any Lender pursuant to this Section 2.02(c) within 30 days after receipt from such Lender of a certificate setting forth in reasonable detail the calculation of the amount such Lender is entitled to claim under this Section 2.02(c) (which certificate shall be conclusive and binding for all purposes, absent manifest error).

(d) Unless the Administrative Agent shall have received notice from a Lender prior to the date of any A Borrowing that such Lender will not make available to the Administrative Agent such Lender's ratable portion of such A Borrowing, the Administrative Agent may assume that such Lender has made such portion available to the Administrative Agent on the date of such A Borrowing in accordance with subsection (a) of this Section 2.02 and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Lender shall not have so made such ratable portion available to the Administrative Agent, such Lender and the Borrower severally agree to repay to the Administrative Agent forthwith on demand such

corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Administrative Agent, at (i) in the case of the Borrower, the interest rate applicable at the time to A Advances comprising such A Borrowing and (ii) in the case of such Lender, the Federal Funds Rate. If such Lender shall repay to the Administrative Agent such corresponding amount, such amount so repaid shall constitute such Lender's A Advance as part of such A Borrowing for purposes of this Agreement (and such A Advance shall be deemed to have been made by such Lender on the date on which such amount is so repaid to the Administrative Agent).

(c) The failure of any Lender to make the A Advance to be made by it as part of any A Borrowing shall not relieve any other Lender of its obligation, if any, hereunder to make its A Advance on the date of such A Borrowing, but no Lender shall be responsible for the failure of any other Lender to make the A Advance to be made by such other Lender on the date of any A Borrowing.

SECTION 2.03. The B Advances.

(a) Each Lender severally agrees that the Borrower may request B Borrowings under this Section 2.03 from time to time on any Business Day during the period from the date hereof until the date occurring 30 days prior to the Termination Date in the manner set forth below; provided that, following the making of each B Borrowing, the aggregate amount of the Advances then outstanding shall not exceed the aggregate amount of the Commitments of the Lenders (computed without regard to any B Reduction). The following procedures shall apply:

(i) The Borrower may request a B Borrowing under this Section 2.03 by delivering to the Administrative Agent, by telecopier, a notice of a B Borrowing (a "Notice of B Borrowing"), in substantially the form of Exhibit B-2 hereto, specifying the date and aggregate amount of the proposed B Borrowing, the maturity date for repayment of each B Advance to be made as part of such B Borrowing (which maturity date may not be earlier than the date occurring 30 days after the date of such B Borrowing or later than the Termination Date), the interest payment date or dates relating thereto, and any other terms to be applicable to such B Borrowing, not later than 10:00 A.M. (New York City time):

(A) at least one Business Day prior to the date of the proposed B Borrowing, if the Borrower shall specify in the Notice of B Borrowing that the rates of interest to be offered by the Lenders shall be fixed rates per annum (such Borrowing, a "Fixed Rate B Borrowing") and

(B) at least four Business Days prior to the date of the proposed B Borrowing, if the Borrower shall instead specify in the Notice of B Borrowing the basis to be used by the Lenders in determining the rates of interest to be offered by them (such Borrowing, a "Specified Basis B Borrowing").

Simultaneously with each such request, the Borrower shall pay to the Administrative Agent, for the Administrative Agent's account, a non-refundable fee in the amount

heretofore agreed between the Borrower and the Administrative Agent. Promptly following the Administrative Agent's receipt of such request and the fee referred to in the preceding sentence, the Administrative Agent shall notify each Lender of such request for a B Borrowing received by it from the Borrower by sending such Lender a copy of the related Notice of B Borrowing.

(ii) Each Lender may, if, in its sole discretion, it elects to do so, irrevocably offer to make one or more B Advances to the Borrower as part of such proposed B Borrowing at a rate or rates of interest specified by such Lender in its sole discretion, by notifying the Administrative Agent (which shall give prompt notice thereof to the Borrower), before 10:00 A.M. (New York City time) (A) on the date of such proposed B Borrowing (in the case of a Fixed Rate B Borrowing) and (B) three Business Days before the date of such proposed B Borrowing (in the case of a Specified Basis B Borrowing), of the minimum amount and maximum amount of each B Advance which such Lender would be willing to make as part of such proposed B Borrowing (which amounts may, subject to the proviso to the first sentence of this Section 2.03(a), exceed such Lender's Commitment, if any), the rate or rates of interest therefor and such Lender's Applicable Lending Office with respect to such B Advance; provided that if the Administrative Agent in its capacity as a Lender shall, in its sole discretion, elect to make any such offer, it shall notify the Borrower of such offer before 9:30 A.M. (New York City time) on the date on which notice of such election is to be given to the Administrative Agent by the other Lenders. If any Lender shall elect not to make such an offer, such Lender shall so notify the Administrative Agent, before 10:00 A.M. (New York City time) on the date on which notice of such election is to be given to the Administrative Agent by the other Lenders, and such Lender shall not be obligated to, and shall not, make any B Advance as part of such B Borrowing; provided that the failure by any Lender to give such notice shall not cause such Lender to be obligated to make any B Advance as part of such proposed B Borrowing.

(iii) The Borrower shall, in turn, (A) before 11:00 A.M. (New York City time) on the date of such proposed B Borrowing (in the case of a Fixed Rate B Borrowing) and (B) before 1:00 P.M. (New York City time) three Business Days before the date of such proposed B Borrowing (in the case of a Specified Basis B Borrowing), either:

(x) cancel such B Borrowing by giving the Administrative Agent notice to that effect, or

(y) in its sole discretion, (I) accept one or more of the offers made by any Lender or Lenders pursuant to paragraph (ii) above by giving notice to the Administrative Agent of the amount of each B Advance to be made by each Lender as part of such B Borrowing (provided that (I) the amount of each such B Advance shall be equal to or greater than the minimum amount, and equal to or less than the maximum amount, notified to the Borrower by the Administrative Agent on behalf of such Lender for such B Advance pursuant to paragraph (ii) above and (II) such offers, if accepted, must be accepted in ascending order of the rates of interest specified by the offering Lenders in their respective notices

delivered pursuant to paragraph (ii) above (in each case beginning with the lowest rate so offered) and, if offers are made by two or more Lenders with the same rates of interest for a greater aggregate principal amount than the amount in respect of which offers are accepted, then the principal amount of B Advances in respect of which such offers are accepted shall be allocated by the Borrower among such Lenders as nearly as possible (in integral multiples of \$1,000,000) in proportion to the aggregate maximum principal amount of such offers by such Lenders), and (2) reject any remaining offers made by Lenders pursuant to paragraph (ii) above by giving the Administrative Agent notice to that effect.

(iv) If the Borrower notifies the Administrative Agent that such B Borrowing is canceled pursuant to paragraph (iii)(x) above, the Administrative Agent shall give prompt notice thereof to the Lenders and such B Borrowing shall not be made.

(v) If the Borrower accepts one or more of the offers made by any Lender or Lenders pursuant to paragraph (iii)(y) above, the Administrative Agent shall in turn promptly notify (A) each Lender that has made an offer as described in paragraph (ii) above, of the date and aggregate amount of such B Borrowing and whether or not any offer or offers made by such Lender pursuant to paragraph (ii) above have been accepted by the Borrower, (B) each Lender that is to make a B Advance as part of such B Borrowing, of the amount of each B Advance to be made by such Lender as part of such B Borrowing, and (C) each Lender that is to make a B Advance as part of such B Borrowing shall, before 12:00 noon (New York City time) on the date of such B Borrowing specified in the notice received from the Administrative Agent pursuant to clause (A) of the preceding sentence or any later time when such Lender shall have received notice from the Administrative Agent pursuant to clause (C) of the preceding sentence, make available for the account of its Applicable Lending Office to the Administrative Agent at its address referred to in Section 8.02 such Lender's portion of such B Borrowing, in same day funds. Upon fulfillment of the applicable conditions set forth in Article III and after receipt by the Administrative Agent of such funds, the Administrative Agent will make such funds available to the Borrower at the Administrative Agent's aforesaid address. Promptly after each B Borrowing the Administrative Agent will notify each Lender of the amount of the B Borrowing, the consequent B Reduction and the dates upon which such B Reduction commenced and will terminate.

(b) As promptly as practicable after the date of such B Borrowing, the Borrower shall execute and deliver to the Administrative Agent a B Note payable to the order of each Lender participating in such Borrowing for each of the B Advances to be made by such Lender as part of such B Borrowing, in a principal amount equal to the principal amount of the B Advance to be evidenced thereby and otherwise on such terms as were agreed to for such B Advance in accordance with this Section 2.03. The indebtedness of the Borrower resulting from each B Advance made to the Borrower as part of a B Borrowing shall be evidenced by a separate B Note of the Borrower payable to the order of the Lender making such B Advance.

(c) Each B Borrowing shall be in an aggregate amount not less than \$10,000,000 or an integral multiple of \$1,000,000 in excess thereof, but no B Borrowing shall be made if, following the making of such B Borrowing, the Borrower would not be in compliance with the limitation set forth in the proviso to the first sentence of subsection (a) above.

(d) Within the limits and on the conditions set forth in this Section 2.03, the Borrower may from time to time borrow under this Section 2.03, repay pursuant to subsection (e) below, and reborrow under this Section 2.03, provided that a B Borrowing shall not be made within three Business Days of the date of any other B Borrowing.

(e) The Borrower shall repay to the Administrative Agent for the account of each Lender which has made a B Advance, or each other holder of a B Note, on the maturity date of each B Advance (such maturity date being that specified by the Borrower for repayment of such B Advance in the related Notice of B Borrowing delivered pursuant to subsection (a)(i) above and provided in the B Note evidencing such B Advance), the then unpaid principal amount of such B Advance. The Borrower shall have no right to prepay any principal amount of any B Advance.

(f) The Borrower shall pay interest on the unpaid principal amount of each B Advance from the date of such B Advance to the date the principal amount of such B Advance is repaid in full, at the rate of interest for such B Advance specified by the Lender making such B Advance in its notice with respect thereto delivered pursuant to subsection (a)(ii) above, payable on the interest payment date or dates specified by the Borrower for such B Advance in the related Notice of B Borrowing delivered pursuant to subsection (a)(i) above, as provided in the B Note evidencing such B Advance.

SECTION 2.04. Certain Fees.

(a) Facility Fee. The Borrower agrees to pay to the Administrative Agent for the account of each Lender (other than the Designated Bidders) a facility fee (the "Facility Fee") on the average daily amount (whether used or unused) of such Lender's Commitment from the date on which the Borrower signs this Agreement (in the case of each Bank) and from the effective date specified in the Assignment and Acceptance pursuant to which it became a Lender (in the case of each such Lender) until the Termination Date at a rate per annum equal to the Applicable Facility Fee Rate as in effect from time to time. Accrued Facility Fee shall be paid on the last Business Day of each March, June, September and December and on the Termination Date.

(b) Utilization Fee. The Borrower agrees to pay to the Administrative Agent for the account of each Lender (other than the Designated Bidders) a utilization fee (the "Utilization Fee") on the aggregate outstanding principal amount of such Lender's Advances during any period that the aggregate outstanding principal amount of the Advances exceeds an amount equal to 50% of the aggregate amount of the Commitments, at a rate per annum equal to the Applicable Utilization Fee Rate. Accrued Utilization Fee shall be paid on each day on which a payment of interest is due under Section 2.07.

