

SECURITIES AND EXCHANGE COMMISSION  
 WASHINGTON, DC 20549

FORM S-3  
 REGISTRATION STATEMENT  
 UNDER THE SECURITIES ACT OF 1933

BECTON, DICKINSON AND COMPANY

(Exact name of Registrant as specified in its charter)

NEW JERSEY 22-0760120  
 (State or other jurisdiction of (I.R.S. Employer  
 incorporation or organization) Identification No.)

1 Becton Drive,  
 Franklin Lakes, New Jersey 07417-1880  
 (201) 847-6800

(Address, including zip code, and telephone number, including  
 area code, of Registrant's principal executive offices)

JOHN W. GALIARDO  
 VICE CHAIRMAN AND GENERAL COUNSEL  
 BECTON, DICKINSON AND COMPANY  
 1 BECTON DRIVE, FRANKLIN LAKES, NEW JERSEY 07417-1880  
 (201) 847-6800

(Name, address, including zip code, and telephone number,  
 including area code, of agent for service)

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: From time to  
 time after this Registration Statement becomes effective.

If the only securities being registered on this Form are being offered  
 pursuant to dividend or interest reinvestment plans, please check the following  
 box. [ ]

If any of the securities being registered on this Form are to be offered on a  
 delayed or continuous basis pursuant to Rule 415 under the Securities Act of  
 1933, other than securities offered only in connection with dividend or interest  
 reinvestment plans, please check the following box. [X]

If this form is filed to register additional securities for an offering  
 pursuant to Rule 462(b) under the Securities Act, please check the following box  
 and list the Securities Act registration number of the earlier effective  
 registration statement for the same offering. [ ]

If this form is a post-effective amendment filed pursuant to Rule 462(c) under  
 the Securities Act, check the following box and list the Securities Act  
 registration number of the earlier effective registration statement for the same  
 offering. [ ]

If delivery of the prospectus is expected to be made pursuant to Rule 434,  
 please check the following box. [ ]

CALCULATION OF REGISTRATION FEE

<TABLE>  
 <CAPTION>

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED FEE	AMOUNT TO BE REGISTERED	PROPOSED MAXIMUM AGGREGATE PRICE PER UNIT	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE	AMOUNT OF REGISTRATION <C>
<S> Debt Securities \$90,909	<C> \$300,000,000 (1)	<C> 100 % (2)	<C> \$300,000,000 (2)	<C>

Warrants to Purchase Debt Securities (3)

</TABLE>

(1) Or, if any Debt Securities are issued (i) at an original issue discount,  
 such greater principal amount as shall result in an aggregate initial offering  
 price of not more than \$300,000,000 or (ii) with a principal amount denominated  
 in a foreign or composite currency, such principal amount as shall result in an

aggregate initial offering price equivalent to \$300,000,000.

(2) Estimated solely for the purposes of determining the registration fee. Exclusive of accrued interest, if any.

(3) Warrants may be issued to purchase Debt Securities. The amount to be registered is the maximum aggregate principal amount of Debt Securities to be issued with or without any such Warrants and includes all Debt Securities deliverable upon the exercise of such Warrants.

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THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.  
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Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

SUBJECT TO COMPLETION, DATED MARCH 18, 1997

BECTON, DICKINSON AND COMPANY

DEBT SECURITIES AND WARRANTS TO PURCHASE DEBT SECURITIES

Becton, Dickinson and Company (the "Company") from time to time may offer, at an aggregate initial offering price not to exceed \$300,000,000, its unsecured debt securities consisting of debentures, notes or other unsecured evidences of indebtedness (the "Debt Securities") and warrants to purchase Debt Securities (the "Warrants" and, together with the Debt Securities, the "Securities"). The Debt Securities and Warrants may be offered, separately or together, in separate series, in amounts, at prices and on terms to be determined at the time of sale and to be set forth in supplements to this Prospectus (each, a "Prospectus Supplement"). The Company may sell the Securities to or through underwriters, and also may sell the Securities directly to other purchasers or through agents. See "Plan of Distribution."

The terms of the Securities, including with respect to the Debt Securities, the specific designation, aggregate principal amount, denominations, maturity, rate (which may be fixed or variable) and time of payment of interest, if any, and terms for redemption, and, with respect to any Warrants, where applicable, the offering price, exercise price, duration and detachability, and the names and compensation of any underwriters or agents and the other terms in connection with the offering and sale of the Securities in respect of which this Prospectus is being delivered, will be set forth in the Prospectus Supplement relating to such Securities. As used herein, Securities shall include securities denominated in United States dollars or, at the option of the Company, if so specified in the applicable Prospectus Supplement, in any other currency, including composite currencies. This Prospectus may not be used to consummate sales of Securities unless accompanied by the Prospectus Supplement applicable to the Securities being sold.

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THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.  
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THE DATE OF THIS PROSPECTUS IS MARCH , 1997

NO DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS PROSPECTUS OR ANY PROSPECTUS SUPPLEMENT AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY OR ANY UNDERWRITER, DEALER OR AGENT. THIS PROSPECTUS AND ANY PROSPECTUS SUPPLEMENT DO NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY OF THE SECURITIES IN ANY JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER IN SUCH JURISDICTION. NEITHER THE DELIVERY OF THIS PROSPECTUS OR ANY PROSPECTUS SUPPLEMENT NOR ANY SALE MADE HEREUNDER OR THEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS

BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF OR THEREOF OR THAT INFORMATION CONTAINED OR INCORPORATED BY REFERENCE HEREIN OR THEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO ITS DATE.

CERTAIN PERSONS PARTICIPATING IN THIS OFFERING MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN OR OTHERWISE AFFECT THE PRICE OF THE SECURITIES, INCLUDING OVERALLOTMENT, STABILIZING AND SHORT COVERING TRANSACTIONS IN SUCH SECURITIES, AND THE IMPOSITION OF A PENALTY BID, DURING AND AFTER THE OFFERING. FOR A DESCRIPTION OF THESE ACTIVITIES, SEE "PLAN OF DISTRIBUTION."

#### AVAILABLE INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith, files reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"). Reports, proxy statements and other information filed by the Company can be inspected and copied at the public reference facilities maintained by the Commission at Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549, and at the Commission's Regional Offices located at 7 World Trade Center, Suite 1300, New York, New York 10048, and 500 West Madison Street, Suite 1400, Chicago, Illinois 60661. Copies of such materials can also be obtained upon written request from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, at prescribed rates. The Commission maintains a World Wide Web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the Commission. The address of the site is <http://www.sec.gov>. The Company's Common Stock is listed on the New York Stock Exchange, and reports, proxy statements and other information concerning the Company can also be inspected and copied at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

This Prospectus does not contain all of the information contained in the Registration Statement filed by the Company with the Commission under the Securities Act of 1933, as amended (the "Securities Act"), and reference is hereby made to the Registration Statement and to the exhibits thereto for further information with respect to the Company and the Securities offered hereby.

#### INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents, which are on file with the Commission pursuant to the Exchange Act (File No. 1-4802), are incorporated herein by reference and made a part hereof:

- (a) The Company's most recently filed Annual Report on Form 10-K;
- (b) The Company's Quarterly Reports on Form 10-Q filed since the end of the Company's fiscal year covered by its most recent Annual Report on Form 10-K;
- (c) The Company's Current Reports on Form 8-K filed since the end of the Company's fiscal year covered by its most recent Annual Report on Form 10-K; and
- (d) All other documents filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, filed since the end of the Company's fiscal year covered by its most recent Annual Report on Form 10-K and prior to the termination of the offering of the Securities hereunder.

Any statement contained in a document, all or a portion of which is incorporated or deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified shall not be deemed to constitute a part of this Prospectus except as so modified, and any statement so superseded shall not be deemed to constitute a part of this Prospectus.

The Company will provide without charge to each person, including any beneficial owner, to whom a copy of this Prospectus is delivered, upon the written or oral request of any such person, a copy of any and all of the documents incorporated herein by reference, other than exhibits to such documents (unless such exhibits are specifically incorporated by reference into such documents). Requests for such copies should be directed to the Secretary, Becton, Dickinson and Company, 1 Becton Drive, Franklin Lakes, New Jersey 07417-1880, telephone (201) 847-6800.

#### THE COMPANY

The Company was incorporated under the laws of the State of New Jersey in November 1906, as successor to a New York business started in 1897. Its executive offices are located at 1 Becton Drive, Franklin Lakes, New Jersey 07417-1880 and its telephone number is (201) 847-6800. All references herein to the "Company" refer to Becton, Dickinson and Company and its domestic and foreign subsidiaries unless otherwise indicated by the context.

The Company is engaged principally in the manufacture and sale of a broad line of medical supplies and devices and diagnostic systems used by health care professionals, medical research institutions and the general public. The Company's operations are comprised of two worldwide business segments, Medical Supplies and Devices ("Medical") and Diagnostic Systems ("Diagnostic").

The major products in the Company's Medical segment are hypodermic products, specially designed devices for diabetes care, prefillable drug delivery systems, vascular access products and specialty and surgical blades. The Medical segment also includes specialty needles, drug infusion systems, disposable scrubs, elastic support products and thermometers.

The major products in the Company's Diagnostic segment are manual and instrumented microbiology products, sample collection products, flow cytometry systems for cellular analysis, tissue culture labware, hematology instruments and other diagnostic systems, including immunodiagnostic test kits.

The Company's products are manufactured and sold worldwide. The principal markets for the Company's products outside of the United States are Europe, Japan, Mexico, Asia Pacific, Canada and Brazil. The principal products sold by the Company outside the United States are hypodermic needles and syringes, diagnostic systems, VACUTAINER (R) brand sample collection products, HYPAK (R) brand prefillable syringe systems and infusion therapy products. The Company has manufacturing operations in Australia, Brazil, China, France, Germany, Ireland, Japan, Mexico, Singapore, Spain, the United Kingdom and the United States, and in 1996 commenced construction of a hypodermic syringe manufacturing facility in India.

The Company's products and services are marketed in the United States both through independent distribution channels and directly to end-users. The Company's products are marketed outside of the United States through independent distributors and sales representatives, and in some markets directly to end-users.

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#### USE OF PROCEEDS

Except as may be set forth in the Prospectus Supplement with respect to any Securities, the net proceeds to the Company from the sale of the Securities offered hereby will be added to the general funds of the Company and may be used to repay outstanding debt and to meet capital expenditure and working capital requirements. The Company has not allocated a specific portion of the net proceeds for any particular use at this time. Pending application of the net proceeds, such proceeds may be invested in marketable securities.

#### RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth the ratio of earnings to fixed charges for the Company for the periods indicated.

<TABLE>  
<CAPTION>

	THREE MONTHS ENDED DECEMBER 31, 1996	YEAR ENDED SEPTEMBER 30, ----- 1996 1995 1994 1993 1992 ----- -----				
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Ratio of Earnings to Fixed Charges (unaudited).....	5.56	6.25	5.43	4.59	3.49	3.68

</TABLE>

Earnings used to compute this ratio are earnings before income taxes and the cumulative effect of accounting changes and before fixed charges (excluding, for purposes of such computation, interest capitalized during the period) and after excluding undistributed earnings and losses of minority-owned affiliates. Fixed charges consist of interest, whether expensed or capitalized, amortization of debt discount and expense and the portion of rental expense representative of an interest factor.

#### DESCRIPTION OF DEBT SECURITIES

The following description sets forth certain general terms and provisions of the Debt Securities to which any Prospectus Supplement may relate. The particular terms of the Debt Securities offered by any Prospectus Supplement and the extent, if any, to which such general provisions may apply to the Debt Securities so offered will be described in the Prospectus Supplement relating to such Debt Securities.

The Debt Securities are to be issued under an Indenture, dated as of March 1, 1997 (the "Indenture"), between the Company and The Chase Manhattan Bank, as Trustee (the "Trustee") (a copy of which is filed with the Commission as an exhibit to the Registration Statement of which this Prospectus is a part). The following summaries of certain provisions of the Indenture do not purport to be

complete and are subject to, and are qualified in their entirety by reference to, all of the provisions of the Indenture, including the definitions therein of certain terms capitalized in this Prospectus. Wherever particular provisions or defined terms of the Indenture are referred to, such provisions or defined terms are incorporated herein by reference.

#### GENERAL

The Debt Securities will be unsecured and unsubordinated obligations of the Company. The Indenture does not limit the aggregate principal amount of Debt Securities which may be issued thereunder and provides that Debt Securities may be issued thereunder from time to time in one or more series.

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The Debt Securities will be issued in registered form without coupons unless otherwise provided in a supplemental indenture or Board Resolution (Section 2.03). Unless otherwise provided in a Prospectus Supplement, principal (unless the context otherwise requires, "principal" includes premium, if any) of and any interest on the Debt Securities will be payable, and the Debt Securities will be exchangeable and transfers thereof will be registrable, at an office or agency designated for the Debt Securities, provided that, at the option of the Company, payment of interest may be made by check to the address of the Person entitled thereto as it appears in the Security Register (Sections 2.04 and 2.06). Subject to the limitations provided in the Indenture, such services will be provided without charge, other than any tax or other governmental charge payable in connection therewith (Section 2.06).

Reference is made to the Prospectus Supplement for the following terms of the Debt Securities of each series offered thereby (to the extent such terms are applicable to such Debt Securities): (a) the designation of the Debt Securities of the series; (b) any limit upon the aggregate principal amount of the Debt Securities of the series and any limitation on the ability of the Company to increase such aggregate principal amount after the initial issuance of such Debt Securities; (c) any date on which the principal of the Debt Securities of the series is payable (which date may be fixed or extendible); (d) any rate (which may be fixed or variable) per annum at which any Debt Securities of the series shall bear interest, any interest accrual, payment and record dates and/or any method by which any such rate or date shall be determined; (e) if other than as provided in the Indenture, any place where principal of and interest on Debt Securities of the series shall be payable, where Debt Securities of the series may be surrendered for exchange, where notices or demands may be served and where notice to Holders may be published and any time of such payment at any place of payment; (f) any right of the Company to redeem Debt Securities of the series and any terms thereof; (g) any obligation of the Company to redeem, purchase or repay Debt Securities of the series and any terms thereof; (h) if other than denominations of \$1,000 and any integral multiple thereof, the denominations in which Debt Securities of the series shall be issuable; (i) if other than the principal amount thereof, the portion of the principal amount of Debt Securities of the series which shall be payable upon declaration of acceleration of the maturity thereof; (j) if other than the coin or currency in which the Debt Securities of the series are denominated, the coin or currency in which payment of the principal of or interest on the Debt Securities of the series shall be payable or, if the amount of any payments of principal of and/or interest on the Debt Securities of the series may be determined with reference to an index based on a coin or currency other than that in which the Debt Securities of the series are denominated, the manner in which such amounts shall be determined; (k) if other than the currency of the United States of America, the currency or currencies, including composite currencies, in which payment of the principal of and interest on the Debt Securities of the series shall be payable, and the manner in which any such currencies shall be valued against other currencies in which any other Debt Securities shall be payable; (l) any obligation of the Company to pay additional amounts on the Debt Securities of the series in respect of any tax, assessment or governmental charge withheld or deducted and any right of the Company to redeem such Debt Securities rather than pay such additional amounts; (m) any provisions for the Debt Securities of the series to be issued in bearer form, with or without coupons, and if the Debt Securities of the series are to be issuable in definitive form (whether upon original issue or upon exchange of a temporary Debt Security of such series) only upon receipt of certain certificates or other documents or satisfaction of other conditions, the form and terms of such certificates, documents or conditions; (n) if other than the Person acting as Trustee, any Agent acting with respect to the Debt Securities of the series; (o) any provisions for the defeasance of any Debt Securities of the series in addition to, in substitution for or in modification of the provisions described in "Defeasance and Covenant Defeasance;" (p) the identity of any Depository for Registered Global Securities of the series other than The Depository Trust Company and any circumstances other than those described in "Global Securities" in which any Person may have the right to obtain Debt Securities in exchange therefor; (q) any provisions for Events of Default applicable to any Debt Securities of the series in addition to, in substitution for or in modification of those described in "Events of Default;" (r) any provision for covenants applicable to any Debt Securities of the series in addition to, in substitution for or in modification of those described in "Covenants;" and (s) any other terms of the Debt Securities of the series not inconsistent with the Indenture (Section 2.03).

Debt Securities may be issued under the Indenture as Original Issue Discount Securities to be offered and sold at a substantial discount from the principal amount thereof. If any Debt Securities are Original Issue Discount Securities, special federal income tax, accounting and other considerations applicable thereto will be described in the Prospectus Supplement relating thereto. "Original Issue Discount Security" means any security which provides for an amount

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less than the principal amount thereof to be due and payable upon the declaration of acceleration of the maturity thereof upon the occurrence of an Event of Default and the continuation thereof. (Section 1.01)

#### GLOBAL SECURITIES

The Debt Securities of each series may be issued in the form of one or more fully registered global Debt Securities (each a "Registered Global Security") registered in the name of The Depository Trust Company (the "Depository") or a nominee thereof, unless otherwise established for the Debt Securities of such series. Except as described in a Prospectus Supplement hereto, Debt Securities in definitive form will not be issued. Unless and until a Registered Global Security is exchanged in whole or in part for Debt Securities in definitive form, it may not be registered for transfer or exchange except as a whole by the Depository for such Registered Global Security to a nominee of such Depository or by such Depository or any such nominee to a successor Depository or a nominee of such successor Depository (Section 2.06).

Upon the issuance of any Registered Global Security, and the deposit of such Registered Global Security with or on behalf of the Depository, the Depository will credit, on its book-entry registration and transfer system, the respective principal amounts of the Debt Securities represented by such Registered Global Security to the accounts of institutions ("participants") entitled thereto that have accounts with the Depository designated by the underwriters or their agents engaging in any distribution of the Debt Securities. Ownership of beneficial interests in a Registered Global Security will be limited to participants or Persons that may hold interests through participants. Ownership of beneficial interests by participants in a Registered Global Security will be shown on, and the transfer of such beneficial interests will be effected only through, records maintained by the Depository or by its nominee. Ownership of beneficial interests in a Registered Global Security by Persons that hold through participants will be shown on, and the transfer of such beneficial interests within such participants will be effected only through, records maintained by such participants. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of such securities in certificated form. The foregoing limitations and such laws may impair the ability to own, transfer or pledge beneficial interests in Registered Global Securities.

As long as the Depository, or its nominee, is the registered owner of a Registered Global Security, the Depository or such nominee, as the case may be, will be considered the sole owner or holder of the Debt Securities represented by such Registered Global Security for all purposes under the Indenture. Except as specified below, owners of beneficial interests in a Registered Global Security will not be entitled to have Debt Securities represented by such Registered Global Security registered in their names, will not receive or be entitled to receive physical delivery of Debt Securities in certificated form and will not be considered the Holders thereof for any purposes under the Indenture (Section 2.06). Accordingly, each Person owning a beneficial interest in a Registered Global Security must rely on the procedures of the Depository and, if such Person is not a participant, on the procedures of the participant through which such person owns its interest, to exercise any rights of a holder of Debt Securities under the Indenture. The Depository may grant proxies and otherwise authorize participants to give or take any request, demand, authorization, direction, notice, consent, waiver or other action which a holder of Debt Securities is entitled to give or take under the Indenture. The Company understands that, under existing industry practices, if the Company requests any action of holders of Debt Securities or any owner of a beneficial interest in a Registered Global Security desires to give any notice or take any action a holder of Debt Securities is entitled to give or take under the Indenture, the Depository would authorize the participants holding the relevant beneficial interests to give such notice or take such action, and such participants would authorize the beneficial owners owning through such participants to give such notice or take such action or would otherwise act upon the instructions of the beneficial owners owning through them.

The Depository or a nominee thereof, as holder of record of a Registered Global Security, will be entitled to receive payments of principal and interest for payment to beneficial owners in accordance with customary procedures established from time to time by the Depository. On the date hereof, the agent for the payment, transfer and exchange of the Securities is the Trustee therefor, acting through its Corporate Trust Office located in the Borough of Manhattan, The City of New York.

The Company expects that the Depository, upon receipt of any payment of principal or interest in respect of a Registered Global Security, will immediately credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of such Registered Global Security as shown on the records of the Depository. The Company also expects that payments by participants to owners of beneficial interests in a Registered Global Security held through such participants will be governed by standing instructions and customary practices, and will be the responsibility of such participants. None of the Company, the Trustee or any agent of the Company or the Trustee shall have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Registered Global Security, or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests (Section 2.13).

If the Depository is at any time unwilling or unable to continue as Depository or ceases to be a clearing agency registered or in good standing under the Exchange Act, and a successor depository registered as a clearing agency under the Exchange Act is not appointed by the Company within 90 days, if the Company determines that Debt Securities shall no longer be maintained as Registered Global Securities, or, if at any time an Event of Default shall have occurred and be continuing under the Indenture, the Company will issue Debt Securities in definitive certificated form in exchange for the Registered Global Securities (Section 2.06).

In the event that the book-entry system is discontinued, the following provisions shall apply. The Trustee or any successor registrar under the Indenture shall keep a register for the Debt Securities in definitive certificated form at its Corporate Trust Office. Subject to the further conditions contained in the Indenture, Debt Securities in definitive certificated form may be transferred or exchanged for one or more Debt Securities in different authorized denominations upon surrender thereof at the Corporate Trust Office of the Trustee or any successor Registrar under the Indenture by the registered Holders or their duly authorized attorneys. Upon surrender of any Debt Security to be transferred or exchanged, the Trustee or any successor registrar under the Indenture shall record the transfer or exchange in the Security Register and the Company shall issue, and the Trustee shall authenticate and deliver, new Debt Securities in definitive certificated form appropriately registered and in appropriate authorized denominations (Section 2.06). The Trustee shall be entitled to treat the registered Holders of the Debt Securities in definitive certificated form, as their names appear in the Security Register as of the appropriate date, as the owners of such Debt Securities for all purposes under the Indenture (Section 2.13).

#### CONSOLIDATION, MERGER AND SALE OF ASSETS

The Company shall not consolidate or merge with any other Person, sell, transfer, lease or otherwise dispose of all or substantially all of its properties and assets as an entirety in one transaction or series of transactions to any Person, or allow another Person to sell, transfer, lease or otherwise dispose of substantially all of its assets to the Company unless (a) either (i) the Company shall be the surviving Person or (ii) such Person shall be a corporation organized and validly existing under the laws of the United States of America or any State thereof or the District of Columbia and shall expressly assume by a supplemental indenture all of the Company's obligations under the Debt Securities and under the Indenture; (b) immediately before and after such transaction or each element of such series, no Default or Event of Default shall have occurred and be continuing; and (c) certain other conditions are met. Upon any such consolidation, merger, sale, transfer, lease or other disposition, the successor corporation formed by such consolidation, or into which the Company is merged, or to which such sale, transfer, lease or other disposition is made, shall succeed to, and be substituted for, and may exercise every right and power of the Company under the Indentures and under the Debt Securities (Section 5.02).