(c) Administrative Agent's Fee. The Borrower acknowledges its agreement to pay to the Administrative Agent, for the Administrative Agent's own account, an administrative agency fee at the times and in the amounts heretofore agreed between the Borrower and the Administrative Agent.

SECTION 2.05. Reduction and Extensions of the Commitments.

(a) Commitment Reductions. The Borrower shall have the right, upon at least three Business Days' notice to the Administrative Agent, to terminate in whole or reduce ratably in part the unused portions of the respective Commitments of the Lenders, provided that the aggregate amount of the Commitments of the Lenders shall not be reduced to an amount which is less than the aggregate principal amount of the Advances then outstanding, and provided further that each partial reduction shall be in an aggregate amount of \$10,000,000 or an integral multiple of \$1,000,000 in excess thereof. Once reduced or terminated, the Commitments may not be reinstated.

(b) Commitment Extensions.

(i) The Borrower may, by notice to the Administrative Agent (which shall promptly notify the Lenders) not more than 45 days and not less than 30 days prior to each anniversary of the Effective Date (each such anniversary, an "Anniversary Date"), request that the Lenders (other than the Designated Bidders) extend the Commitment Termination Date for an additional one-year period from the Commitment Termination Date then in effect hereunder (the "Existing Commitment Termination Date"). Each such Lender, acting in its sole discretion, shall, by notice to the Borrower and the Administrative Agent given no later than the date (herein, the "Consent Date") that is 25 days prior to such Anniversary Date (or, if such date is not a Business Day, the next succeeding Business Day), advise the Borrower and the Administrative Agent whether or not such Lender agrees to such extension; provided that each Lender that determines not to so extend the Commitment Termination Date (a "Non-Extending Lender") shall notify the Administrative Agent (which shall notify the other Lenders) of such fact promptly after such determination (but in any event no later than the Consent Date) and any Lender that does not so advise the Borrower on or before the Consent Date shall be deemed to be a Non-Extending Lender. The election of any Lender to agree to such extension shall not obligate any other Lender to so agree. If and only if each of the Lenders (after giving effect to any substitution of Lenders in accordance with Section 8.12) has advised the Borrower and the Administrative Agent of its agreement to extend the Commitment Termination Date as aforesaid on or prior to the Consent Date, then the Commitment Termination Date shall be extended automatically, without any other action by any Person, to the date that is one year after the Existing Commitment Termination Date, provided that on the Consent Date, the representations and warranties in Section 4.01 are true and correct as of such date and no Default shall have occurred and be continuing. The Administrative Agent will promptly notify the Borrower and the Lenders of each extension of the Commitment Termination Date pursuant to this Section 2.05(b).

SECTION 2.06. Repayment of A Advances. The Borrower hereby promises to pay to the Administrative Agent for account of each Lender the entire outstanding principal amount of such Lender's A Advances, and each A Advance shall mature, on the Termination Date.

SECTION 2.07. Interest.

(a) Ordinary Interest. The Borrower shall pay interest on the unpaid principal amount of each A Advance made by each Lender, from the date of such A Advance until such principal amount shall be paid in full, at the following rates per annum:

(i) Base Rate Advances. If such A Advance is a Base Rate Advance, a rate per annum equal to the Base Rate in effect from time to time plus the Applicable Margin for Base Rate Advances as in effect from time to time, payable quarterly in arrears on the last Business Day of each March, June, September and December and on the date such Base Rate Advance shall be Converted or paid in full.

(ii) Eurodollar Rate Advances. If such A Advance is a Eurodollar Rate Advance, a rate per annum for each Interest Period for such A Advance equal to the sum of the Eurodollar Rate for such Interest Period plus the Applicable Margin for Eurodollar Rate Advances as in effect from time to time, payable on the last day of such Interest Period and, if such Interest Period has a duration of more than three months, on the day which occurs every three months after the first day of such Interest Period, and on the date such Eurodollar Rate Advance shall be Continued, Converted or paid in full.

(b) Default Interest. The Borrower shall pay interest on the unpaid principal amount of each A Advance and B Advance that is not paid when due (whether at stated maturity, by acceleration or otherwise), and on the unpaid amount of any interest, fee or other amount payable hereunder that is not paid when due, payable on demand, at a rate per annum during the period from the due date thereof to the date on which such amount is paid in full equal to:

(i) in the case of any amount of principal of such Advance:

(x) in the case of any Base Rate Advance, 2% plus the rate which would otherwise be applicable to such Advance, and

(y) in the case of any Eurodollar Rate Advance, for the balance of the then current Interest Period, 2% plus the rate which would otherwise be applicable to such Advance for such Interest Period and, thereafter, 2% plus the Base Rate as in effect from time to time, and

(ii) in the case of all other amounts, 2% plus the Base Rate as in effect from time to time.

SECTION 2.08. Additional Interest on Eurodollar Rate Advances. The Borrower shall pay to each Lender, so long as such Lender shall be required under regulations of the Board

of Governors of the Federal Reserve System to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency Liabilities (or the equivalent), additional interest on the unpaid principal amount of each Eurodollar Rate Advance of such Lender, from the date of such Eurodollar Rate Advance until such principal amount is paid in full, at an interest rate per annum equal at all times to the remainder obtained by subtracting (i) the Eurodollar Rate for the then-current Interest Period for such Eurodollar Rate Advance from (ii) the rate obtained by dividing such Eurodollar Rate by a percentage equal to 100% minus the Eurodollar Rate Reserve Percentage of such Lender for such Interest Period, payable on each date on which interest is payable on such Eurodollar Rate Advance. Any Lender wishing to require payment of such additional interest shall so notify the Borrower and the Administrative Agent and shall furnish to the Borrower at least five Business Days prior to each date on which interest is payable on the Eurodollar Rate Advances of such Lender a certificate (which certificate shall be conclusive and binding for all purposes, absent manifest error) setting forth the basis for such assertion and the amount to which such Lender is then entitled under this Section (which shall be consistent with such Lender's good faith estimate of the level at which the related reserves are being maintained by it).

SECTION 2.09. Interest Rate Determinations; Changes in Rating Systems.

(a) Each Reference Bank agrees to furnish to the Administrative Agent timely information for the purpose of determining each Eurodollar Rate. If any one or more of the Reference Banks shall not furnish such timely information to the Administrative Agent for the purpose of determining any such interest rate, the Administrative Agent shall determine such interest rate on the basis of timely information furnished by the remaining Reference Banks (subject to clause (c) below).

(b) The Administrative Agent shall give prompt notice to the Borrower and the Lenders of the applicable interest rate determined by the Administrative Agent for the purpose of Section 2.07 and the applicable rate, if any, furnished by each Reference Bank for the purpose of determining the applicable interest rate under Section 2.07(a)(ii) .

(c) If Moneyline Telerate Markets Page 3750 is unavailable and fewer than two Reference Banks furnish timely information to the Administrative Agent for determining the Eurodollar Rate for any Interest Period for any Eurodollar Rate Advances,

(i) the Administrative Agent shall forthwith notify the Borrower and the Lenders that the interest rate cannot be determined for such Eurodollar Rate Advances for such Interest Period,

(ii) each Eurodollar Rate Advance will automatically, on the last day of the then existing Interest Period therefor, Convert into a Base Rate Advance, and

(iii) the obligation of the Lenders to make or Continue, or to Convert A Advances into, Eurodollar Rate Advances shall be suspended until the Administrative Agent shall notify the Borrower and the Lenders that the circumstances causing such suspension no longer exist.

(d) If, with respect to any Eurodollar Rate Advances, the Majority Lenders notify the Administrative Agent that the Eurodollar Rate for any Interest Period for such Advances will not adequately reflect the cost to such Majority Lenders of making, funding or maintaining their respective Eurodollar Rate Advances for such Interest Period, the Administrative Agent shall forthwith so notify the Borrower and the Lenders, whereupon

(i) each Eurodollar Rate Advance will automatically, on the last day of the then existing Interest Period therefor, Convert into a Base Rate Advance, and

(ii) the obligation of the Lenders to make or Continue, or to Convert A Advances into, Eurodollar Rate Advances shall be suspended until the Administrative Agent shall notify the Borrower and such Lenders that the circumstances causing such suspension no longer exist.

(e) If the Borrower shall fail to select the duration of any Interest Period for any Eurodollar Rate Advances in accordance with the provisions contained in the definition of "Interest Period" in Section 1.01, the Administrative Agent will forthwith so notify the Borrower and the Lenders and such Advances will automatically, on the last day of the then existing Interest Period therefor, Convert into Base Rate Advances.

(f) On the date on which the aggregate unpaid principal amount of Eurodollar Rate Advances comprising any A Borrowing shall be reduced, by payment or prepayment or otherwise, to less than \$10,000,000, such A Advances shall automatically Convert into Base Rate Advances.

(g) Upon the occurrence and during the continuance of any Event of Default and upon notice from the Administrative Agent to the Borrower at the request of the Majority Lenders, (x) each Eurodollar Rate Advance will automatically, on the last day of the then existing Interest Period therefor, Convert into a Base Rate Advance and (y) the obligation of the Lenders to make or Continue, or to Convert Advances into, Eurodollar Rate Advances shall be suspended.

(h) If the rating system of either Moody's or Standard & Poor's shall change, or if either such rating agency shall cease to be in the business of rating corporate debt obligations, the Borrower and the Administrative Agent (on behalf of the Lenders) shall negotiate in good faith to amend the references to specific ratings in this Agreement to reflect such changed rating system or the non-availability of ratings from such rating agency (provided that any such amendment to such specific ratings shall in no event be effective without the approval of the Majority Lenders).

SECTION 2.10. Voluntary Conversion and Continuation of A Advances

(a) Optional Conversion. The Borrower may on any Business Day, upon notice given to the Administrative Agent not later than 11:00 A.M. (New York City time) on the third Business Day prior to the date of the proposed Conversion and subject to the provisions of

Sections 2.09 and 2.13, Convert all or any portion of the outstanding A Advances of one Type comprising part of the same A Borrowing into A Advances of the other Type; provided that (i) any Conversion of Base Rate Advances into Eurodollar Rate Advances shall be in an amount not less than the minimum amount specified in Section 2.02(b) and (ii) in the case of any such Conversion of a Eurodollar Rate Advance into a Base Rate Advance on a day other than the last day of an Interest Period therefor, the Borrower shall reimburse the Lenders in respect thereof pursuant to Section 8.04(c) . Each such notice of a Conversion shall, within the restrictions specified above, specify (x) the date of such Conversion, (y) the A Advances to be Converted, and (z) if such Conversion is into Eurodollar Rate Advances, the duration of the initial Interest Period for each such A Advance. Each notice of Conversion shall be irrevocable and binding on the Borrower.

(b) Continuations. The Borrower may, on any Business Day, upon notice given to the Administrative Agent not later than 11:00 A.M. (New York City time) on the third Business Day prior to the date of the proposed Continuation and subject to the provisions of Sections 2.09 and 2.13, Continue all or any portion of the outstanding Eurodollar Rate Advances comprising part of the same A Borrowing for one or more Interest Periods; provided that (i) Eurodollar Rate Advances so Continued and having the same Interest Period shall be in an amount not less than the minimum amount specified in Section 2.02(b) and (ii) in the case of any such Continuation on a day other than the last day of an Interest Period therefor, the Borrower shall reimburse the Lenders in respect thereof pursuant to Section 8.04(c) . Each such notice of a Continuation shall, within the restrictions specified above, specify (x) the date of such Continuation, (y) the Eurodollar Rate Advances to be Continued and (y) the duration of the initial Interest Period (or Interest Periods) for the Eurodollar Rate Advances subject to such Continuation. Each notice of Continuation shall be irrevocable and binding on the Borrower.