#### EVENTS OF DEFAULT

The following are Events of Default under the Indenture with respect to Debt Securities of any series: (a) failure to pay any installment of interest on any Debt Security of such series when due and the continuance of such failure for 30 days; (b) failure to pay the principal of any Debt Security of such series when due; (c) failure to deposit any sinking fund payment, when due, in respect of any Debt Security of such series; (d) failure for 60 days after notice to the Company by the Trustee, or by the Holders of 25% in aggregate principal amount of the Debt Securities of such series then outstanding, to perform or observe any other covenant, condition or agreement in the Debt Securities of such series

or in the Indenture (other than a covenant included in the Indenture solely for the benefit of a series of Debt Securities other than that series); (e) certain events of bankruptcy, insolvency or reorganization of the Company; or (f) any other Event of Default established for the Debt Securities of such series

(Section 6.01).

The Indenture provides that, if an Event of Default with respect to the Debt Securities of any series then outstanding thereunder occurs and is continuing, then, either the Trustee for or the Holders of not less than 25% in aggregate principal amount of the Debt Securities of any such affected series then outstanding (each such series treated as a separate class) by notice in writing to the Company (and to the Trustee if given by the Holders), may declare the entire principal (or, if the Debt Securities of any such series are Original Issue Discount Securities, such portion of the principal amount as may be established for such series) of all Debt Securities of such affected series, and the interest accrued thereon, if any, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable (Section 6.02). However, at any time after a declaration of acceleration with respect to Debt Securities of any series has been made, but before a judgment or decree based on such acceleration has been obtained, the Holders of a majority in principal amount of the Debt Securities of that series may, under certain circumstances, rescind and annul such declaration (Section 6.02).

The Company is required to furnish to the Trustee annually an Officer's Certificate as to the Company's compliance with all conditions and covenants under the Indenture. The Company must notify the Trustee within five days of any Default or Event of Default (Section 4.06).

The Indenture provides that the Trustee thereunder will, within 60 days after the occurrence of a Default with respect to the Debt Securities of any series, give to the Holders of the Debt Securities notice of all Defaults with respect to such series known to such Trustee, provided that, except in the case of a Default in payment on the Debt Securities or sinking fund installment with respect thereto, the Trustee may withhold such notice if and so long as a Responsible Officer in good faith determines that withholding such notice is in the interest of the Holders of the Debt Securities (Section 7.05). "Default" means any event which is, or after notice or passage of time or both would be, an Event of Default (Section 1.01).

The Indenture provides that the holders of a majority in aggregate principal amount of the then outstanding Debt Securities thereunder, by notice to the Trustee therefor, may direct the time, method and place of conducting any proceeding for any remedy available to such Trustee, or exercising any trust or power conferred on such Trustee (Section 6.05).

Subject to the further conditions contained in the Indenture, the holders of a majority in aggregate principal amount outstanding of the Debt Securities of any series may waive, on behalf of the holders of all Debt Securities of such series, any past Default or Event of Default and its consequences except a Default or Event of Default (a) in the payment of the principal of or interest, if any, on any Debt Security of such series or (b) in respect of a covenant or provision of such Indenture which cannot under the terms of the Indenture be amended or modified without the consent of the holder of each outstanding Debt Security adversely affected thereby (Section 6.04).

The applicable Prospectus Supplement will describe any provisions for Events of Default applicable to the Debt Securities of any series in addition to, in substitution for, or in modification of, the provisions described above.

#### CERTAIN COVENANTS OF THE COMPANY

#### DEFINITIONS

"Attributable Debt" is defined to mean, as to any particular lease, the total net amount of rent (discounted at a rate per annum equivalent to the interest rate inherent in such lease, as determined in good faith by the Company, compounded semiannually) required to be paid during the remaining term of such lease, including any period for which such lease has been extended or may, at the option of the lessor, be extended. (Section 1.01)

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"Consolidated Net Tangible Assets" is defined as the total amount of assets of the Company and its Restricted Subsidiaries (less applicable reserves and other properly deductible items) after deducting (i) all current liabilities (excluding any liabilities constituting Funded Debt by reason of being renewable or extendible), (ii) all goodwill, trade names, trademarks, patents, unamortized debt discount and expense and other like intangibles, (iii) investments in and advances to Subsidiaries which are not Restricted Subsidiaries, and (iv) minority interests in the equity of Restricted Subsidiaries. (Section 1.01)

"Funded Debt" is defined to mean all indebtedness for borrowed money maturing more than 12 months after the time of computation thereof, guarantees of such indebtedness of others (except guarantees of collection arising in the ordinary course of business), and all obligations in respect of lease rentals which, under generally accepted accounting principles, are shown on a balance sheet as a non-current liability. (Section 1.01)

"Principal Property" is defined to mean any building, structure or other

facility (together with the land on which it is erected and fixtures comprising a part thereof) now owned or hereafter acquired by the Company or any Restricted Subsidiary and used primarily for manufacturing, processing or warehousing and located in the United States (excluding its territories and possessions, but including Puerto Rico), the gross book value (without deduction of any depreciation reserves) of which is in excess of 2.0% of Consolidated Net Tangible Assets, other than any such building, structure or other facility or portion thereof which, in the opinion of the Board of Directors of the Company, is not of material importance to the total business conducted by the Company and its Restricted Subsidiaries as an entirety. (Section 1.01)

"Restricted Subsidiary" is defined to mean any Subsidiary substantially all of the property and operations of which are located in the United States (excluding its territories and possessions, but including Puerto Rico), and which owns or leases a Principal Property, except a Subsidiary which is primarily engaged in the business of a finance company. (Section 1.01)

"Subsidiary" is defined to mean a corporation more than 50% of the outstanding voting stock of which is owned, directly or indirectly, by the Company or by one or more other Subsidiaries, or by the Company and by one or more other Subsidiaries. (Section 1.01)

#### Restrictions on Secured Debt

If the Company or any Restricted Subsidiary shall incur, issue, assume or guarantee any Debt secured by a Mortgage on any Principal Property or on any shares of stock or Debt of any Restricted Subsidiary, the Company will secure, or cause such Restricted Subsidiary to secure, the Debt Securities (and, if the Company so elects, any other Debt of the Company or such Restricted Subsidiary which is not subordinate to the Debt Securities) equally and ratably with (or prior to) such secured Debt, unless after giving effect thereto the aggregate amount of all such Debt so secured, together with all Attributable Debt of the Company and its Restricted Subsidiaries in respect of certain sale and leaseback transactions involving Principal Properties, would not exceed 10% of Consolidated Net Tangible Assets. This restriction will not apply to, and there shall be excluded in computing secured Debt for the purpose of such restriction, Debt secured by (a) Mortgages existing on properties on the date of the Indenture, (b) Mortgages on properties, shares of stock or Debt existing at the time of acquisition thereof (including acquisition through merger or consolidation), purchase money Mortgages and construction Mortgages, (c) Mortgages on property of, or on any shares of stock or Debt of, any corporation existing at the time such corporation becomes a Restricted Subsidiary, (d) Mortgages in favor of Federal and State governmental bodies to secure progress, advance or other payments pursuant to any contract or provision of any statute, (e) Mortgages in favor of the Company or a Restricted Subsidiary, (f) Mortgages in connection with the issuance of certain tax-exempt industrial development bonds, (g) Mortgages under workers' compensation laws, unemployment insurance laws or similar legislation, or certain deposits including those to secure statutory obligations or certain bonds (or pledges or deposits for similar purposes in the ordinary course of business), or liens imposed by law and certain other liens or other encumbrances, and (h) subject to certain limitations, any extension, renewal or replacement of any Mortgage referred to in the foregoing clauses (a) through (g), inclusive. (Section 4.04)

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#### Restrictions on Sale and Leasebacks

Neither the Company nor any Restricted Subsidiary may enter into any sale and leaseback transaction involving the taking back of a lease, for a period of three or more years, of any Principal Property, the acquisition, completion of construction or commencement of full operation of which has occurred more than 120 days prior thereto, unless (a) the commitment to enter into such sale and leaseback transaction was obtained during such 120 day period, (b) the Company or such Restricted Subsidiary could create Debt secured by a Mortgage on such Principal Property as described under "Restrictions on Secured Debt" above in an amount equal to the Attributable Debt with respect to such sale and leaseback transaction without equally and ratably securing the Debt Securities, (c) the Company, within 120 days after the sale or transfer shall have been made, applies to the retirement of its Funded Debt an amount (the "Designated Amount"), subject to credits for certain voluntary retirements of Funded Debt, equal to the greater of (i) the net proceeds of the sale of such Principal Property and (ii) the fair market value of such Principal Property, or (d) the Company or any Restricted Subsidiary, within a period commencing 180 days prior to and ending 180 days after the sale or transfer, has expended or reasonably expects to expend within such period any monies to acquire or construct any Principal Property or Properties in which event the Company or such Restricted Subsidiary may enter into such sale and leaseback transaction, but (unless certain other conditions are met) only to the extent that the Designated Amount in respect thereof is less than such monies expended or to be expended. This restriction will not apply to any sale and leaseback transactions between the Company and a Restricted Subsidiary or between a Restricted Subsidiary and another Restricted Subsidiary. (Section 4.05)

The Indenture contains provisions permitting the Company and the Trustee to enter into one or more supplemental indentures without the consent of the holders of Debt Securities in order (a) to evidence the succession of another corporation to the Company and the assumption of the covenants of the Company by such successor, (b) to provide for a successor Trustee with respect to the Debt Securities of all or any series, (c) to establish the forms and terms of the Debt Securities of any series, (d) to provide for uncertificated or unregistered Debt Securities, or (e) to cure any ambiguity or correct any mistake or to make any change that does not materially adversely affect the legal rights of any holder of the Debt Securities under such Indenture (Section 9.01).

The Indenture also contains provisions permitting the Company and the Trustee, with the consent of the holders of a majority in aggregate principal amount of the then outstanding Debt Securities of any series, to execute supplemental indentures adding any provisions to or changing or eliminating any of the provisions of the Indenture or any supplemental indenture or modifying the rights of the holders of such Debt Securities, except that no such supplemental indenture, or any amendment or waiver, may, without the consent of the holder of each Debt Security, (a) extend the stated maturity of the principal of, or any sinking fund obligation or any installment of interest on, such holder's Debt Security, or reduce the principal amount thereof or the rate of interest thereon (including any amount in respect of original issue discount), or any premium payable with respect thereto, or adversely affect the rights of such Holder under any mandatory redemption or repurchase provision or any right of redemption or repurchase at the option of the Company or such Holder, or reduce the amount of the principal of an Original Issue Discount Security that would be due and payable upon an acceleration of the maturity thereof or the amount thereof provable in bankruptcy, or change any place of payment where, or the currency in which, any Debt Security or any premium or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the due date therefor, or change the manner of determining any of the foregoing; (b) reduce the percentage in principal amount of outstanding Debt Securities of the relevant series, the consent of whose Holders is required for any such supplemental indenture, for any waiver of compliance with certain provisions of this Indenture or certain Defaults and their consequences provided for in this Indenture; (c) waive a Default in the payment of principal of or interest on any Debt Security of such Holder; (d) change any obligation of the Company to maintain an office or agency in the places and for the purposes in the Indenture provided; or (e) modify any of the foregoing provisions, except to increase any such percentage or to provide that certain other provisions of the Indenture cannot be modified or waived without the consent of the Holder of each outstanding Debt Security affected thereby (Section 9.02). After a supplemental indenture, amendment or waiver becomes effective, the Company shall mail a notice to the holders of the Debt Securities affected thereby briefly describing the supplemental indenture, amendment or waiver (Section 9.02).