SECTION 2.11. Prepayments of A Advances.

(a) The Borrower shall have no right to prepay any principal amount of any A Advances other than as provided in subsection (b) below.

(b) The Borrower may, upon at least one Business Day's notice to the Administrative Agent stating the proposed date and aggregate principal amount of the prepayment, and if such notice is given the Borrower shall, prepay the outstanding principal amounts of the Advances comprising part of the same A Borrowing in whole or ratably in part, together with accrued interest to the date of such prepayment on the principal amount prepaid; provided, however, that (x) each partial prepayment shall be in an aggregate principal amount not less than \$10,000,000 or integral multiples of \$1,000,000 in excess thereof and (y) in the case of any such prepayment of a Eurodollar Rate Advance on a day other than the last day of an Interest Period therefor, the Borrower shall reimburse the Lenders in respect thereof pursuant to Section 8.04(c) .

SECTION 2.12. Increased Costs.

(a) If, due to either (i) the introduction of or any change (other than any change by way of imposition or increase of reserve requirements included in the Eurodollar Rate

Reserve Percentage) in or in the interpretation of (to the extent any such introduction or change occurs after the date hereof) any law or regulation or (ii) the compliance with any guideline or request of any central bank or other governmental authority adopted or made after the date hereof (whether or not having the force of law), there shall be any increase in the cost to any Lender of agreeing to make or making, funding or maintaining Eurodollar Rate Advances, the Borrower shall from time to time, within 30 days after delivery by such Lender to the Borrower (with a copy to the Administrative Agent) of a certificate as to the amount of (and specifying in reasonable detail the basis for) such increased cost, pay (subject to Section 2.12(c)) to the Administrative Agent for the account of such Lender the amount of the increased costs set forth in such certificate (which certificate shall be conclusive and binding for all purposes, absent manifest error); provided that, before making any such demand, each Lender agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to designate a different Applicable Lending Office if the making of such a designation would avoid the need for, or reduce the amount of, such increased cost and would not, in the reasonable judgment of such Lender, be otherwise disadvantageous to such Lender.

(b) If any Lender (other than a Designated Bidder) determines that compliance with any law or regulation enacted or introduced after the date hereof or any guideline or request of any central bank or other governmental authority adopted or made after the date hereof (whether or not having the force of law) affects or would affect the amount of capital required or expected to be maintained by such Lender or any corporation controlling such Lender and that the amount of such capital is increased by or based upon the existence of such Lender's commitment to lend hereunder and other commitments of this type, then, within 30 days after delivery by such Lender to the Borrower (with a copy to the Administrative Agent) of a certificate as to (and specifying in reasonable detail the basis for) the Additional Amounts (as hereinafter defined) requested by such Lender, the Borrower shall pay (subject to Section 2.12(c)) to the Administrative Agent for the account of such Lender, from time to time as specified by such Lender, the amount specified in such certificate (which certificate shall be conclusive and binding for all purposes, absent manifest error). For purposes hereof, the "Additional Amounts" that may be requested by any Lender under this Section 2.12(b) means such amounts as such Lender shall reasonably determine to be sufficient to compensate such Lender or any corporation controlling such Lender for any costs that such Lender reasonably determines are attributable to the maintenance by such Lender (or such corporation) of capital in respect of its commitments to lend hereunder (such compensation to include, without limitation, an amount equal to any reduction of the rate of return on assets or equity of such Lender (or such corporation) to a level below that which such Lender (or such corporation) could have achieved but for the enactment or introduction of such law or regulation or the adoption or making of such guideline or request).

(c) The Borrower shall not be obligated to pay any additional amounts arising pursuant to clauses (a) and (b) of this Section 2.12 that are attributable to the Excluded Period with respect to such additional amount; provided, that if an applicable law, rule, regulation, guideline or request shall be adopted or made on any date and shall be applicable to the period (a "Retroactive Period") prior to the date on which such law, rule, regulation, guideline or request is adopted or made, the limitation on the Borrower's obligations to pay such additional amounts

hereunder shall not apply to the additional amounts payable in respect of such Retroactive Period.

SECTION 2.13. Illegality. Notwithstanding any other provision of this Agreement, if any Lender shall notify the Administrative Agent that the introduction of or any change in or in the interpretation of any law or regulation makes it unlawful, or any central bank or other governmental authority asserts that it is unlawful, for such Lender or its Eurodollar Lending Office to perform its obligations hereunder to make Eurodollar Rate Advances or to fund or maintain Eurodollar Rate Advances hereunder, then, on notice thereof and demand therefor by such Lender to the Borrower through the Administrative Agent, (i) the obligation of the Lenders to make or Continue, or to Convert A Advances into, Eurodollar Rate Advances shall be suspended until the Administrative Agent shall notify the Borrower and the Lenders that the circumstances causing such suspension no longer exist and (ii) the Borrower shall upon demand prepay in full all Eurodollar Rate Advances of all Lenders then outstanding, together with interest accrued thereon, unless the Borrower, within five Business Days of notice from the Administrative Agent, Converts all Eurodollar Rate Advances of all the Lenders then outstanding into Base Rate Advances in accordance with Section 2.10; provided that, before making any such demand, such Lender agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to designate a different Eurodollar Lending Office if the making of such a designation would allow such Lender or its Eurodollar Lending Office to continue to perform its obligations to make Eurodollar Rate Advances or to continue to fund or maintain Eurodollar Rate Advances and would not, in the judgment of such Lender, be otherwise disadvantageous to such Lender.

SECTION 2.14. Payments and Computations.

(a) The Borrower shall make each payment hereunder and under the Notes without set-off or counterclaim not later than 11:00 A.M. (New York City time) on the day when due in U.S. dollars to the Administrative Agent at its address referred to in Section 8.02 in same day funds. The Administrative Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal, interest or Facility Fees ratably (other than amounts payable pursuant to Section 2.03, 2.08, 2.12, or 2.15 or 8.04(c)) to the Lenders for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement. Upon its acceptance of an Assignment and Acceptance and recording of the information contained therein in the Register pursuant to Section 8.07(c), from and after the effective date specified in such Assignment and Acceptance, the Administrative Agent shall make all payments hereunder and under the Notes in respect of the interest assigned thereby to the Lender assignee thereunder, and the parties to such Assignment and Acceptance shall make all appropriate adjustments in such payments for periods prior to such effective date directly between themselves.

(b) All computations of interest based on Citibank's base rate shall be made by the Administrative Agent on the basis of a year of 365 or 366 days, as the case may be, and all computations of interest based on the Eurodollar Rate or the Federal Funds Rate and of Facility Fees and Utilization Fees shall be made by the Administrative Agent, and all computations of

interest pursuant to Section 2.08 shall be made by a Lender, on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or Facility Fees are payable. Each determination by the Administrative Agent of an interest rate hereunder shall be conclusive and binding for all purposes, absent manifest error.

(c) Whenever any payment hereunder or under the Notes would be due on a day other than a Business Day, such due date shall be extended to the next succeeding Business Day, and any such extension of such due date shall in such case be included in the computation of payment of interest or Facility Fee, as the case may be; provided, however, if such extension would cause payment of interest on or principal of Eurodollar Rate Advances to be made in the next following calendar month, such payment shall be made on the next preceding Business Day.

(d) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Lenders hereunder that the Borrower will not make such payment in full, the Administrative Agent may assume that the Borrower has made such payment in full to the Administrative Agent on such date and the Administrative Agent may, in reliance upon such assumption, cause to be distributed to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent that the Borrower shall not have so made such payment in full to the Administrative Agent, each Lender shall repay to the Administrative Agent forthwith on demand such amount distributed to such Lender together with interest thereon, for each day from the date such amount is distributed to such Lender until the date such Lender repays such amount to the Administrative Agent, at the Federal Funds Rate.

SECTION 2.15. Taxes.

(a) Any and all payments by the Borrower hereunder or under the Notes shall be made, in accordance with Section 2.14, free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding, in the case of each Lender and the Administrative Agent, taxes imposed on its income, and franchise taxes imposed on it, by the jurisdiction under the laws of which such Lender or the Administrative Agent (as the case may be) is organized or any political subdivision thereof and, in the case of each Lender, taxes imposed on its income, and franchise taxes imposed on it, by the jurisdiction of such Lender's Applicable Lending Office or any political subdivision thereof (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as "Taxes"). If the Borrower shall be required by law to deduct any Taxes from or in respect of any sum payable hereunder or under any Note to any Lender or the Administrative Agent, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.15) such Lender or the Administrative Agent (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower shall make such deductions and (iii) the Borrower shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law.

(b) In addition, the Borrower agrees to pay any present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies which arise from any payment made hereunder or under the Notes or from the execution, delivery or registration of, or otherwise with respect to, this Agreement or the Notes (hereinafter referred to as "Other Taxes").

(c) The Borrower will indemnify each Lender and the Administrative Agent for the full amount of Taxes or Other Taxes (including, without limitation, any Taxes and Other Taxes imposed by any jurisdiction on amounts payable under this Section 2.15) paid by such Lender or the Administrative Agent (as the case may be) and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted. Such Lender will use reasonable efforts to contest such a Tax or Other Tax that is, in its opinion, incorrectly asserted. This indemnification shall be made within 30 days from the date such Lender or the Administrative Agent (as the case may be) makes written demand therefor.

(d) Within 30 days after the date of any payment of Taxes, the Borrower will furnish to the Administrative Agent, at its address referred to in Section 8.02, the original or a certified copy of a receipt evidencing payment thereof. If no Taxes are payable in respect of any payment hereunder or under the Notes, the Borrower will furnish to the Administrative Agent, at such address, if the Administrative Agent believes there is a question as to the applicability of any Taxes in the case of any payment hereunder and makes a request for such opinion, a certificate from each appropriate taxing authority, or an opinion of counsel acceptable to the Administrative Agent, in either case stating that such payment is exempt from or not subject to Taxes.

(e) Each Lender organized under the laws of a jurisdiction outside the United States, on or prior to the date of its execution and delivery of this Agreement (in the case of each Bank) and on the date of the Assignment and Acceptance pursuant to which it becomes a Lender (in the case of each other Lender), and from time to time thereafter if requested in writing by the Borrower (but only so long as such Lender remains lawfully able to do so), shall provide the Borrower with Internal Revenue Service form W-8ECI or W-8BEN, as appropriate, or any successor form prescribed by the Internal Revenue Service, certifying that such Lender is entitled to benefits under an income tax treaty to which the United States is a party which reduces the rate of withholding tax on payments of interest or certifying that the income receivable pursuant to this Agreement is effectively connected with the conduct of a trade or business in the United States. If the form provided by a Lender at the time such Lender first becomes a party to this Agreement indicates a United States interest withholding tax rate in excess of zero, withholding tax at such rate shall be considered excluded from "Taxes" as defined in Section 2.15(a).

(f) For any period with respect to which a Lender has failed to provide the Borrower with the appropriate form described in Section 2.15(e) (other than if such failure is due to a change in law occurring subsequent to the date on which a form originally was required to be provided, or if such form otherwise is not required under the first sentence of subsection (e) above), such Lender shall not be entitled to indemnification under Section 2.15(a) with respect to Taxes imposed by the United States; provided, however, that should a Lender become subject to

Taxes because of its failure to deliver a form required hereunder, the Borrower shall take such steps as the Lender shall reasonably request to assist the Lender to recover such Taxes.

(g) Any Lender claiming any additional amounts payable pursuant to this Section 2.15 shall use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to change the jurisdiction of its Applicable Lending Office(s) if the making of such a change would avoid the need for, or reduce the amount of, any such additional amounts that may thereafter accrue and would not, in the reasonable judgment of such Lender, be otherwise disadvantageous to such Lender.

(h) If a Lender or the Administrative Agent (as the case may be) shall become aware that it is entitled to claim a Refund (as hereinafter defined) from a taxing authority, such Lender or the Administrative Agent shall promptly notify the Borrower of the availability of such Refund and shall, within 30 days after receipt of a written request by the Borrower, make a claim to such taxing authority for such Refund at the Borrower's expense if, in the judgment of such Lender or the Administrative Agent (as the case may be), the making such claim will not be otherwise disadvantageous to it; provided that nothing in this Section 2.15(h) shall require any Lender or the Administrative Agent to institute any administrative, judicial or other proceeding (other than the filing of a claim for any such Refund) to obtain any such Refund. If a Lender or the Administrative Agent (as the case may be) receives a Refund from a taxing authority, it shall promptly pay to the Borrower the amount so received (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 2.15 with respect to the Taxes or Other Taxes giving rise to such Refund), net of all reasonable out-of-pocket expenses (including the net amount of taxes, if any, imposed on such Lender or the Administrative Agent with respect to such Refund) of such Lender or Administrative Agent, and without interest (other than interest paid by the relevant taxing authority with respect to such Refund); provided, however, that the Borrower, upon the request of such Lender or the Administrative Agent, shall repay the amount paid over to the Borrower (plus penalties, interest and other charges) to such Lender or the Administrative Agent in the event such Lender or the Administrative Agent is required to repay such Refund to such taxing authority. Nothing contained in this Section 2.15 shall require any Lender or the Administrative Agent to make available any of its tax returns (or any other information that it deems to be confidential or proprietary). For purposes of this Section 2.15(h), a "Refund" means a refund of Taxes or Other Taxes (other than any such refund in the form of a tax credit) for which a Lender or the Administrative Agent, as the case may be, has been indemnified by the Borrower (or with respect to which the Borrower has paid additional amounts) pursuant to this Section 2.15, provided that the entitlement to such refund arises solely from a manifest error in the amount of such Taxes or Other Taxes so paid.

SECTION 2.16. Sharing of Payments, Etc. If any Lender shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) on account of the A Advances made by it (other than pursuant to Section 2.08, 2.12, 2.15 or 8.04(c)) in excess of its ratable share of payments on account of the A Advances obtained by all the Lenders, such Lender shall forthwith purchase from the other Lenders such participations in the A Advances made by them as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each of them, provided, however, that if all or

any portion of such excess payment is thereafter recovered from such purchasing Lender, such purchase from each Lender shall be rescinded and such Lender shall repay to the purchasing Lender the purchase price to the extent of such recovery together with an amount equal to such Lender's ratable share (according to the proportion of (i) the amount of such Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered. The Borrower agrees that any Lender so purchasing a participation from another Lender pursuant to this Section 2.16 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off) with respect to such participation as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation.

ARTICLE III
CONDITIONS OF LENDING

SECTION 3.01. Condition Precedent to Effectiveness of this Agreement. The effectiveness of this Agreement is subject to the conditions precedent that the Borrower shall have notified the Administrative Agent of the proposed Effective Date and the Administrative Agent shall have received, on or prior to December 1, 2006, the following, each (unless otherwise specified below) dated the date of such effectiveness, in form and substance satisfactory to the Administrative Agent and (except for the Notes) in sufficient copies for each Lender (whereupon the Administrative Agent shall notify the Borrower and the Lenders that the Effective Date has occurred):

(a) The A Notes payable to the order of the Lenders, respectively.

(b) Certified copies of the resolutions of the Board of Directors of the Borrower approving, and authorizing the execution, delivery and performance of, this Agreement, the Notes and of all documents evidencing other necessary corporate actions and governmental approvals, if any, with respect to this Agreement and the Notes.

(c) A certificate of the Secretary or an Assistant Secretary of the Borrower certifying the Borrower's certificate of incorporation and by-laws and certifying the names and true signatures of the officers of the Borrower authorized to sign this Agreement and the Notes.

(d) A certificate from the Secretary of State of New Jersey dated as of a date reasonably close to the date of such effectiveness as to the good standing of and charter documents filed by the Borrower.

(e) A favorable opinion of Jeffrey S. Sherman, Esq., General Counsel of the Borrower, substantially in the form of Exhibit E hereto and as to such other matters as any Lender through the Administrative Agent may reasonably request.

(f) A favorable opinion of Shearman & Sterling LLP, special counsel for the Administrative Agent, substantially in the form of Exhibit F hereto.

(g) A certificate of a senior officer of the Borrower certifying that (i) no Default or Event of Default as of the date thereof has occurred and is continuing, and (ii) the representations and warranties contained in Section 4.01 are true and correct on and as of the date thereof as if made on and as of such date.

SECTION 3.02. Conditions Precedent to Each A Borrowing The obligation of each Lender to make an A Advance on the occasion of each A Borrowing (including the initial A Borrowing) shall be subject to the further conditions precedent that on the date of such A Borrowing the following statements shall be true (and each of the giving of the applicable Notice of A Borrowing and the acceptance by the Borrower of the proceeds of such A Borrowing shall constitute a representation and warranty by the Borrower that on the date of such A Borrowing such statements are true):

(a) the representations and warranties contained in Section 4.01 (except for, in the case of any A Borrowing after the Effective Date, the representations and warranties set forth in Section 4.01(e)(iii) and Section 4.01(f)(i)) are true and correct on and as of the date of such A Borrowing, before and after giving effect to such A Borrowing and to the application of the proceeds therefrom, as though made on and as of such date, and

(b) no event has occurred and is continuing, or would result from such A Borrowing or from the application of the proceeds therefrom, which constitutes a Default or an Event of Default.

SECTION 3.03. Conditions Precedent to Each B Borrowing The obligation of each Lender which is to make a B Advance on the occasion of a B Borrowing (including the initial B Borrowing) to make such B Advance as part of such B Borrowing is subject to the conditions precedent that:

(a) the Administrative Agent shall have received the B Note payable to the order of such Lender evidencing such B Advance (to the extent that such B Note is required pursuant to Section 2.03(b) to be delivered prior to such B Borrowing), and

(b) on the date of such B Borrowing the following statements shall be true (and each of the giving of the applicable Notice of B Borrowing and the acceptance by the Borrower of the proceeds of such B Borrowing shall constitute a representation and warranty by the Borrower that on the date of such B Borrowing such statements are true):

(i) the representations and warranties contained in Section 4.01 (except for, in the case of any B Borrowing after the Effective Date, the representations and warranties set forth in Section 4.01(e)(iii) and Section 4.01(f)(i)) are true and correct on and as of the date of such B Borrowing, before and after giving effect to such B Borrowing and to the application of the proceeds therefrom, as though made on and as of such date, and

(ii) no event has occurred and is continuing, or would result from such B Borrowing or from the application of the proceeds therefrom, which constitutes a Default or an Event of Default.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES

SECTION 4.01. Representations and Warranties of the Borrower. The Borrower represents and warrants as follows:

- (a) The Borrower is a corporation duly organized, validly existing and in good standing under the laws of the State of New Jersey and is duly qualified and in good standing under the laws of the respective states in which its principal operating facilities are located.
- (b) The execution, delivery and performance by the Borrower of this Agreement and the Notes are within the Borrower's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene (i) the Borrower's charter or by-laws or (ii) law or any material contractual restriction binding on the Borrower or, to the knowledge of the Borrower, any other contractual restriction binding on the Borrower.
- (c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Borrower of this Agreement or the Notes.
- (d) This Agreement is, and the Notes when delivered hereunder will be, legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their respective terms.
- (e) (i) The consolidated balance sheets of the Borrower and its Consolidated Subsidiaries as at September 30, 2005, and the related statements of income and cash flows of the Borrower and its Consolidated Subsidiaries for the fiscal year then ended, copies of which have been furnished to each Bank, fairly present the consolidated financial condition of the Borrower and its Consolidated Subsidiaries as at such date and the consolidated results of the operations of the Borrower and its Consolidated Subsidiaries for the fiscal year ended on such date, all in accordance with generally accepted accounting principles consistently applied.
- (ii) The unaudited consolidated balance sheets of the Borrower and its Consolidated Subsidiaries as of June 30, 2006 and the related unaudited consolidated statements of income and cash flows for the nine months then ended and set forth in the Borrower's Report on Form 10-Q for the quarter ended June 30, 2006, copies of which have been furnished to each Bank, fairly present, in conformity with generally accepted accounting principles applied on a basis

consistent with the financial statements referred to in clause (i) of this paragraph (c), the consolidated financial position of the Borrower and its Consolidated Subsidiaries as of such date and their consolidated results of operations and cash flows for such nine month period (subject to normal year-end adjustments).

(iii) Since September 30, 2005, there has been no material adverse change in the business, condition (financial or otherwise) or results of operations of the Borrower and its Subsidiaries, taken as a whole, as shown on the consolidated balance sheet as of such date and the related consolidated statement of net income for the fiscal year then ended.

(f) There is no pending (or, to the Borrower's knowledge, threatened) action or proceeding against the Borrower or any of its Subsidiaries before any court, governmental agency or arbitrator, in which there is likely to be an adverse decision that (i) would have a material adverse effect on the business, condition (financial or otherwise) or results of operations of the Borrower and its Subsidiaries, taken as a whole, or (ii) purports to affect the legality, validity, binding effect or enforceability of this Agreement or any Note.

(g) No proceeds of any Advance will be used directly or indirectly for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U issued by the Board of Governors of the Federal Reserve System).

(h) The Borrower and its Subsidiaries have filed (or have obtained extensions of the time by which they are required to file) all United States Federal income tax returns and all other material tax returns required to be filed by them and have paid all taxes shown due on the returns so filed as well as all other material taxes, assessments and governmental charges which have become due, except such taxes, if any, as are being contested in good faith and as to which adequate reserves have been provided.

(i) Each Plan, and, to the knowledge of the Borrower, each Multiemployer Plan, is in compliance in all material respects with, and has been administered in all material respects in compliance with, the applicable provisions of ERISA, the Code and any other Federal or State law. Without limiting the foregoing, neither the Borrower nor any of its Subsidiaries has incurred any liability, other than premiums payable in the ordinary course of business, to the PBGC established under ERISA in connection with any Plan or Multiemployer Plan.

(j) The Borrower is not an "investment company", or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended.

ARTICLE V
COVENANTS OF THE BORROWER

SECTION 5.01. Affirmative Covenants. So long as any Note shall remain unpaid or any Lender shall have any Commitment hereunder, the Borrower covenants and agrees that, unless the Majority Lenders shall otherwise consent in writing:

(a) Corporate Existence, Compliance with Laws, Etc. The Borrower will maintain its corporate existence and comply, and cause each Subsidiary to comply, with all applicable laws, statutes, rules, regulations and orders, such compliance to include, without limitation, compliance with ERISA and applicable Environmental Laws, except for any non-compliance which would not (either individually or in the aggregate) reasonably be expected to have a Material Adverse Effect.