#### DEFEASANCE AND COVENANT DEFEASANCE

Unless the terms of the Debt Securities of any series provide otherwise, the Company may elect either (a) to defease and be discharged from any and all obligations with respect to (i) Debt Securities of any series payable within one year or (ii) other Debt Securities of any series upon certain conditions described below (except as otherwise provided in the Indenture) ("defeasance") or (b) to be released from its obligations with respect to certain covenants applicable to the Debt Securities of any series ("covenant defeasance"), upon (or, with respect to defeasance of Debt Securities payable later than one year from the date of defeasance, on the 91st day after) the deposit with the Trustee, in trust for such purpose, of money and/or U.S. Government Obligations which through the payment of principal and interest in accordance with their terms will provide money in an amount sufficient without reinvestment to pay the principal of and interest on the Debt Securities and the satisfaction of certain other conditions set forth in such Indenture. As a condition to defeasance of any Debt Securities of any series payable later than one year from the time of defeasance, the Company must deliver to the Trustee an Opinion of Counsel or a ruling of the Internal Revenue Service to the effect that holders of the Debt Securities will not recognize income, gain or loss for Federal income tax purposes as a result of such defeasance and will be subject to Federal income tax on the same amount and in the same manner and at the same times as would have been the case if such defeasance or covenant defeasance had not occurred (Article 8).

The Company may exercise either defeasance option with respect to the Debt Securities of any series notwithstanding its prior exercise of its covenant defeasance option with respect thereto. If the Company exercises its defeasance option, payment of the Debt Securities of any series may not be accelerated because of a Default or an Event of Default. If the Company exercises its covenant defeasance option, payment of the Debt Securities of any series may not be accelerated by reason of an Event of Default with respect to the covenants to which such covenant defeasance is applicable. If such acceleration were to occur by reason of another Event of Default, the realizable value at the acceleration date of the money and U.S. Government Obligations in the defeasance

trust could be less than the principal and interest then due on the Debt Securities, in that the required deposit in the defeasance trust is based upon scheduled cash flow rather than market value, which will vary depending upon interest rates and other factors. The Company will, however, remain liable for such payments at the time of the acceleration.

#### GOVERNING LAW

The Indenture and the Debt Securities are governed by and construed in accordance with the laws of the State of New York (Section 10.07).

#### THE TRUSTEE

The Company maintains a banking relationship with the Trustee.

#### DESCRIPTION OF WARRANTS

The Company may issue Warrants for the purchase of Debt Securities. Warrants may be issued independently or together with any Debt Securities offered by any Prospectus Supplement and, if issued together with any Debt Securities, may be attached to or separate from such Debt Securities.

The following description sets forth certain general terms and provisions of the Warrants to which any Prospectus Supplement may relate. The particular terms of the Warrants offered by any Prospectus Supplement and the extent, if any, to which such general terms may apply to the Warrants so offered will be described in the Prospectus Supplement relating to such Warrants.

The Offered Warrants (as defined below) are to be issued under Warrant Agreements (each a "Warrant Agreement") to be entered into between the Company and a bank or trust company, as Warrant Agent (the "Warrant Agent"), all as set forth in the Prospectus Supplement relating to the particular issue of Warrants and shall be

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evidenced by Warrant Certificates (each a "Warrant Certificate"). A copy of the forms of Warrant Agreement and Warrant Certificate are on file with the Commission and are incorporated herein by reference as exhibits to the Registration Statement of which this Prospectus is a part. The following summary of certain provisions of the forms of Warrant Agreement and Warrant Certificate does not purport to be complete and is qualified in its entirety by reference to the Warrant Agreement and the Warrant Certificate.

#### GENERAL

The Prospectus Supplement or Prospectus Supplements relating to any Warrants will describe the terms of the Warrants offered thereby (the "Offered Warrants"), the Warrant Agreement relating to such Warrants and the Warrant Certificates representing such Warrants, including the following: (a) the offering price; (b) the currency or currencies for which the Offered Warrants may be purchased; (c) the designation, aggregate principal amount, currency or currencies and terms of the Debt Securities purchasable upon exercise of the Offered Warrants and the procedures and conditions relating to the exercise of such Offered Warrants; (d) if applicable, the designation and terms of the Debt Securities with which the Offered Warrants are issued and the number of Offered Warrants issued with each such Debt Security; (e) if applicable, the date on and after which the Offered Warrants and such related Debt Securities will be separately transferable; (f) the principal amount of Debt Securities purchasable upon exercise of one Offered Warrant and the price and currency at which such principal amount of Debt Securities may be purchased upon such exercise; (g) the date on which the right to exercise the Offered Warrants shall commence and the date (the "Expiration Date") on which such right shall expire; (h) federal income tax consequences; and (i) any additional terms of the Offered Warrants.

Warrant Certificates will be issued only in fully registered form and may be exchanged for new Warrant Certificates of different denominations, may be presented for registration of transfer, and may be exercised at the corporate trust office of the Warrant Agent or any other office indicated in the Prospectus Supplement describing the terms of the Offered Warrants. Prior to the exercise of their Offered Warrants, holders of Offered Warrants will not have any of the rights of holders of the Debt Securities purchasable upon such exercise, including the right to receive payments of principal or interest on the Debt Securities purchasable upon such exercise or to enforce covenants in the Indenture, except as otherwise provided in the Indenture or pursuant thereto.

#### EXERCISE OF WARRANTS

Each Offered Warrant will entitle the holder to purchase such principal amount of Debt Securities at such exercise price as shall in each case be set forth in, or calculable from, the Prospectus Supplement relating to the Offered Warrants. Offered Warrants may be exercised at any time up to 5:00 P.M., New York time, on the Expiration Date and in the manner set forth in the Prospectus Supplement relating to such Warrants. After the close of business on the Expiration Date

(or such later date to which such Expiration Date may be extended by the Company), unexercised Offered Warrants will become void.

Offered Warrants may be exercised by delivery to the Warrant Agent of payment as provided in the Prospectus Supplement describing the terms of the Offered Warrants of the amount required to purchase the Debt Securities purchasable upon such exercise together with certain information set forth on the reverse side of the Warrant Certificate. Offered Warrants will be deemed to have been exercised upon receipt by the Warrant Agent of the exercise price, subject to the receipt within five business days of the Warrant Certificate evidencing such Offered Warrants. Upon receipt of such payment and the Warrant Certificate properly completed and duly executed at the corporate trust office of the Warrant Agent or any other office indicated in the Prospectus Supplement describing the terms of the Offered Warrants, the Company will, as soon as practicable, issue and deliver the Debt Securities purchasable upon such exercise. If fewer than all of the Offered Warrants represented by such Warrant Certificate are exercised, a new Warrant Certificate will be issued for the remaining amount of Warrants.

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#### PLAN OF DISTRIBUTION

##### GENERAL

The Company may sell the Securities through underwriters or dealers, directly to purchasers or through agents or through a combination of any such methods of sale. If an underwriter or underwriters are utilized in the sale, the Company will execute an underwriting agreement with such underwriters and the terms of the transaction will be set forth in the Prospectus Supplement, which will be used by the underwriters to make resales of the Securities in respect of which this Prospectus is delivered to the public.

In connection with the sale of the Securities, underwriters may receive compensation from the Company or from purchasers of the Securities for whom they may act as agents in the form of discounts, concessions or commissions. Any underwriting compensation paid by the Company to underwriters or agents in connection with the offering of the Securities, and any discounts, concessions or commissions allowed by underwriters to participating dealers, and the names of such underwriters, dealers and agents, will be set forth in the applicable Prospectus Supplement to the extent required. Underwriters, dealers and agents that participate in the distribution of Securities may be deemed to be underwriters and any discounts or commissions received by them and any profit on the resale of Securities by them may be deemed to be underwriting discounts and commissions under the Securities Act.

During and after the offering, underwriters may purchase and sell the Securities in the open market. These transactions may include over-allotment and stabilizing transactions and purchases to cover short positions created by underwriters in connection with the offering. Underwriters may also impose a penalty bid, whereby selling concessions allowed to broker-dealers in respect of the Securities sold in the offering for their account may be reclaimed by underwriters if such Securities are repurchased by underwriters in stabilizing or covering transactions. These activities may stabilize, maintain or otherwise affect the market price of the Securities which may be higher than the price that might otherwise prevail in the open market; and these activities, if commenced, may be discontinued at any time. These transactions may be effected in the over-the-counter market or otherwise.

Under agreements which may be entered into by the Company, underwriters, dealers and agents who participate in the distribution of the Securities may be entitled to indemnification by the Company against certain liabilities, including liabilities under the Securities Act.

##### DELAYED DELIVERY ARRANGEMENTS

If so indicated in the Prospectus Supplement, the Company will authorize underwriters or other persons acting as the Company's agents to solicit offers by certain institutions to purchase the Securities from the Company pursuant to contracts providing for payment and delivery on a future date. Institutions with which such contracts may be made include commercial and savings banks, insurance companies, pension funds, investment companies, educational and charitable institutions and others, but in all cases such institutions must be approved by the Company. The obligations of any purchaser under any such contract will not be subject to any conditions except that (i) the purchase of the Securities shall not at the time of delivery be prohibited under the laws of the jurisdiction to which such purchaser is subject, and (ii) if the Securities are also being sold to underwriters, the Company shall have sold to such underwriters the Securities not sold for delayed delivery. The underwriters and such other persons will not have any responsibility in respect of the validity or performance of such contracts.

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#### VALIDITY OF SECURITIES

Unless otherwise indicated in the Prospectus Supplement with respect to any Securities, the validity of the Securities will be passed upon for the Company by John W. Galiardo, Vice Chairman and General Counsel of the Company, and for the underwriters by Sullivan & Cromwell, 125 Broad Street, New York, New York 10004. As of March 1, 1997, Mr. Galiardo owned 89,105 shares of the Company's common stock, had options to acquire 841,637 shares, was entitled to receive 18,504 shares under the Company's Stock Award Plan and had rights to 400 shares under the Company's 1996 Directors' Deferral Plan. In addition, Mr. Galiardo had a vested interest, as of January 31, 1997, under the Company's Savings Incentive Plan in 8,785 shares of the Company's common stock and in 423 shares of the Company's Series B ESOP Convertible Preferred Stock.

#### EXPERTS

The consolidated financial statements of the Company, incorporated by reference into the Company's Annual Report on Form 10-K for the year ended September 30, 1996 (the "1996 10-K"), and the related schedule thereto included in the 1996 10-K, have been audited by Ernst & Young LLP, independent auditors, as set forth in their report thereon included therein and incorporated herein by reference. Such consolidated financial statements and schedule are incorporated herein by reference in reliance upon such report given upon the authority of such firm as experts in accounting and auditing.

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#### PART II.

#### INFORMATION NOT REQUIRED IN PROSPECTUS

##### ITEM 14. Other Expenses of Issuance and Distribution.

Securities and Exchange Commission registration fee	\$ 90,909
Legal fees and expenses	100,000
Blue Sky fees and expenses	6,000
Accounting fees and expenses	110,000
Printing and engraving fees	35,000
Trustee's fees and expenses	30,000
Rating agency fees	130,000
Miscellaneous	18,091
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Total	\$520,000
	=====

All of the above items except the registration fees are estimated.

##### ITEM 15. Indemnification of Directors and Officers.

Article XI of the by-laws of the Company provides as follows:

"The Company shall indemnify to the full extent authorized or permitted by the New Jersey Business Corporation Act, any corporate agent (as defined in said Act), or his legal representative, made, or threatened to be made, a party to any action, suit or proceeding (whether civil, criminal, administrative or investigative) by reason of the fact that he is or was a corporate agent of this Company."

The New Jersey Business Corporation Act permits or requires indemnification of officers and directors in the event that certain statutory standards of conduct are met.

The Company maintains policies of insurance under which the respective directors and officers (as defined therein) of the Company are insured subject to specified exclusions and deductible and maximum amounts against loss arising from any civil claim or claims which may be made against any director or officer (as so defined) of the Company by reason of any breach of duty, neglect, error, misstatement, misleading statement, omission or act done or alleged to have been done while acting in their respective capacities.