(b) Taxes, Charges, Etc. The Borrower will, and will cause each of its Subsidiaries to, pay and discharge, or cause to be paid and discharged, all taxes, assessments and other governmental charges imposed upon it or any of its Subsidiaries and its and their properties, or any part thereof or upon the income or profits therefrom, as well as all claims for labor, materials or supplies which if unpaid might by law become a Lien or charge upon any property of the Borrower or any such Subsidiary, except such items as are being in good faith appropriately contested by the Borrower or any of its Subsidiaries and as to which appropriate reserves are being maintained and except for such items the non-payment of which would not (either individually or in the aggregate) reasonably be expected to have a Material Adverse Effect.

(c) Performance of Material Obligations. The Borrower will, and will cause each of its Subsidiaries to, perform and observe each contractual, legal and other obligation binding upon the Borrower or such Subsidiary, as the case may be, except where the failure to do so would not (either individually or in the aggregate) reasonably be expected to have a Material Adverse Effect.

(d) Books and Records; Inspection. The Borrower will, and will cause each of its Subsidiaries to, keep adequate records and books of account, in which complete entries will be made in accordance with generally accepted accounting principles applicable to the Borrower and to permit representatives of any Lender or the Administrative Agent, during normal business hours, to examine, copy and make extracts from its books and records, to inspect any of its properties, and to discuss its business and affairs with its officers, all to the extent reasonably requested by such Lender or the Administrative Agent (as the case may be).

(e) Property. The Borrower will maintain, preserve and keep its own and will cause its Subsidiaries to keep their principal plants and properties and every part thereof in good repair, working order and condition and from time to time make all needful and proper repairs, renewals, replacements, additions, betterments and improvements thereto so that at all times the efficiency thereof shall be fully preserved and maintained, except in each case when the failure to do so would not (either individually or in the aggregate) reasonably be expected to have a Material Adverse Effect.

(f) Insurance. The Borrower will, and will cause each of its Subsidiaries to, maintain insurance with financially sound and reputable insurance companies, and with respect

to property and risks of a character usually maintained by corporations engaged in the same or similar business similarly situated, against loss, damage and liability of the kinds and in the amounts customarily maintained by such corporations.

(g) Reporting Requirements. The Borrower will furnish to the Lenders:

(i) as soon as available and in any event within 50 days after the end of each of the first three quarters of each fiscal year of the Borrower, a consolidated balance sheet of the Borrower and its Consolidated Subsidiaries as of the end of such quarter and consolidated statements of income and cash flows of the Borrower and its Consolidated Subsidiaries for the period commencing at the end of the previous fiscal year and ending with the end of such quarter, certified by the chief financial officer of the Borrower;

(ii) as soon as available and in any event within 100 days after the end of each fiscal year of the Borrower, a copy of the annual report for such year for the Borrower and its Consolidated Subsidiaries, containing consolidated financial statements for such year certified in a manner acceptable to the Securities and Exchange Commission by Ernst & Young, L.L.P. or other independent public accountants acceptable to the Majority Lenders;

(iii) as soon as possible and in any event within five days after the occurrence of each Default and each Event of Default continuing on the date of such statement, a statement of the chief financial officer of the Borrower setting forth details of such Default or Event of Default and the action which the Borrower has taken and proposes to take with respect thereto;

(iv) promptly after the sending or filing thereof, copies of all reports which the Borrower sends to its security holders generally, and copies of all reports and registration statements which the Borrower or any Subsidiary of the Borrower files with the Securities and Exchange Commission or any national securities exchange;

(v) such other information respecting the condition or operations, financial or otherwise, of the Borrower or any of its Subsidiaries as any Lender through the Administrative Agent may from time to time reasonably request; and

(vi) together with the financial statements delivered pursuant to clauses (i) and (ii) above, a certificate of the Chief Financial Officer, Treasurer or Assistant Treasurer of the Borrower, in form and substance satisfactory to the Administrative Agent, setting forth calculations demonstrating compliance with the covenant set forth in Section 5.01(i).

Reports and financial statements required to be delivered by the Borrower pursuant to paragraphs (i), (ii) and (iv) of this Section 5.01(g) shall be deemed to have been delivered on the date on which it posts such reports, or reports containing such financial statements, on its website on the Internet at www.bd.com or when such reports, or reports containing such financial statements are posted on the SEC's website at www.sec.gov; provided that it shall deliver paper

copies of the reports and financial statements referred to in paragraphs (i), (ii) and (iv) of this Section 5.01(g) to the Administrative Agent or any Lender who requests it to deliver such paper copies until written notice to cease delivering paper copies is given by the Administrative Agent or such Lender; and provided further that in every instance it shall provide paper copies of the certificate required by subsection (vi) to the Administrative Agent and each of the Lenders until such time as the Administrative Agent shall provide it written notice otherwise.

(h) Use of Proceeds. The Borrower will use the proceeds of the Advances hereunder to support the Borrower's commercial paper program and for other general corporate purposes (in each case in compliance with all applicable legal and regulatory requirements); provided that neither the Administrative Agent nor any Lender shall have any responsibility as to the use of any such proceeds.

(i) Interest Coverage Ratio. The Borrower will maintain at all times an Interest Coverage Ratio of not less than 5 to 1.

SECTION 5.02. Negative Covenants. So long as any Note shall remain unpaid or any Lender shall have any Commitment hereunder, the Borrower covenants and agrees that, without the written consent of the Majority Lenders:

(a) Liens. The Borrower will not, and will not permit any of its Subsidiaries to, at any time create, assume or suffer to exist any Lien upon or with respect to any of its properties, whether now owned or hereafter acquired, or assign, or permit any of its Subsidiaries to assign, any right to receive income, in each case to secure or provide for the payment of any Debt of any Person, other than:

(i) Liens existing on assets of any Person at the time such Person becomes a Subsidiary of the Borrower and not created in contemplation of such event;

(ii) Liens on assets securing Debt of the Borrower or any Subsidiary of the Borrower incurred or assumed for the purpose of financing all or any part of the cost of acquiring such assets, provided that such Lien attaches to such assets concurrently with or within 90 days after the acquisition thereof;

(iii) Liens on assets of any Person existing at the time such Person is merged or consolidated with or into the Borrower or a Subsidiary of the Borrower and not created in contemplation of such event;

(iv) Liens existing on assets prior to the acquisition thereof by the Borrower or a Subsidiary of the Borrower and not created in contemplation of such acquisition;

(v) Liens covering the land and building in Fukushima, Japan of Nippon Becton Dickinson KK (a wholly owned, indirect Subsidiary of the Borrower), securing debt of approximately ¥90,000,000;

(vi) Liens arising out of the refinancing, extension, renewal or refunding of any Debt of the Borrower or any Subsidiary of the Borrower secured by any Lien permitted

by any of the foregoing clauses of this Section 5.02(a), provided that such Debt is not increased and is not secured by any additional assets; and

(vii) additional Liens created after the date hereof, provided that the aggregate principal amount of Debt secured thereby and incurred on and after the date hereof shall not exceed \$50,000,000 in the aggregate at any one time outstanding.

(b) Mergers, Etc. The Borrower will not merge or consolidate with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of the assets (whether now owned or hereafter acquired) of the Borrower and its Subsidiaries (taken as a whole) to any Person, except that the Borrower may merge or consolidate with or into any other Person so long as (x) immediately after giving effect to such transaction, no Default or Event of Default would exist and (y) the Borrower is the surviving corporation.

(c) Transactions with Affiliates. Except as expressly permitted by this Agreement, the Borrower will not, nor will it permit any of its Subsidiaries to, directly or indirectly, make any investment in an Affiliate, transfer, sell, lease, assign or otherwise dispose of any property to an Affiliate, merge into or consolidate with or purchase or acquire property from an Affiliate or enter into any other transaction directly or indirectly with or for the benefit of an Affiliate (including, without limitation, guarantees and assumptions of obligations of an Affiliate); provided that:

(i) any Affiliate who is an individual may serve as a director, officer or employee of the Borrower or any of its Subsidiaries and receive reasonable compensation for his or her services in such capacity;

(ii) the Borrower and its Subsidiaries may enter into transactions with Affiliates if the monetary or business consideration arising therefrom would be substantially as advantageous to the Borrower and its Subsidiaries as the monetary or business consideration that would obtain in a comparable transaction with a Person not an Affiliate; and

(iii) the foregoing provisions of this Section 5.02(c) shall not prohibit (x) the Borrower or any Subsidiary from declaring or paying any lawful dividend or other payment ratably in respect to all of its capital stock of the relevant class or (y) transactions between or among the Borrower and its Subsidiaries not involving any other Affiliates.

(d) Change in Nature of Business. The Borrower will not make any material change in the nature of the business of the Borrower and its Subsidiaries taken as a whole as carried on at the date hereof.

ARTICLE VI
EVENTS OF DEFAULT

SECTION 6.01. Events of Default. If any of the following events ("Events of Default") shall occur and be continuing:

(a) The Borrower shall fail to pay any principal of any Advance when the same becomes due and payable; or the Borrower shall fail to pay any interest on any Advance or any fee or other amount payable hereunder or under the Notes when due and such failure remains unremedied for three Business Days; or

(b) Any representation or warranty made by the Borrower herein or by the Borrower (or any of its officers) in connection with this Agreement shall prove to have been incorrect in any material respect when made; or

(c) (i) The Borrower shall fail to perform or observe any term, covenant or agreement contained in Section 5.01(g)(iii), 5.01(i) or 5.02; or (ii) the Borrower shall fail to perform or observe any other term or covenant of this Agreement on its part to be performed or observed, and such failure remains unremedied for 30 days after notice thereof shall have been given to the Borrower by the Administrative Agent or any Lender; or

(d) The Borrower or any of its Subsidiaries shall fail to pay any principal of or premium or interest on any other Debt of the Borrower or such Subsidiary which is outstanding in a principal amount of at least \$25,000,000 in the aggregate when the same becomes due and payable (whether at scheduled maturity, by required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Debt; or any other event shall occur or condition shall exist under any agreement or instrument relating to any such Debt and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such event or condition is to accelerate the maturity of such Debt; or any such Debt shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), redeemed, purchased or defeased, or an offer to prepay, redeem, purchase or defease such Debt shall be required to be made, in each case prior to the stated maturity thereof; or

(e) The Borrower or any of its Subsidiaries shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against the Borrower or any of its Subsidiaries seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against the Borrower or any of its Subsidiaries, such

proceeding shall remain undismissed or unstayed for a period of 60 days; or the Borrower or any of its Subsidiaries shall take any corporate action to authorize any of the actions set forth above in this subsection (e); or

(f) Any judgment or order for the payment of money in excess of \$25,000,000 shall be rendered against the Borrower or any of its Subsidiaries and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order and such proceedings shall not have been stayed or (ii) there shall be any period of 10 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

(g) A Change in Control shall occur; or

(h) The Borrower shall incur or in the opinion of the Majority Lenders shall be reasonably likely to incur a liability to a Plan, a Multiemployer Plan or PBGC (or any combination of the foregoing) that, in the determination of the Majority Lenders, would (either individually or in the aggregate) materially adversely affect the business, condition (financial or otherwise) or results of operations of the Borrower and its Subsidiaries (taken as a whole);

then, and in any such event, the Administrative Agent (i) shall at the request, or may with the consent, of the Majority Lenders, by notice to the Borrower, declare the obligation of each Lender to make Advances to be terminated, whereupon the same shall forthwith terminate, and (ii) shall at the request, or may with the consent, of the Majority Lenders, by notice to the Borrower, declare the Notes, all interest thereon and all other amounts payable under this Agreement to be forthwith due and payable, whereupon the Notes, all such interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower; provided, however, that in the event of an actual or deemed entry of an order for relief with respect to the Borrower under the Federal Bankruptcy Code, (A) the obligation of each Lender to make Advances shall automatically be terminated and (B) the Notes, all such interest and all such amounts shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by the Borrower.

ARTICLE VII THE ADMINISTRATIVE AGENT

SECTION 7.01. Authorization and Action. Each Lender hereby appoints and authorizes the Administrative Agent to take such action as administrative agent on its behalf and to exercise such powers under this Agreement as are delegated to the Administrative Agent by the terms hereof, together with such powers as are reasonably incidental thereto. As to any matters not expressly provided for by this Agreement (including, without limitation, enforcement or collection of the Notes), the Administrative Agent shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be

fully protected in so acting or refraining from acting) upon the instructions of the Majority Lenders, and such instructions shall be binding upon all Lenders and all holders of Notes; provided, however, that the Administrative Agent shall not be required to take any action which exposes the Administrative Agent to personal liability or which is contrary to this Agreement or applicable law. The Administrative Agent agrees to give to each Lender prompt notice of each notice given to it by the Borrower pursuant to the terms of this Agreement.

SECTION 7.02. Administrative Agent's Reliance, Etc. Neither the Administrative Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them under or in connection with this Agreement, except for its or their own gross negligence or willful misconduct. Without limitation of the generality of the foregoing, the Administrative Agent: (i) may treat the payee of any Note as the holder thereof until the Administrative Agent receives and accepts an Assignment and Acceptance entered into by the Lender which is the payee of such Note, as assignor, and an Eligible Assignee, as assignee, as provided in Section 8.07; (ii) may consult with legal counsel (including counsel for the Borrower), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (iii) makes no warranty or representation to any Lender and shall not be responsible to any Lender for any statements, warranties or representations (whether written or oral) made in or in connection with this Agreement; (iv) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement on the part of the Borrower or to inspect the property (including the books and records) of the Borrower or any of its Subsidiaries; (v) shall not be responsible to any Lender for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; and (vi) shall incur no liability under or in respect of this Agreement by acting upon any notice, consent, certificate or other instrument or writing (which may be by telecopier) believed by it to be genuine and signed or sent by the proper party or parties.

SECTION 7.03. CUSA and Affiliates. With respect to its Commitment, the Advances made by it and the Notes issued to it, CUSA shall have the same rights and powers under this Agreement as any other Lender and may exercise the same as though it were not the Administrative Agent; and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated, include CUSA in its individual capacity. CUSA and its Affiliates may accept deposits from, lend money to, act as trustee under indentures of, and generally engage in any kind of business with, the Borrower, any of its Subsidiaries and any Person who may do business with or own securities of the Borrower or any such Subsidiary, all as if CUSA were not the Administrative Agent and without any duty to account therefor to the Lenders. The Administrative Agent shall have no duty to disclose any information obtained or received by it or any of its Affiliates relating to the Borrower or any of its Subsidiaries to the extent such information was obtained or received in any capacity other than as Administrative Agent.

SECTION 7.04. Lender Credit Decision. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender and based on the financial statements referred to in Section 4.01 and such other documents and

information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement.

SECTION 7.05. Indemnification. The Lenders agree to indemnify the Administrative Agent (to the extent not reimbursed by the Borrower), ratably according to the respective principal amounts of the A Advances then owed to them (or if no A Advances are at the time outstanding, ratably according to the respective amounts of their Commitments), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Administrative Agent in any way relating to or arising out of this Agreement or any action taken or omitted by the Administrative Agent under this Agreement, provided that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent's gross negligence or willful misconduct. Without limiting the foregoing, each Lender agrees to reimburse the Administrative Agent promptly upon demand for its ratable share of any out-of-pocket expenses (including counsel fees) incurred by the Administrative Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, to the extent that the Administrative Agent is not reimbursed for such expenses by the Borrower.

SECTION 7.06. Successor Administrative Agent. The Administrative Agent may resign at any time by giving written notice thereof to the Lenders and the Borrower and may be removed at any time with or without cause by the Majority Lenders. Upon any such resignation or removal, the Majority Lenders shall have the right to appoint a successor Administrative Agent that, unless a Default or Event of Default shall have occurred and then be continuing, is reasonably acceptable to the Borrower. If no successor Administrative Agent shall have been so appointed by the Majority Lenders, and shall have accepted such appointment, within 30 days after the retiring Administrative Agent's giving of notice of resignation or the Majority Lenders' removal of the retiring Administrative Agent, then the retiring Administrative Agent may, on behalf of the Lenders, appoint a successor Administrative Agent, which shall be a commercial bank organized under the laws of the United States of America or of any State thereof and having a combined capital and surplus of at least \$50,000,000. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations under this Agreement. After any retiring Administrative Agent's resignation or removal hereunder as Administrative Agent, the provisions of this Article VII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement.

ARTICLE VIII
MISCELLANEOUS

SECTION 8.01. Amendments, Etc.. No amendment or waiver of any provision of this Agreement or the A Notes, nor consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Majority Lenders, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no amendment, waiver or consent shall, unless in writing and signed by all the Lenders (other than the Designated Bidders), do any of the following: (a) waive any of the conditions specified in Section 3.01, (b) increase the Commitments of such Lenders (it being understood that amendments or waivers of conditions precedent, representations, covenants, Defaults or Events of Default shall not constitute an increase in the Commitment of any Lender) or subject such Lenders to any additional obligations, (c) reduce the principal of, or interest on, the A Notes or any fees or other amounts payable hereunder, (d) postpone any date fixed for any payment of principal of, or interest on, the A Notes or any fees or other amounts payable hereunder, (e) change the percentage of the Commitments or of the aggregate unpaid principal amount of the A Notes, or the number of Lenders, which shall be required for the Lenders or any of them to take any action hereunder or (f) amend this Section 8.01; provided further that no amendment, waiver or consent shall, unless in writing and signed by each Lender holding a B Note at such time, (1) reduce the principal of, or interest on, such B Note or any fees or other amounts payable hereunder or thereunder with respect thereto, (2) postpone any date fixed for any payment of principal of, or interest on, such B Note or any fees or other amounts payable hereunder or thereunder with respect thereto, or (3) subject such Lender to any additional obligations; and provided further that no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above to take such action, affect the rights or duties of the Administrative Agent under this Agreement or any Note. This Agreement and the Notes constitute the entire agreement of the parties with respect to the subject matter hereof and thereof.

SECTION 8.02. Notices, Etc. (a) All notices and other communications provided for hereunder shall be (x) in writing (including telecopier communication) and mailed, telecopied or delivered or (y) as and to the extent set forth in Section 8.02(b) and in the proviso to this Section 8.02(a), if to the Borrower, at its address at Becton, Dickinson and Company, 1 Becton Drive, Franklin Lakes, New Jersey 07417-1880, Attention: Richard K. Berman - Vice President and Treasurer, telephone no. (201) 847-7260, telecopier number (201) 847-5227; if to any Lender (other than a Designated Bidder), at the Domestic Lending Office specified in the Administrative Questionnaire of such Lender; if to any Designated Bidder, at the Domestic Lending Office specified in the Designation Agreement pursuant to which it became a Lender; and if to the Administrative Agent, Citicorp USA, Inc., Two Penns Way, Suite 200, New Castle, DE 19720, Attention: Bank Loan Syndications, telephone no. (212) 994-0961, telecopier no. (302) 894-6120; or, as to the Borrower or the Administrative Agent, at such other address as shall be designated by such party in a written notice to the other parties and, as to each other party, at such other address as shall be designated by such party in a written notice to the Borrower and the Administrative Agent, provided that materials required to be delivered

pursuant to Section 5.01(g)(i), (ii) or (iv) may be delivered to the Administrative Agent as specified in Section 5.01. All such notices and communications shall, when mailed or telecopied, be effective when deposited in the mails or telecopied, respectively, except that notices and communications to the Administrative Agent pursuant to Article II or VII shall not be effective until received by the Administrative Agent.

(b) So long as CUSA or any of its Affiliates is the Administrative Agent, notwithstanding anything to the contrary herein, materials required to be delivered pursuant to Section 5.01(g)(i), (ii) and (iv) may be delivered to the Administrative Agent in an electronic medium in a format acceptable to the Administrative Agent and the Lenders by e-mail at oploanswebadmin@citigroup.com. The Borrower agrees that the Administrative Agent may make such materials, as well as any other written information, documents, instruments and other material required to be delivered by the Borrower to the Lenders under this Agreement (collectively, the "Communications") available to the Lenders by posting such Communications on Intralinks or a substantially similar electronic system (the "Platform"). The Borrower acknowledges that (i) the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution, (ii) the Platform is provided "as is" and "as available" and (iii) neither the Administrative Agent nor any of its Affiliates warrants the accuracy, adequacy or completeness of the Communications or the Platform and each expressly disclaims liability for errors or omissions in the Communications or the Platform. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third party rights or freedom from viruses or other code defects, is made by the Administrative Agent or any of its Affiliates in connection with the Platform. The Administrative Agent and the Lenders agree that all Communications posted on the Platform shall, unless the Borrower otherwise agrees, be treated as confidential information and all Lenders given access to the Communications on the Platform will be required to confirm the confidential nature of the communications under the Platform's standard confidentiality procedures.

(c) Each Lender agrees that any notice to it (as provided in the next sentence) (a "Notice") specifying that any Communications have been posted to the Platform shall constitute effective delivery of such information, documents or other materials to such Lender for purposes of this Agreement; provided that if requested by any Lender the Administrative Agent shall deliver a copy of the Communications to such Lender by email or telecopier. Each Lender agrees (i) to notify the Administrative Agent in writing of such Lender's e-mail address to which a Notice may be sent by electronic transmission (including by electronic communication) on or before the date such Lender becomes a party to this Agreement (and from time to time thereafter to ensure that the Administrative Agent has on record an effective e-mail address for such Lender) and (ii) that any Notice may be sent to such e-mail address.

SECTION 8.03. No Waiver; Remedies. No failure on the part of any Lender or the Administrative Agent to exercise, and no delay in exercising, any right hereunder or under any Note shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 8.04. Costs, Expenses and Indemnification.

(a) The Borrower agrees to pay and reimburse within 30 days after demand all costs and expenses of the Administrative Agent in connection with the preparation, execution, delivery, administration, modification and amendment of this Agreement, the Notes and the other documents to be delivered hereunder, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for the Administrative Agent with respect thereto and with respect to advising the Administrative Agent as to its rights and responsibilities under this Agreement. The Borrower further agrees to pay on demand all costs and expenses, if any (including, without limitation, reasonable counsel fees and expenses of the Administrative Agent and each of the Lenders), incurred by the Administrative Agent or any Lender in connection with the enforcement (whether through negotiations, legal proceedings or otherwise) of this Agreement, the Notes and the other documents to be delivered hereunder, including, without limitation, reasonable counsel fees and expenses in connection with the enforcement of rights under this Section 8.04(a) .