##### ITEM 16. Exhibits.

- 1 -- Form of Underwriting Agreement.
- 4(a) -- Form of Indenture, dated as of March 1, 1997, between the Company and The Chase Manhattan Bank, Trustee.
- 4(b) -- Forms of Warrant Agreement (incorporated by reference to Exhibit 4(b) to the Company's Form S-3 Registration Statement No. 33-47957).
- 4(c) -- Forms of Warrant Certificate (incorporated by reference to Exhibit 4(c) to the Company's Form S-3 Registration Statement No. 33-47957).
- 5 -- Opinion of John W. Galiardo, Vice Chairman and General Counsel of the Company.
- 12 -- Calculation of Ratio of Earnings to Fixed Charges.
- 23(a) -- Consent of Independent Auditors, Ernst & Young LLP.
- 23(b) -- Consent of John W. Galiardo (included in his opinion filed herewith as Exhibit 5).
- 24 -- Powers of Attorney.

25 -- Form T-1, Statement of Eligibility of The Chase Manhattan Bank, as Trustee.

## ITEM 17. Undertakings.

The undersigned registrant hereby undertakes:

(1) to file, during any period in which offers or sales of the registered securities are being made, a post-effective amendment to this Registration Statement:

(i) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933, unless the information required to be included in such post-effective amendment is contained in a periodic report filed by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 and incorporated herein by reference;

(ii) to reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement, unless the information required to be included in such post-effective amendment is contained in a periodic report filed by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 and incorporated herein by reference. Notwithstanding the foregoing, any increase or decrease in the volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in this Registration Statement;

(iii) to include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

(2) that, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof;

(3) to remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering; and

(4) that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in this Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described in Item 15 above, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of

appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

## SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant

certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Franklin Lakes, New Jersey on the 18th day of March, 1997.

BECTON, DICKINSON AND COMPANY  
(Registrant)

By /s/ Bridget M. Healy

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Bridget M. Healy  
Vice President and Secretary

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below on the 18th day of March, 1997 by or on behalf of the following persons in the capacities indicated.

Name	Title
----	----
* ----- (Clateo Castellini)	Chairman of the Board, President, Chief Executive Officer and Director (Principal Executive Officer)
* ----- (Edward J. Ludwig)	Senior Vice President - Finance and Chief Financial Officer (Principal Financial and Accounting Officer)
* ----- (Harry N. Beaty, M.D.)	Director
* ----- (Henry P. Becton, Jr.)	Director
* ----- (Albert J. Costello)	Director
* ----- (Gerald M. Edelman, M.D.)	Director
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* ----- (John W. Galiardo)	Director
* ----- (Richard W. Hanselman)	Director
* ----- (Frank A. Olson)	Director
* ----- (James E. Perrella)	Director
* ----- (Gloria M. Shatto)	Director
* ----- (Raymond S. Troubh)	Director

\* Bridget M. Healy, by signing her name below, does sign this document on behalf of the person indicated above pursuant to a power of attorney duly executed by such person and filed with the Securities and Exchange Commission.

/s/ Bridget M. Healy

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Bridget M. Healy,  
Attorney-in-fact

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Becton, Dickinson and Company  
Debt Securities and Warrants  
to Purchase Debt Securities

Form of Underwriting Agreement  
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\_\_\_\_\_, 19\_\_

To the Representatives of the  
several Underwriters named in the  
respective Pricing Agreements  
hereinafter described.

Ladies and Gentlemen:

From time to time Becton, Dickinson and Company, a New Jersey corporation (the "Company"), proposes to enter into one or more Pricing Agreements (each a "Pricing Agreement") in the form of Annex I hereto, with such additions and deletions as the parties thereto may determine, and, subject to the terms and conditions stated herein and therein, to issue and sell to the firms named in Schedule I to the applicable Pricing Agreement (such firms constituting the "Underwriters" with respect to such Pricing Agreement and the securities specified therein) certain of its debt securities (the "Securities") and/or warrants (the "Warrants") to purchase such Securities, in each case as specified in Schedule II to such Pricing Agreement (with respect to such Pricing Agreement, the "Designated Securities").

The terms and rights of any particular issuance of Designated Securities shall be as specified in the Pricing Agreement relating thereto and in or pursuant to the indenture (the "Indenture") or warrant agreement (the "Warrant Agreement") identified in such Pricing Agreement.

1. Particular sales of Designated Securities may be made from time to time to the Underwriters of such Securities or Warrants, for whom the firms designated as representatives of the Underwriters of such Securities or Warrants in the Pricing Agreement relating thereto will act as representatives (the "Representatives"). The term "Representatives" also refers to a single firm acting as sole representative of the Underwriters and to Underwriters who act without any firm being designated as their representative. This Underwriting Agreement shall not be construed as an obligation of the Company to sell any of the Securities or Warrants or as an obligation of any of the Underwriters to purchase the Securities or Warrants. The obligation of the Company to issue and sell any of the Securities or Warrants and the obligation of any of the Underwriters to purchase any of the Securities or Warrants shall be evidenced by the Pricing Agreement with respect to the Designated Securities specified therein. Each Pricing Agreement shall specify the aggregate principal amount of such Designated Securities, the initial public offering price of such Designated Securities, the purchase price to the Underwriters of such Designated Securities, the names of the Underwriters of such Designated Securities, the names of the Representatives of such Underwriters and the principal amount of such Designated Securities to be purchased by each Underwriter and shall set forth the date, time and manner of delivery of such Designated Securities and payment therefor. The Pricing Agreement shall also specify (to the extent not set forth in the Indenture, the Warrant Agreement and the registration statement and prospectus with respect thereto) the terms of such Designated Securities. A Pricing Agreement shall be in the form of an executed writing (which may be in counterparts), and may be evidenced by an exchange of telegraphic communications or any other rapid transmission device designed to produce a written record of communications transmitted. The obligations of the Underwriters under this Agreement and each Pricing Agreement shall be several and not joint.

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2. The Company represents and warrants to, and agrees with, each of the Underwriters that:

(a) A registration statement in respect of the Securities (including any Securities issuable upon exercise of Warrants) and Warrants has been filed with the Securities and Exchange Commission (the "Commission"); such registration statement and any post-effective amendment thereto, each in the form heretofore delivered or to be delivered to the Representatives and, excluding exhibits to such registration statement, but including all documents incorporated by reference in the prospectus contained therein (except for any document or portions thereof which are deemed under Rule 412 under the Securities Act of 1933, as amended, (the "Act") not to be incorporated by reference therein), the Representatives for each of the other Underwriters, have been declared effective by the Commission in such form; no other document with respect to such registration statement or document incorporated by reference therein has heretofore been filed or transmitted

for filing with the Commission; and no stop order suspending the effectiveness of such registration statement has been issued and no proceeding for that purpose has been initiated or threatened by the Commission (any preliminary prospectus included in such registration statement or filed with the Commission pursuant to Rule 424(a) of the rules and regulations of the Commission under the Act being hereinafter called a "Preliminary Prospectus"; the various parts of such registration statement, including all exhibits thereto and the documents incorporated by reference in the prospectus contained in the registration statement at the time such part of the registration statement became effective but excluding Form T-1, each as amended at the time such part of the registration statement became effective, being hereinafter called the "Registration Statement"; the prospectus relating to the Securities and Warrants, in the form in which it has most recently been filed, or transmitted for filing, with the Commission on or prior to the date of this Agreement, being hereinafter called the "Prospectus"; any reference herein to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to the applicable form under the Act, as of the date of such Preliminary Prospectus or Prospectus, as the case may be; any reference to any amendment or supplement to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include any documents filed after the date of such Preliminary Prospectus or Prospectus, as the case may be, under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and incorporated by reference in such Preliminary Prospectus or Prospectus, as the case may be; any reference to any amendment to the Registration Statement shall be deemed to refer to and include any annual report of the Company filed pursuant to Section 13(a) or 15(d) of the Exchange Act after the effective date of the Registration Statement that is incorporated by reference in the Registration Statement; and any reference to the Prospectus as amended or supplemented shall be deemed to refer to the Prospectus as amended or supplemented in relation to the applicable Designated Securities in the form in which it is filed with the Commission pursuant to Rule 424(b) under the Act in accordance with Section 5(a) hereof, including any documents incorporated by reference therein as of the date of such filing);

(b) The documents incorporated by reference in the Prospectus, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder, and none of such documents contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and any further documents so filed and incorporated by reference in the Prospectus or any further amendment or supplement thereto, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with

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information furnished in writing to the Company by an Underwriter of Designated Securities through the Representatives expressly for use in the Prospectus as amended or supplemented relating to such Securities or Warrants;

(c) The Registration Statement and the Prospectus conforms, and any further amendments or supplements to the Registration Statement or the Prospectus will conform, in all material respects to the requirements of the Act and the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act") and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable effective date as to the Registration Statement and any amendment thereto and as of the applicable filing date as to the Prospectus and any amendment or supplement thereto, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter of Designated Securities through the Representatives expressly for use in the Prospectus as amended or supplemented relating to such Securities or Warrants;

(d) Neither the Company nor any of its subsidiaries has sustained since the date of the latest audited financial statements included or incorporated by reference in the Prospectus any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Prospectus, which event is material to the Company and its subsidiaries, taken as a whole; and, since the respective dates as of which information is given in

the Registration Statement and the Prospectus, there has not been any change in the capital stock (other than the repurchase of shares pursuant to Rule 10b-18 of the Exchange Act and the issuance of shares under the Company's stock option, stock award, restricted stock, dividend reinvestment, or savings plans or upon conversion of outstanding convertible debt of the Company) or long-term obligations of the Company or any of its subsidiaries which are material to the Company and its subsidiaries taken as a whole or any material adverse change, or any development involving a prospective material adverse change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of the Company and its subsidiaries taken as a whole, otherwise than as set forth or contemplated in the Prospectus;

(e) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of New Jersey, with power and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus and is duly qualified as a foreign corporation for the transaction of business and in good standing under the laws of each other jurisdiction in which it owns or leases properties, or conducts any business, so as to require such qualification; and each subsidiary of the Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of its jurisdiction of incorporation and is duly qualified as a foreign corporation for the transaction of business and in good standing under the laws of each other jurisdiction in which it owns or leases properties, or conducts any business, so as to require such qualification except in those instances with respect to the Company and its subsidiaries where failure to be so qualified would not have a material adverse effect on the business or financial condition of the Company and its subsidiaries taken as a whole;

(f) The Company has an authorized capitalization as set forth in the Prospectus, and all of the issued shares of capital stock of the Company have been duly and validly authorized and issued and are fully paid and non-assessable and all of the issued shares of capital stock of each subsidiary of the Company have been duly and validly authorized and issued, are fully paid and non-assessable and (except for directors' qualifying shares and minority interests reflected in the Company's consolidated financial statements included or incorporated in the Prospectus) are

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owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims;

(g) The Securities and Warrants have been duly authorized, and, when Designated Securities are issued and delivered pursuant to this Agreement and the Pricing Agreement with respect to such Designated Securities, such Designated Securities will have been duly executed, authenticated, issued and delivered and will constitute valid and legally binding obligations of the Company entitled to the benefits provided by the Indenture or the Warrant Agreement, as the case may be, which will be substantially in the forms filed as exhibits to the Registration Statement or such other form as shall have previously been agreed to by the Representatives; the Indenture has been duly authorized and duly qualified under the Trust Indenture Act and, at the Time of Delivery (as defined in Section 4 hereof) for such Designated Securities, the Indenture will constitute a valid and legally binding instrument, enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; when Securities have been issued and delivered upon exercise of the Warrants pursuant to the Warrant Agreement, such Securities will have been duly executed, authenticated, issued and delivered and will constitute valid and legally binding obligations of the Company entitled to the benefits provided by the Indenture; at the Time of Delivery for such Designated Securities (as defined in Section 4 hereof), the Warrant Agreement will constitute a valid and legally binding instrument, enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; and the Indenture and Warrant Agreement conform, and the Designated Securities will conform, to the descriptions thereof contained in the Prospectus as amended or supplemented with respect to such Designated Securities;

(h) The issue and sale of the Securities and Warrants and the compliance by the Company with all of the provisions of the Securities, the Indenture, the Warrants, the Warrant Agreement, this Agreement and any Pricing Agreement, and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, nor will such action result in any violation of the provisions of the Certificate of Incorporation, as amended, or By-laws of the Company or any statute or any

order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their respective properties; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required for the issue and sale of the Securities or the Warrants or the consummation by the Company of the transactions contemplated by this Agreement or any Pricing Agreement, the Indenture or the Warrant Agreement, except such as have been, or will have been prior to the Time of Delivery, obtained under the Act and the Trust Indenture Act and such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Securities or Warrants by the Underwriters; and

(i) Other than as set forth in the Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property of the Company or any of its subsidiaries is the subject (other than litigation incidental to the kind of business conducted by the Company and its subsidiaries) which, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a material adverse effect on the consolidated financial position, stockholders' equity or results of operations of the Company and its subsidiaries taken as a whole; and, to the best of the Company's knowledge, no

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such proceedings are threatened or contemplated by governmental authorities or threatened by others.