(b) The Borrower hereby indemnifies the Administrative Agent, Citigroup Global Markets Inc., each Lender and each of respective their Affiliates and their respective officers, directors, employees, agents, advisors and representatives (each, an "Indemnified Party") from and against any and all claims, damages, losses, liabilities and expenses (including, without limitation, fees and disbursements of counsel), joint or several, that may be incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or relating to any investigation, litigation or proceeding or the preparation of any defense with respect thereto arising out of or in connection with or relating to this Agreement, the Notes or the transactions contemplated hereby or thereby or any use made or proposed to be made with the proceeds of the Advances, whether or not such investigation, litigation or proceeding is brought by the Borrower, any of its shareholders or creditors, an Indemnified Party or any other Person, or an Indemnified Party is otherwise a party thereto, and whether or not any of the conditions precedent set forth in Article III are satisfied or the other transactions contemplated by this Agreement are consummated, except to the extent such claim, damage, loss, liability or expense results from such Indemnified Party's gross negligence or willful misconduct, or from a violation by such Indemnified Party of any law, order, regulation or agreement to which such Indemnified Party or its properties is subject, or from a breach of this Agreement by such Indemnified Party.

The Borrower hereby further agrees that no Indemnified Party shall have any liability (whether direct or indirect, in contract, tort or otherwise) to the Borrower for or in connection with or relating to this Agreement, the Notes or the transactions contemplated hereby or thereby or any use made or proposed to be made with the proceeds of the Advances or any damages arising from the use by unintended recipients of any information or other materials

distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the transactions contemplated hereby, except to the extent such liability or damages are found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted from such Indemnified Party's gross negligence or willful misconduct; provided that nothing in this paragraph shall be deemed to constitute a waiver of any claim the Borrower may have, or to exculpate any Person from any liability that such Person may have to the Borrower, for breach by such Person of its obligations under this Agreement.

(c) If any payment of principal of, or Conversion or Continuation of, any Eurodollar Rate Advance is made other than on the last day of an Interest Period for such Advance, as a result of acceleration of the maturity of the Notes pursuant to Section 6.01 or for any other reason (other than a payment or Conversion pursuant to Section 2.13), the Borrower shall pay (subject to the last sentence of this Section 8.04(c)) to the Administrative Agent for the account of such Lender any amounts required to compensate such Lender for any additional losses, costs or expenses which it may reasonably incur as a result of such payment, Continuation or Conversion, including, without limitation, any loss (excluding loss of anticipated profits), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fund or maintain such Advance. The Borrower shall pay amounts owing to any Lender pursuant to this Section 8.04(c) within 30 days after receipt from such Lender of a certificate setting forth in reasonable detail the calculation of the amount such Lender is entitled to claim under this Section 8.04(c) (which certificate shall be conclusive and binding for all purposes, absent manifest error).

SECTION 8.05. Right of Set-off. Upon (i) the occurrence and during the continuance of any Event of Default under Section 6.01(a) or (ii) the making of the request or the granting of the consent specified by Section 6.01 to authorize the Administrative Agent to declare the Notes due and payable pursuant to the provisions of Section 6.01, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Lender or such Affiliate to or for the credit or the account of the Borrower (all such deposits and other indebtedness being herein called "Obligations") against any and all of the obligations of the Borrower now or hereafter existing under this Agreement and any Note held by such Lender, whether or not such Lender shall have made any demand under this Agreement or such Note and although the Obligations may be unmatured. Each Lender agrees promptly to notify the Borrower after any such set-off and application made by such Lender or such Affiliate, provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of each Lender and its Affiliate under this Section are in addition to other rights and remedies (including, without limitation, other rights of set-off) which such Lender or such Affiliate may have.

SECTION 8.06. Binding Effect. This Agreement shall become effective when (a) it shall have been executed by the Borrower and the Administrative Agent and when the Administrative Agent shall have been notified by each Bank that such Bank has executed it and (b) the Effective Date shall have occurred, and thereafter shall be binding upon and inure to the benefit of the Borrower, the Administrative Agent and each Lender and their respective

successors and assigns, except that the Borrower shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of the Lenders. Upon the effectiveness of this Agreement, all commitments of the lenders under the Existing Credit Agreement shall terminate, the Lenders under this Agreement shall have the commitments herein stated, and each of the Lenders that is a party to the Existing Credit Agreement hereby waives, by execution of this Agreement, the requirement of prior notice under the Existing Credit Agreement relating to the termination of commitments thereunder.

SECTION 8.07. Assignments, Designations and Participations

(a) Each Lender (other than a Designated Bidder) may, with notice to and the consent of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower, such consents not to be unreasonably withheld (but not otherwise), assign to one or more banks or other entities all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment, the Advances owing to it and the Note or Notes held by it); provided, however, that (i) no such consent by the Borrower or the Administrative Agent shall be required in the case of any assignment to an Affiliate of the assigning Lender, (ii) each such assignment shall be of a constant, and not a varying, percentage of all rights and obligations of the assigning Lender under this Agreement (other than any right to make B Advances, B Advances owing to it or B Notes), (iii) except in the case of an assignment of all of a Lender's rights and obligations under this Agreement, the amount of the Commitment of the assigning Lender being assigned pursuant to each such assignment (determined as of the date of the Assignment and Acceptance with respect to such assignment) shall in no event be less than \$5,000,000 and shall be an integral multiple of \$1,000,000 unless the Borrower and the Administrative Agent otherwise agree, (iv) each such assignment shall be to an Eligible Assignee, (v) the parties to each such assignment shall execute and deliver to the Administrative Agent, for its acceptance and recording in the Register, an Assignment and Acceptance, together with any Note or Notes subject to such assignment, and (vi) the parties to each such assignment (other than the Borrower) shall deliver to the Administrative Agent a processing and recordation fee of \$3,500. Upon such execution, delivery, acceptance and recording, from and after the effective date specified in each Assignment and Acceptance, (x) the assignee thereunder shall be a party hereto and, to the extent that rights and obligations hereunder have been assigned to it pursuant to such Assignment and Acceptance, have the rights and obligations of a Lender hereunder and (y) the Lender assignor thereunder shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights and be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto).

(b) By executing and delivering an Assignment and Acceptance, the Lender assignor thereunder and the assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than as provided in such Assignment and Acceptance, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value

of this Agreement or any other instrument or document furnished pursuant hereto; (ii) such assigning Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower or the performance or observance by the Borrower of any of its obligations under this Agreement or any other instrument or document furnished pursuant hereto; (iii) such assignee confirms that it has received a copy of this Agreement, together with copies of the financial statements referred to in Section 4.01 and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (iv) such assignee will, independently and without reliance upon the Administrative Agent, such assigning Lender or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (v) such assignee confirms that it is an Eligible Assignee; (vi) such assignee appoints and authorizes the Administrative Agent to take such action as administrative agent on its behalf and to exercise such powers under this Agreement as are delegated to the Administrative Agent by the terms hereof, together with such powers as are reasonably incidental thereto; and (vii) such assignee agrees that it will perform in accordance with their terms all of the obligations which by the terms of this Agreement are required to be performed by it as a Lender.

(c) Upon its receipt of an Assignment and Acceptance executed by an assigning Lender and an assignee representing that it is an Eligible Assignee, together with any Note or Notes subject to such assignment, the Administrative Agent shall, if such Assignment and Acceptance has been completed (and the Borrower and the Administrative Agent shall have consented to the relevant assignment to the extent required pursuant to Section 8.07(a)) and is in substantially the form of Exhibit C hereto, (i) accept such Assignment and Acceptance, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to the Borrower. Within five Business Days after its receipt of such notice, the Borrower, at its own expense, shall execute and deliver to the Administrative Agent in exchange for the surrendered Note or Notes (X) a new A Note to the order of such Eligible Assignee in an amount equal to the Commitment assumed by it pursuant to such Assignment and Acceptance and, if the assigning Lender has retained a Commitment hereunder, a new A Note to the order of the assigning Lender in an amount equal to the Commitment retained by it hereunder and (Y) new B Note or Notes to the order of such Eligible Assignee in an amount equal to the principal amount of the B Advances (if any) acquired by it pursuant to such Assignment and Acceptance and, if the assigning Lender has retained a portion of such B Advances, new B Note or Notes to the order of the assigning Lender in an amount equal to the principal amount of the B Advances retained by it hereunder). Such new A Note or Notes shall be in an aggregate principal amount equal to the aggregate principal amount of such surrendered A Note or Notes, and such new B Note or Notes shall be in an aggregate principal amount equal to the aggregate principal amount of such surrendered B Note or Notes. All such Notes shall be dated the effective date of such Assignment and Acceptance and shall otherwise be in substantially the form of Exhibit A-1 or A-2 hereto, as applicable.

(d) Each Lender (other than the Designated Bidders) may designate one or more banks or other entities to have a right to make B Advances as a Lender pursuant to Section 2.03; provided, however, that (i) no such Lender shall be entitled to make more than two such designations, (ii) each such Lender making one or more of such designations shall retain the right

to make B Advances as a Lender pursuant to Section 2.03, (iii) each such designation shall be to a Designated Bidder and (iv) the parties to each such designation shall execute and deliver to the Administrative Agent, for its acceptance and recording in the Register, a Designation Agreement. Upon such execution, delivery, acceptance and recording, from and after the effective date specified in each Designation Agreement, the designee thereunder shall be a party hereto with a right to make B Advances as a Lender pursuant to Section 2.03 and the obligations related thereto.

(e) By executing and delivering a Designation Agreement, the Lender making the designation thereunder and its designee thereunder confirm and agree with each other and the other parties hereto as follows: (i) such Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; (ii) such Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower or the performance or observance by the Borrower of any of its obligations under this Agreement or any other instrument or document furnished pursuant hereto; (iii) such designee confirms that it has received a copy of this Agreement, together with copies of the financial statements referred to in Section 4.01 and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into the Designation Agreement; (iv) such designee will, independently and without reliance upon the Administrative Agent, such designating Lender or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (v) such designee confirms that it is a Designated Bidder; (vi) such designee appoints and authorizes the Administrative Agent to take such action as administrative agent on its behalf and to exercise such powers under this Agreement as are delegated to the Administrative Agent by the terms hereof, together with such powers as are reasonably incidental thereto; and (vii) such designee agrees that it will perform in accordance with their terms all of the obligations which by the terms of this Agreement are required to be performed by it as a Lender.

(f) Upon its receipt of a Designation Agreement executed by a designating Lender and a designee representing that it is a Designated Bidder, the Administrative Agent shall, if such Designation Agreement has been completed and is substantially in the form of Exhibit D hereto, (i) accept such Designation Agreement, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to the Borrower.

(g) The Administrative Agent shall maintain at its address referred to in Section 8.02 a copy of each Assignment and Acceptance and each Designation Agreement delivered to and accepted by it and a register for the recordation of the names and addresses of each of the Lenders and, with respect to Lenders other than Designated Bidders, the Commitment of, and principal amount of the A Advances owing to, each such Lender from time to time (the "Register"). The entries in the Register shall be conclusive and binding for the purposes, absent manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for the purposes of this

Agreement. The Register shall be available for inspection by the Borrower or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(h) Each Lender may sell participations to one or more banks or other entities in or to all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment, the Advances owing to it and the Note or Notes held by it); provided, however, that (i) such Lender's obligations under this Agreement (including, without limitation, its Commitment to the Borrower hereunder) shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) such Lender shall remain the holder of any such Note for all purposes of this Agreement, (iv) the Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement, and (v) no participant under any such participation agreement shall have any right to approve any amendment or waiver of any provision of this Agreement or any Note, or to consent to any departure by the Borrower therefrom, except to the extent that any such amendment, waiver or consent would (x) reduce the principal of, or interest on, the Notes or any fee or other amounts payable hereunder, in each case to the extent the same are subject to such participation, or (y) postpone any date fixed for the payment of principal of, or interest on, the Notes or any fees or other amounts payable hereunder, in each case to the extent the same are subject to such participation.