3. Upon the execution of the Pricing Agreement applicable to any Designated Securities and authorization by the Representatives of the release of such Designated Securities, the several Underwriters propose to offer such Designated Securities for sale upon the terms and conditions set forth in the Prospectus as amended or supplemented.

4. Designated Securities to be purchased by each Underwriter pursuant to the Pricing Agreement relating thereto, in definitive form to the extent practicable, and in such authorized denominations and registered in such names as the Representatives may request upon at least forty-eight hours' prior notice to the Company, shall be delivered by or on behalf of the Company to the Representatives for the account of such Underwriter, against payment by such Underwriter or on its behalf of the purchase price therefor by certified or official bank check or checks, payable to the order of the Company in the funds specified in such Pricing Agreement, all at the place and time and date specified in such Pricing Agreement or at such other place and time and date as the Representatives and the Company may agree upon in writing, such time and date being herein called the "Time of Delivery" for such Securities.

5. The Company agrees with each of the Underwriters of any Designated Securities:

(a) To prepare the Prospectus as amended and supplemented in relation to the applicable Designated Securities in a form approved by the Representatives and to file such Prospectus pursuant to Rule 424(b) under the Act not later than the Commission's close of business on the second business day following the execution and delivery of the Pricing Agreement relating to the applicable Designated Securities or, if applicable, such earlier time as may be required by Rule 424(b); to make no further amendment or any supplement to the Registration Statement or Prospectus as amended or supplemented after the date of the Pricing Agreement relating to such Securities and prior to the Time of Delivery for such Designated Securities which shall be disapproved by the Representatives for such Designated Securities promptly after reasonable notice thereof; to advise the Representatives promptly of any such amendment or supplement after such Time of Delivery and furnish the Representatives with copies thereof; to file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act for so long as the delivery of a prospectus is required in connection with the offering or sale of such Designated Securities, and during such same period to advise the Representatives, promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective or any supplement to the Prospectus or any amended Prospectus has been filed with the Commission, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any prospectus relating to the Securities or Warrants, of the suspension of the qualification of such Securities or Warrants for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of the Registration Statement or Prospectus or for additional information; and, in the event of the issuance of any such stop order or of any such order preventing or suspending the use of any prospectus relating to the Securities or Warrants or suspending any such qualification, to use promptly its best efforts to obtain its withdrawal;

(b) Promptly from time to time to take such action as the Representatives may reasonably request to qualify such Securities and Warrants for offering and sale under the securities laws of such jurisdictions as the Representatives may request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of such Securities and Warrants, provided that in connection therewith the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction;

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(c) To furnish the Underwriters with copies of the Prospectus as amended or supplemented in such quantities as the Representatives may from time to time reasonably request, and, if the delivery of a prospectus is required at any time in connection with the offering or sale of the Designated Securities and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Act, the Exchange Act or the Trust Indenture Act, to notify the Representatives and upon their request to file such document and to prepare and furnish without charge to each Underwriter and to any dealer in securities as many copies as the Representatives may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance and in case the Representatives or any of the Underwriters or any dealer in securities is required to deliver a prospectus in connection with sales of any Designated Securities at any time nine months or more after the time of issue of the Prospectus as amended or supplemented relating to such Designated Securities, then upon the request of the Representatives, but at the expense of the Representatives, the relevant Underwriters or the relevant dealers in securities, as the case may be, the Company shall prepare and deliver to the Representatives, such Underwriters or such dealers in securities as many copies as the Representatives may request of any amended or supplemented prospectus complying with Section 10(a)(3) of the Act;

(d) To make generally available to its securityholders as soon as practicable, but in any event not later than eighteen months after the effective date of the Registration Statement (as defined in Rule 158(c)), an earnings statement of the Company and its subsidiaries (which need not be audited) complying with Section 11 (a) of the Act and the rules and regulations of the Commission thereunder (including at the option of the Company Rule 158); and

(e) During the period beginning from the date of the Pricing Agreement for such Designated Securities and continuing to and including the earlier of (i) the termination of trading restrictions for such Designated Securities, as notified to the Company by the Representatives and (ii) the Time of Delivery for such Designated Securities, not to offer, sell, contract to sell or otherwise dispose of any debt securities of the Company which mature more than one year after such Time of Delivery and which are substantially similar to such Designated Securities, without the prior written consent of the Representatives.

6. The Company covenants and agrees with the several Underwriters that the Company will pay or cause to be paid the following: (i) the fees, disbursements and expenses of the Company's counsel and accountants in connection with the registration of the Securities and Warrants under the Act and all other expenses in connection with the preparation, printing and filing of the Registration Statement, any Preliminary Prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers; (ii) the cost of printing or producing this Agreement, any Pricing Agreement, any Indenture, any Blue Sky and Legal Investment Memoranda and any other documents in connection with the offering, purchase, sale and delivery of the Securities and Warrants; (iii) all expenses in connection with the qualification of the Securities and Warrants for offering and sale under state securities laws as provided in Section 5(b) hereof, including the reasonable fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with the Blue Sky and legal investment surveys; (iv) any fees charged by securities rating services for rating the Securities; (v) the cost of preparing the Securities or Warrants; (vi) the fees and expenses of any Trustee or Warrant Agent and any agent of any Trustee or Warrant Agent and the fees and disbursements of counsel for any Trustee or Warrant Agent in connection with any Indenture, Warrant Agreement, the Securities and the Warrants; and (vii) all other

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costs and expenses incident to the Company's performance of its obligations

hereunder which are not otherwise specifically provided for in this Section. It is understood, however, that, except as provided in this Section, Section 8 and Section 11 hereof, the Underwriters will pay all of their own costs and expenses, including the fees of their counsel, transfer taxes on resale of any of the Securities by them, and any advertising expenses connected with any offers they may make.

7. The obligations of the Underwriters of any Designated Securities under the Pricing Agreement relating to such Designated Securities shall be subject, in the discretion of the Representatives, to the condition that all representations and warranties and other statements of the Company in or incorporated by reference in the Pricing Agreement relating to such Designated Securities are, at and as of the Time of Delivery for such Designated Securities, true and correct, the condition that the Company shall have performed all of its obligations hereunder theretofore to be performed, and the following additional conditions:

(a) The Prospectus as amended or supplemented in relation to the applicable Designated Securities shall have been filed with the Commission pursuant to Rule 424(b) within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 5 (a) hereof; no stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with to the Representatives' reasonable satisfaction;

(b) Counsel for the Underwriters shall have furnished to the Representatives such opinion or opinions, dated the Time of Delivery for such Designated Securities, with respect to the incorporation of the Company, the validity of the Indenture and any Warrant Agreement, the Designated Securities, the Registration Statement, the Prospectus as amended or supplemented and other related matters as the Representatives may reasonably request, and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters;

(c) The General Counsel for the Company or Counsel for the Company satisfactory to the Representatives shall have furnished to the Representatives their written opinion, dated the Time of Delivery for such Designated Securities, in form and substance reasonably satisfactory to the Representatives, to the effect that:

(i) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of New Jersey, with power and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus as amended or supplemented;

(ii) The Company has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each jurisdiction other than that of its incorporation in which it owns or leases properties, or conducts any business, so as to require such qualification and where the failure to so qualify would have a material adverse effect on the Company (such counsel being entitled to rely in respect of the opinion in this clause upon opinions of local counsel and in respect of matters of fact upon certificates of officers of the Company, provided that such counsel shall state that such counsel believes that both the Representatives and such counsel are justified in relying upon such opinions and certificates);

(iii) The Company has an authorized capitalization as set forth in the Prospectus as amended or supplemented and all of the issued shares of capital stock of the Company have been duly and validly authorized and issued and are fully paid and non-assessable;

(iv) Each subsidiary of the Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of its jurisdiction of incorporation and has been duly qualified as a foreign corporation for the transaction of business and is in good

standing under the laws of each other jurisdiction in which it owns or leases properties, or conducts any business, so as to require such qualification and where the failure to so qualify would have a material adverse effect on the Company and its subsidiaries taken as a whole; and all of the issued shares of capital stock of each such subsidiary have been duly and validly authorized and issued, are fully paid and non-assessable and (except for directors' qualifying shares and minority interests reflected in the Company's consolidated financial statements included or incorporated in the Prospectus) are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims (such counsel being entitled to rely in respect of the opinion in this clause upon opinions of local counsel and in respect of

matters of fact upon certificates of officers of the Company or its subsidiaries, provided that such counsel shall state that such counsel believes that both the Representatives and such counsel are justified in relying upon such opinions and certificates);

(v) To the best of such counsel's knowledge and other than as set forth in the Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property of the Company or any of its subsidiaries is the subject (other than litigation incident to the kind of business conducted by the Company and its subsidiaries) which, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a material adverse effect on the Company and its subsidiaries taken as a whole; and, to the best of such counsel's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others;

(vi) This Agreement and the Pricing Agreement with respect to the Designated Securities have been duly authorized, executed and delivered by the Company;

(vii) The Designated Securities have been duly authorized, executed, authenticated or countersigned, issued and delivered and constitute valid and legally binding obligations of the Company entitled to the benefits provided by the Indenture or the Warrant Agreement; and the Designated Securities and the Indenture conform to the descriptions thereof in the Prospectus as amended or supplemented;

(viii) The Indenture has been duly authorized, executed and delivered by the Company and constitutes a valid and legally binding instrument, enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; and the Indenture has been duly qualified under the Trust Indenture Act;

(ix) When Securities have been issued and delivered upon exercise of the Warrants pursuant to the Warrant Agreement, such Securities will have been duly executed, authenticated, issued and delivered and will constitute valid and legally binding obligations of the Company entitled to the benefits provided by the Indenture; the Warrant Agreement constitutes a valid and legally binding instrument, enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; and the Warrant Agreement conforms, and the Securities issuable upon exercise of the Warrants will conform, to the descriptions thereof contained in the Prospectus as amended or supplemented with respect to such Designated Securities;

(x) The issue and sale of the Designated Securities and the compliance by the Company with all of the provisions of the Designated Securities, the Indenture, the Warrant Agreement, this Agreement and the Pricing Agreement with respect to the Designated Securities and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or

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instrument known to such counsel to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, nor will such actions result in any violation of the provisions of the Certificate of Incorporation, as amended, or By-laws of the Company or any statute or any order, rule or regulation known to such counsel of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties;

(xi) No consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required for the issue and sale of the Designated Securities or the consummation by the Company of the transactions contemplated by this Agreement or such Pricing Agreement, the Indenture or the Warrant Agreement, except such as have been obtained under the Act and the Trust Indenture Act and such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Designated Securities by the Underwriters;

(xii) The documents incorporated by reference in the Prospectus as amended or supplemented (other than the financial statements and related schedules or other financial data included or incorporated by reference

therein, as to which such counsel need express no opinion), when they became effective or were filed with the Commission, as the case may be, complied as to form in all material respects with the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder; and such counsel has no reason to believe that any of such documents, when they became effective or were so filed, as the case may be, contained, in the case of a registration statement which became effective under the Act, an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or, in the case of other documents which were filed under the Act or the Exchange Act with the Commission, an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such documents were so filed, not misleading; and

(xiii) The Registration Statement and the Prospectus as amended or supplemented and any further amendments and supplements thereto made by the Company prior to the Time of Delivery for the Designated Securities (other than the financial statements and related schedules or other financial data included or incorporated by reference therein, as to which such counsel need express no opinion) comply as to form in all material respects with the requirements of the Act and the Trust Indenture Act and the rules and regulations thereunder; such counsel has no reason to believe that, as of its effective date, the Registration Statement or any further amendment thereto made by the Company prior to the Time of Delivery (other than the financial statements and related schedules or other financial data included or incorporated by reference therein, as to which such counsel need express no opinion) contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that, as of its date, the Prospectus as amended or supplemented or any further amendment or supplement thereto made by the Company prior to the Time of Delivery (other than the financial statements and related schedules or other financial data included or incorporated by reference therein, as to which such counsel need express no opinion) contained an untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading or that, as of the Time of Delivery, either the Registration Statement or the Prospectus as amended or supplemented or any further amendment or supplement thereto made by the

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Company prior to the Time of Delivery (other than the financial statements and related schedules or other financial data included or incorporated by reference therein, as to which such counsel need express no opinion) contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading; and such counsel does not know of any amendment to the Registration Statement required to be filed or any contracts or other documents of a character required to be filed as an exhibit to the Registration Statement or required to be incorporated by reference into the Prospectus as amended or supplemented or required to be described in the Registration Statement or the Prospectus as amended or supplemented which are not filed or incorporated by reference or described as required;

(d) At the Time of Delivery for such Designated Securities, the independent accountants of the Company who have certified the financial statements of the Company and its subsidiaries included or incorporated by reference in the Registration Statement shall have furnished to the Representatives a letter dated such Time of Delivery to the effect set forth in Annex II hereto, and as to such other matters as the Representatives may reasonably request and in form and substance satisfactory to the Representatives;

(e) (i) Neither the Company nor any of its subsidiaries shall have sustained since the date of the latest audited financial statements included or incorporated by reference in the Prospectus as amended or supplemented any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Prospectus as amended or supplemented, and (ii) since the respective dates as of which information is given in the Prospectus as amended or supplemented there shall not have been any change in the capital stock (other than issuance of shares under the Company's option, stock award or savings plans or upon conversion of outstanding convertible debt of the Company) or long-term debt of the Company or any of its subsidiaries or any change, or any development involving a prospective change, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of the Company and its subsidiaries, otherwise than as set forth or contemplated in the Prospectus as amended or supplemented, the effect of which, in any such case described in Clause (i) or (ii), is in the judgment of the Representatives so material and adverse as to make it

impracticable or inadvisable to proceed with the public offering or the delivery of the Designated Securities on the terms and in the manner contemplated in the Prospectus as amended or supplemented;

(f) On or after the date of the Pricing Agreement relating to the Designated Securities no downgrading shall have occurred in the rating accorded the Company's debt securities by any "nationally recognized statistical rating organization," as that term is defined by the Commission for purposes of Rule 436(g) (2) under the Act;

(g) On or after the date of the Pricing Agreement relating to the Designated Securities there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the New York Stock Exchange; (ii) a general moratorium on commercial banking activities in New York declared by either Federal or New York State authorities; or (iii) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war, if the effect of any such event specified in this clause (iii) in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Designated Securities on the terms and in the manner contemplated by the Prospectus as amended and supplemented; and

(h) The Company shall have furnished or caused to be furnished to the Representatives at the Time of Delivery for the Designated Securities certificates of officers of the Company reasonably satisfactory to the Representatives as to the accuracy of the representations and warranties of the

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Company herein at and as of such Time of Delivery, as to the performance by the Company of all of its obligations hereunder to be performed at or prior to such Time of Delivery, as to the matters set forth in subsections (a) and (e) of this Section and as to such other matters as the Representatives may reasonably request.

8. (a) The Company will indemnify and hold harmless each Underwriter against any losses, claims, damages or liabilities, joint or several, to which such Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the Securities or Warrants, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the Securities or Warrants, or any such amendment or supplement in reliance upon and in conformity with written information furnished to the Company by any Underwriter of Designated Securities through the Representatives expressly for use in the Prospectus as amended or supplemented relating to such Securities or Warrants and provided, further, that the Company shall not be liable to any Underwriter under the indemnity of this subsection (a) with respect to any Preliminary Prospectus to the extent that any such loss, claim, damage or liability of such Underwriter results from the fact that such Underwriter sold Designated Securities to a person to whom there was not sent or given at or prior to the written confirmation of such sale, a copy of the Prospectus as amended or supplemented relating to such Designated Securities (excluding documents incorporated by reference) if the Company has previously furnished copies thereof to such Underwriter.

(b) Each Underwriter will indemnify and hold harmless the Company against any losses, claims, damages or liabilities to which the Company may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the Securities or Warrants, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the Securities or Warrants, or

any such amendment or supplement in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representatives expressly for use therein; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case

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any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party) provided that in the event of such assumption the action may not be compromised or settled by the indemnifying party without the consent of the indemnified party, which consent shall not be unreasonably withheld. After notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. The indemnifying party shall not be liable to the indemnified party pursuant to the provisions of this Section 8 in respect of any action compromised or settled by the indemnified party, unless the written consent of the indemnifying party shall have been obtained to such compromise or settlement (which consent shall not be unreasonably withheld).

(d) If the indemnification provided for in this Section 8 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters of the Designated Securities on the other from the offering of the Designated Securities to which such loss, claim, damage or liability (or action in respect thereof) relates. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Underwriters of the Designated Securities on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and such Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from such offering (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by such Underwriters. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or such Underwriters on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the applicable Designated Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The obligations of the

Underwriters of Designated Securities in this subsection (d) to contribute are several in proportion to their respective underwriting obligations with respect to such Securities and not joint.

(e) The obligations of the Company under this Section 8 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Underwriter within the meaning of the Act; and the obligations of the Underwriters under this Section 8 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company and to each person, if any, who controls the Company within the meaning of the Act.

9. (a) If any Underwriter shall default in its obligation to purchase the Designated Securities which it has agreed to purchase under the Pricing Agreement relating to such Designated Securities, the Representatives may in their discretion arrange for themselves or another party or other parties to purchase such Designated Securities on the terms contained herein. If within thirty-six hours after such default by any Underwriter the Representatives do not arrange for the purchase of such Designated Securities, then the Company shall be entitled to a further period of thirty-six hours within which to procure another party or other parties satisfactory to the Representatives to purchase such Designated Securities on such terms. In the event that, within the respective prescribed period, the Representatives notify the Company that they have so arranged for the purchase of such Designated Securities, or the Company notifies the Representatives that it has so arranged for the purchase of such Designated Securities, the Representatives or the Company shall have the right to postpone the Time of Delivery for such Designated Securities for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus as amended or supplemented, or in any other documents or arrangements, and the Company agrees to file promptly any amendments or supplements to the Registration Statement or the Prospectus which in the opinion of the Representatives may thereby be made necessary. The term "Underwriter" as used in this Agreement shall include any person substituted under this Section with like effect as if such person had originally been a party to the Pricing Agreement with respect to such Designated Securities.

(b) If, after giving effect to any arrangements for the purchase of the Designated Securities of a defaulting Underwriter or Underwriters by the Representatives and the Company as provided in subsection (a) above, the aggregate principal amount of such Designated Securities which remains unpurchased does not exceed one-eleventh of the aggregate principal amount of the Designated Securities, then the Company shall have the right to require each non-defaulting Underwriter to purchase the principal amount of Designated Securities which such Underwriter agreed to purchase under the Pricing Agreement relating to such Designated Securities and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the principal amount of Designated Securities which such Underwriter agreed to purchase under such Pricing Agreement) of the Designated Securities of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of the Designated Securities of a defaulting Underwriter or Underwriters by the Representatives and the Company as provided in subsection (a) above, the aggregate principal amount of Designated Securities which remains unpurchased exceeds one-eleventh of the aggregate principal amount of the Designated Securities, as referred to in subsection (b) above, or if the Company shall not exercise the right described in subsection (b) above to require non-defaulting Underwriters to purchase Designated Securities of a defaulting Underwriter or Underwriters, then the Pricing Agreement relating to such Designated Securities shall thereupon terminate, without liability on the part of any non-defaulting Underwriter or the Company, except for the expenses to be borne by the Company and the Underwriters as provided in Section 6 hereof and the indemnity and contribution agreements in Section 8 hereof; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

10. The respective indemnities, agreements, representations, warranties and other statements of the Company and the several Underwriters, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter or any controlling person of any Underwriter, or the Company, or any officer or director or controlling person of the Company, and shall survive delivery of and payment for the Designated Securities.

11. If any Pricing Agreement shall be terminated pursuant to Section 9 hereof, the Company shall not then be under any liability to any Underwriter

with respect to the Designated Securities covered by such Pricing Agreement except as provided in Section 6 and Section 8 hereof; but, if for any other reason Designated Securities are not delivered by or on behalf of the Company as provided herein, the Company will reimburse the Underwriters through the Representatives for all out-of-pocket expenses approved in writing by the Representatives, including fees and disbursements of counsel, reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of such Designated Securities, but the Company shall then be under no further liability to any Underwriter with respect to such Designated Securities except as provided in Section 6 and Section 8 hereof.

12. In all dealings hereunder, the Representatives of the Underwriters of Designated Securities shall act on behalf of each of such Underwriters, and the parties hereto shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by such Representatives jointly or by such of the Representatives, if any, as may be designated for such purpose in the Pricing Agreement.

All statements, requests, notices and agreements hereunder shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to the address of the Representatives as set forth in the Pricing Agreement; and if to the Company shall be delivered or sent by mail, telex or facsimile transmission to the address of the Company set forth in the Registration Statement: Attention: Secretary; provided, however, that any notice to an Underwriter pursuant to Section 8(c) hereof shall be delivered or sent by mail, telex or facsimile transmission to such Underwriter at its address set forth in its Underwriters' Questionnaire, or telex constituting such Questionnaire, which address will be supplied to the Company by the Representatives upon request. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

13. This Agreement and each Pricing Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the Company and, to the extent provided in Section 8 and Section 10 hereof, the officers and directors of the Company and each person who controls the Company or any Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement or any such Pricing Agreement. No purchaser of any of the Securities from any Underwriter shall be deemed a successor or assign by reason merely of such purchase.

14. Time shall be of the essence of each Pricing Agreement. As used herein, "business day" shall mean any day when the Commission's office in Washington, D.C. is open for business.

15. This Agreement and each Pricing Agreement shall be governed by and construed in accordance with the laws of the State of New York.

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16. This Agreement and each Pricing Agreement may be executed by any one or more of the parties hereto and thereto in any number of counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument.

Very truly yours,

Becton, Dickinson and Company

By: \_\_\_\_\_  
Name:  
Title:

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ANNEX I

PRICING AGREEMENT  
-----

[NAMES OF CO-REPRESENTATIVE(S),]  
As Representatives of the several  
Underwriters named in Schedule I hereto,

....., 19..