(i) Any Lender may, in connection with any assignment, designation or participation or proposed assignment, designation or participation pursuant to this Section 8.07, disclose to the assignee, designee or participant or proposed assignee, designee or participant, any information relating to the Borrower or any of its Subsidiaries furnished to such Lender by or on behalf of the Borrower; provided that, prior to any such disclosure, the assignee, designee or participant or proposed assignee, designee or participant shall agree to preserve the confidentiality of any confidential information relating to the Borrower or any such Subsidiary received by it from such Lender on the terms set forth in Section 8.13.

(j) Notwithstanding any other provision set forth in this Agreement, any Lender may at any time create a security interest in all or any portion of its rights under this Agreement (including, without limitation, the Advances owing to it and the Notes held by it) in favor of any Federal Reserve Bank in accordance with Regulation A of the Board of Governors of the Federal Reserve System.

(k) All amounts payable by the Company to any Lender under Sections 2.08, 2.12, 2.15 and 8.04(c) in respect of Advances held by such Lender, and such Lender's Commitment, shall be determined as if such Lender had not sold or agreed to sell any participations in such Advances or Commitment and as if such Lender were funding each of such Advances and Commitments in the same way that it is funding the portion of such Advances and Commitment in which no participations have been sold. No assignee or other transferee of any Lender's rights shall be entitled to receive any greater payment under Section 2.12 than such Lender would have been entitled to receive with respect to the rights transferred, unless such transfer is made (i) with the Borrower's prior written consent, (ii) by reason of the provisions of said Section 2.12 requiring such Lender to designate a different Applicable Lending Office as

provided in said Section 2.12 or (iii) at a time when the circumstances giving rise to such greater payment did not exist.

SECTION 8.08. Governing Law; Submission to Jurisdiction. This Agreement and the Notes shall be governed by, and construed in accordance with, the law of the State of New York. The Borrower hereby submits to the nonexclusive jurisdiction of the United States District Court for the Southern District of New York and of any New York state court sitting in New York City for the purposes of all legal proceedings arising out of or relating to this Agreement or the transactions contemplated hereby. The Borrower irrevocably waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum.

SECTION 8.09. Severability. In case any provision in this Agreement or in any Note shall be held to be invalid, illegal or unenforceable, such provision shall be severable from the rest of this Agreement or such Note, as the case may be, and the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 8.10. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

SECTION 8.11. Survival. The obligations of the Borrower under Sections 2.08, 2.12, 2.15 and 8.04, and the obligations of the Lenders under Section 7.05, shall survive the repayment of the Advances and the termination of the Commitments. In addition, each representation and warranty made, or deemed to be made by any Notice of A Borrowing or Notice of B Borrowing, herein or pursuant hereto shall survive the making of such representation and warranty, and no Lender shall be deemed to have waived, by reason of making any Advance, any Default or Event of Default that may arise by reason of such representation or warranty proving to have been false or misleading, notwithstanding that such Lender or the Administrative Agent may have had notice or knowledge or reason to believe that such representation or warranty was false or misleading at the time such extension of credit was made.

SECTION 8.12. Substitution of Lender. If (a) the obligation of any Lender to make, Continue or otherwise maintain Eurodollar Rate Advances has been suspended pursuant to Section 2.13, (b) any Lender has demanded compensation under Section 2.12 or 2.15, (c) any Lender shall fail to consent to an amendment or a waiver which pursuant to the terms of Section 8.01 requires the consent of all Lenders and with respect to which the Majority Lenders shall have granted their consent, (d) any Lender defaults in its obligations to fund Advances hereunder or (e) any Lender shall be a Non-Extending Lender, the Borrower shall have the right, if no Default or Event of Default then exists, to replace such Lender (the "Replaced Lender") with one or more Eligible Assignee(s), (each, a "Replacement Lender") acceptable to the Administrative Agent, provided that:

(i) at the time of any replacement pursuant to this Section 8.12, the Replacement Lenders shall enter into one or more Assignment and Acceptance Agreements, pursuant to which such Replacement Lenders shall acquire the Commitments and outstanding Advances of the Replaced Lender and, in connection therewith, shall pay to the Replaced Lender in respect thereof an amount equal to the sum of (A) an amount equal to the principal of, and all accrued interest on, all outstanding Advances of the Replaced Lender, (B) an amount equal to all accrued and unpaid Facility Fees owing to the Replaced Lender and (C) an amount equal to the amount which would be payable by the Borrower to the Replaced Lender pursuant to Section 8.04(c) if the Borrower prepaid at the time of such replacement all of the Advances of such Replaced Lender outstanding at such time; and

(ii) all obligations of the Borrower owing to the Replaced Lender (other than those specifically described in clause (i) above in respect of which the assignment purchase price has been, or is concurrently being, paid) shall be paid in full to such Replaced Lender concurrently with such replacement.

Upon (I) the execution of the respective Assignment and Acceptance Agreements, (II) the payment of amounts referred to in clauses (i) and (ii) above and (III) if so requested by a Replacement Lender, delivery to such Replacement Lender of the appropriate Note or Notes executed by the Borrower, each Replacement Lender shall become a Lender hereunder and the Replaced Lender shall cease to constitute a Lender hereunder.

SECTION 8.13. Confidentiality. Each Lender agrees to hold all non-public information obtained pursuant to the provisions of this Agreement in accordance with its customary procedure for handling confidential information of this nature and in accordance with safe and sound banking practices, provided that nothing herein shall prevent any Lender from disclosing such information (i) to any other Lender or to the Administrative Agent (or to Citigroup Global Markets Inc.), (ii) upon the order of any court or administrative agency or otherwise to the extent required by statute, rule, regulation or judicial process, (iii) to bank examiners or upon the request or demand of any other regulatory agency or authority, (iv) which had been publicly disclosed other than as a result of a disclosure by the Administrative Agent or any Lender prohibited by this Agreement, (v) in connection with any litigation to which any one or more of the Lenders or the Administrative Agent is a party, or in connection with the exercise of any remedy hereunder or under any Note, (vi) to such Lender's or Administrative Agent's legal counsel and independent auditors and accountants and (vii) subject to provisions substantially similar to those contained in this Section, to (A) any actual or proposed participant or assignee, (B) any actual or prospective counterparty (or its advisors) to any securitization, swap or derivative transaction relating to the Borrower, and its Subsidiaries, and the obligations of the Borrower under this Agreement to the extent they relate to such securitization, swap or derivative transaction or (C) to such Lender's Affiliates.

SECTION 8.14. No Fiduciary Relationship. The Borrower acknowledges that neither the Administrative Agent nor any Lender (in their respective capacities as such) has any fiduciary relationship with, or fiduciary duty to, the Borrower arising out of or in connection with this Agreement or any of the Notes, and the relationship between the Administrative Agent

and the Lenders (in such capacities), on the one hand, and the Borrower, on the other, in connection herewith or therewith is solely that of creditor and debtor. This Agreement does not create a joint venture among the parties.

SECTION 8.15. Patriot Act Notice. Each Lender that is subject to the Act (as hereinafter defined) and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that, pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Borrower in accordance with the Act.

SECTION 8.16. Waiver of Jury Trial. EACH OF THE BORROWER, THE ADMINISTRATIVE AGENT AND THE LENDERS HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

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

BECTON, DICKINSON AND COMPANY

By _____

Name:

Title:

CITICORP USA, INC.,
as Administrative Agent

By _____

Name:

Title:

Lenders

Commitment

\$100,000,000

CITICORP USA, INC.

By _____

Name:

Title:

\$100,000,000

THE BANK OF TOKYO-MITSUBISHI UFJ,
LTD., NEW YORK BRANCH

By _____

Name:

Title:

\$70,000,000

BANCO BILBAO VIZCAYA ARGENTARIA S.A.

By _____
Name:
Title:

\$70,000,000

MIZUHO CORPORATE BANK, LTD.

By _____
Name:
Title:

\$70,000,000

BNP PARIBAS

By _____
Name:
Title:

By _____
Name:
Title:

\$55,000,000

THE BANK OF NEW YORK

By _____
Name:
Title:

\$45,000,000

ING CAPITAL LLC

By _____
Name:
Title:

\$45,000,000

JPMORGAN CHASE BANK, N.A.

By _____
Name:
Title:

\$45,000,000

STANDARD CHARTERED BANK

By _____

Name:

Title:

\$45,000,000

INTESABCI NEW YORK BRANCH

By _____

Name:

Title:

\$45,000,000

WELLS FARGO, N.A.

By _____

Name:

Title:

\$45,000,000

BANK OF AMERICA, N.A.

By _____

Name:

Title:

\$35,000,000

THE NORTHERN TRUST COMPANY

By _____

Name:

Title:

\$35,000,000

THE GOVERNOR AND COMPANY OF THE
BANK OF IRELAND

By _____

Name:

Title:

\$35,000,000

UNICREDITO ITALIANO S.P.A.

By _____

Name:

Title:

\$35,000,000

CALYON NEW YORK BRANCH

By _____

Name:

Title:

By _____

Name:

Title:

\$25,000,000

MELLON BANK, N.A.

By _____

Name:

Title:

\$25,000,000

LASALLE BANK N.A.

By _____

Name:

Title:

\$25,000,000

SANTANDER CENTRAL HISPANO

By _____

Name:

Title:

\$25,000,000

BARCLAYS BANK PLC

By _____

Name:

Title:

\$25,000,000

STATE STREET BANK AND TRUST
COMPANY

By _____

Name:

Title:

\$1,000,000,000.00

Total of the Commitments

CERTIFICATIONS

I, Edward J. Ludwig, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Becton, Dickinson and Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 4, 2008

/s/ Edward J. Ludwig
Edward J. Ludwig
Chairman, President and
Chief Executive Officer

I, John R. Considine, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Becton, Dickinson and Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 4, 2008

/s/ John R. Considine

John R. Considine
Senior Executive Vice President and
Chief Financial Officer

The certification set forth below is being submitted in connection with the Quarterly Report on Form 10-Q of Becton, Dickinson and Company for the quarter ended December 31, 2007 (the "Report") for the purpose of complying with Rule 13a – 14(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code.

I, Edward J. Ludwig, the Chief Executive Officer of Becton, Dickinson and Company, certify that:

1. such Report fully complies with the requirements of Section 13(a) of the Exchange Act; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Becton, Dickinson and Company.

February 4, 2008

/s/ Edward J. Ludwig

Name: Edward J. Ludwig

Chief Executive Officer

The certification set forth below is being submitted in connection with the Quarterly Report on Form 10-Q of Becton, Dickinson and Company for the quarter ended December 31, 2007 (the "Report") for the purpose of complying with Rule 13a – 14(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code.

I, John R. Considine, the Chief Financial Officer of Becton, Dickinson and Company, certify that:

1. such Report fully complies with the requirements of Section 13(a) of the Exchange Act; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Becton, Dickinson and Company.

February 4, 2008

/s/ John R. Considine

Name: John R. Considine

Chief Financial Officer