Ladies and Gentlemen:

Becton, Dickinson and Company, a New Jersey corporation (the "Company"),

proposes, subject to the terms and conditions stated herein and in the Underwriting Agreement, dated ....., 19.. (the "Underwriting Agreement"), to issue and sell to the Underwriters named in Schedule I hereto (the "Underwriters") the Securities [and the Warrants] specified in Schedule II hereto (the "Designated Securities"). Each of the provisions of the Underwriting Agreement is incorporated herein by reference in its entirety, and shall be deemed to be a part of this Agreement to the same extent as if such provisions had been set forth in full herein; and each of the representations and warranties set forth therein shall be deemed to have been made at and as of the date of this Pricing Agreement, except that each representation and warranty which refers to the Prospectus in Section 2 of the Underwriting Agreement shall be deemed to be a representation or warranty as of the date of the Underwriting Agreement in relation to the Prospectus (as therein defined), and also a representation and warranty as of the date of this Pricing Agreement in relation to the Prospectus as amended or supplemented relating to the Designated Securities which are the subject of this Pricing Agreement. Each reference to the Representatives herein and in the provisions of the Underwriting Agreement so incorporated by reference shall be deemed to refer to you. Unless otherwise defined herein, terms defined in the Underwriting Agreement are used herein as therein defined. The Representatives designated to act on behalf of the Representatives and on behalf of each of the Underwriters of the Designated Securities pursuant to Section 12 of the Underwriting Agreement and the address of the Representatives referred to in such Section 12 are set forth at the end of Schedule II hereto.

An amendment to the Registration Statement, or a supplement to the Prospectus, as the case may be, relating to the Designated Securities, in the form heretofore delivered to you is now proposed to be filed with the Commission.

Subject to the terms and conditions set forth herein and in the Underwriting Agreement incorporated herein by reference, the Company agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at the time and place and at the purchase price to the Underwriters set forth in Schedule II hereto, the principal amount of Designated Securities set forth opposite the name of such Underwriter in Schedule I hereto.

If the foregoing is in accordance with your understanding, please sign and return to us [ ] counterparts hereof, and upon acceptance hereof by you, on behalf of each of the Underwriters, this letter and such acceptance hereof, including the provisions of the Underwriting Agreement incorporated herein by reference, shall constitute a binding agreement between each of the Underwriters and the Company. It is understood that your acceptance of this letter on behalf of

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each of the Underwriters is or will be pursuant to the authority set forth in a form of Agreement among Underwriters, the form of which shall be submitted to the Company for examination upon request, but without warranty on the part of the Representatives as to the authority of the signers thereof.

Very truly yours,

Becton, Dickinson and Company

By: .....  
Name:  
Title:

Accepted as of the date hereof:

[NAME(S) OF CO-REPRESENTATIVE(S)]

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SCHEDULE I

UNDERWRITER -----	PRINCIPAL AMOUNT OF DESIGNATED SECURITIES TO BE PURCHASED -----
----------------------	---

Total..... \$  
=====

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SCHEDULE II

[to be completed if Designated Securities are Debt Securities]

TITLE OF DESIGNATED SECURITIES:

[ %] [Floating Rate] [Zero Coupon] [Notes]  
[Debentures] due

AGGREGATE PRINCIPAL AMOUNT:

[\$]

PRICE TO PUBLIC:

% of the principal amount of the Designated Securities, plus accrued interest  
from to [and accrued amortization, if any,  
from to ]

PURCHASE PRICE BY UNDERWRITERS:

% of the principal amount of the Designated Securities, plus accrued interest  
from to [and accrued amortization, if any,  
from to ]

FORM OF DESIGNATED SECURITIES:

[Book-entry only form represented by one or more global securities deposited  
with The Depository Trust Company ("DTC") or its designated custodian, to be  
made available for checking by the Representatives at least twenty-four hours  
prior to the Time of Delivery at the office of DTC.]

SPECIFIED FUNDS FOR PAYMENT OF PURCHASE PRICE:

Federal (same day) funds

INDENTURE:

Indenture dated , 19 , between the Company and The Chase  
Manhattan Bank, as Trustee

MATURITY:

INTEREST RATE:

[ %] [Zero Coupon] [See Floating Rate Provisions]

INTEREST PAYMENT DATES:

[months and dates]

REDEMPTION PROVISIONS:

[No provisions for redemption]

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[The Designated Securities may be redeemed, otherwise than through the  
sinking fund, in whole or in part at the option of the Company, in the amount  
of [\$] or an integral multiple thereof,

[on or after , at the following redemption prices (expressed in  
percentages of principal amount). If [redeemed on or before ,  
%, and if] redeemed during the 12-month period beginning ,

YEAR	REDEMPTION PRICE
----	-----

and thereafter at 100% of their principal amount, together in each case with  
accrued interest to the redemption date.]

[on any interest payment date falling in or after , at the  
election of the Company, at a redemption price equal to the principal amount  
thereof, plus accrued interest to the date of redemption.]

[Other possible redemption provisions, such as mandatory redemption upon occurrence of certain events or redemption for changes in tax law]

[Restriction on refunding]

SINKING FUND PROVISIONS:

[No sinking fund provisions]

[The Designated Securities are entitled to the benefit of a sinking fund to retire [\$] principal amount of Designated Securities on in each of the years through at 100% of their principal amount plus accrued interest] [,together with [cumulative] [noncumulative] redemptions at the option of the Company to retire an additional [\$] principal amount of Designated Securities in the years through at 100% of their principal amount plus accrued interest].

[If Securities are extendable debt Securities, insert --

EXTENDABLE PROVISIONS:

Securities are repayable on , [insert date and years], at the option of the holder, at their principal amount with accrued interest. Initial annual interest rate will be %, and thereafter annual interest rate will be adjusted on , and to a rate not less than % of the effective annual interest rate on U.S. Treasury obligations with -year maturities as of the [insert date 15 days prior to maturity date] prior to such [insert maturity date].]

[If Securities are Floating Rate debt Securities, insert --

FLOATING RATE PROVISIONS:

Initial annual interest rate will be % through [and thereafter will be adjusted [monthly] [on each , , and ] [to an annual rate of % above the average rate for -year [month] [securities] [certificates of deposit] issued by

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and [insert names of banks].] [and the annual interest rate [thereafter] [from through ] will be the interest yield equivalent of the weekly average per annum market discount rate for -month Treasury bills plus % of Interest Differential (the excess, if any, of (i) then current weekly average per annum secondary market yield for -month certificates of deposit over (ii) then current interest yield equivalent of the weekly average per annum market discount rate for -month Treasury bills); [from and thereafter the rate will be the then current interest yield equivalent plus % of Interest Differential].]

DEFEASANCE PROVISIONS:

TIME OF DELIVERY:

CLOSING LOCATION:

NAMES AND ADDRESSES OF REPRESENTATIVES:

Designated Representatives:

Address for Notices, etc.:

[OTHER TERMS]:

[TERMS OF ANY WARRANTS]

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ANNEX II

Pursuant to Section 7(d) of the Underwriting Agreement, the accountants shall furnish a letter to the Underwriters to the effect that:

(i) They are independent public accountants with respect to the Company and its subsidiaries within the meaning of the Act and the applicable published rules and regulations thereunder;

(ii) In their opinion, the financial statements and any supplementary financial information and schedules examined by them and included or incorporated by reference in the Prospectus comply as to form in all material respects with the applicable accounting requirements of the Act or the Exchange Act, as applicable, and the published rules and regulations thereunder and, if applicable, they have made a review in accordance with standards established by the American Institute of Certified Public Accountants of the consolidated interim financial statements, selected financial data, pro forma financial information and/or condensed financial statements derived from audited financial statements of the Company for the periods specified in such letter, as indicated in their reports thereon, copies of which have been furnished to the representatives of the Underwriters (the "Representatives");

(iii) On the basis of limited procedures, not constituting an audit, consisting of a reading of the unaudited financial statements and other information referred to below, a reading of the latest available interim financial statements of the Company and its subsidiaries, inspection of the minute books of the Company and certain of its subsidiaries since the date of the latest audited financial statements included or incorporated by reference in the Prospectus, inquiries of officials of the Company and certain of its subsidiaries responsible for financial and accounting matters and such other inquiries and procedures as may be specified in such letter, nothing came to their attention that caused them to believe that:

(A) the unaudited consolidated statements of income, consolidated balance sheets and consolidated statements of cash flows included or incorporated by reference in the Company's Quarterly Reports on Form 10-Q incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Exchange Act and the published rules and regulations thereunder or are not stated on a basis substantially consistent with the basis for the audited consolidated statements of income, consolidated balance sheets and consolidated statements of cash flows included or incorporated by reference in the Company's Annual Report on Form 10-K for the most recent fiscal year;

(B) any other unaudited income statement data and balance sheet items included in the Prospectus do not agree with the corresponding amounts in the unaudited consolidated financial statements from which such items were derived, and any such unaudited data and items were not determined on a basis substantially consistent with the basis for the corresponding amounts in the audited consolidated financial statements included or incorporated by reference in the Company's Annual Report on Form 10-K for the most recent fiscal year;

(C) the unaudited financial statements which were not included in the Prospectus but from which were derived any unaudited consolidated financial data referred to in Clause (A) and any unaudited income statement data and balance sheet items included in the Prospectus and referred to in Clause (B) were not determined on a basis for the audited consolidated financial statements included or incorporated by reference in the Company's Annual Report on Form 10-K for the most recent fiscal year;

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(D) any unaudited pro forma consolidated condensed financial statements included or incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Act and the published rules and regulations thereunder or the pro forma adjustments have not been properly applied to the historical amounts in the compilation of those statements;

(E) as of the date of the most recent financial statements prepared by the Company, there have been any changes in the consolidated capital stock (other than issuances of capital stock upon exercise of options and stock appreciation rights, upon earn-outs of performance shares and upon conversions of convertible securities, in each case which were outstanding on the date of the latest balance sheet included or incorporated by reference in the Prospectus) or any increase in the consolidated long-term debt of the Company and its subsidiaries, or any decreases in consolidated net current assets or net assets or other items specified by the Representatives, or any increases in any items specified by the Representatives, in each case as compared with amounts shown in the latest balance sheet included or incorporated by reference in the Prospectus, except in each case for changes, increases or decreases which the Prospectus discloses have occurred or may occur or which are described in such letter; and

(F) for the period from the date of the latest financial statements included or incorporated by reference in the Prospectus to the date of the most recent financial statements prepared by the Company there were any decreases in consolidated net sales or operating income or the total or per share amounts of consolidated net income or other items specified by

the Representatives, or any increases in any items specified by the Representatives, in each case as compared with the comparable period of the preceding year and with any other period of corresponding length specified by the Representatives, except in each case for increases or decreases which the Prospectus discloses have occurred or may occur or which are described in such letter; and

(iv) In addition to the examination referred to in their report(s) included or incorporated by reference in the Prospectus and the limited procedures, inspection of minute books, inquiries and other procedures referred to in paragraphs (ii) and (iii) above, they have carried out certain specified procedures, not constituting an examination in accordance with generally accepted auditing standards, with respect to certain amounts, percentages and financial information specified by the Representatives which are derived from the general accounting records of the Company and its subsidiaries, which appear in the Prospectus (excluding documents incorporated by reference), or in Part II of, or in exhibits and schedules to, the Registration Statement specified by the Representatives or in documents incorporated by reference in the Prospectus specified by the Representatives, and have compared certain of such amounts, percentages and financial information with the accounting records of the Company and its subsidiaries and have found them to be in agreement.

All references in this Annex II to the Prospectus shall be deemed to refer to the Prospectus as amended or supplemented (including the documents incorporated by reference therein) in relation to the applicable Designated Securities.

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BECTON, DICKINSON AND COMPANY

AND

THE CHASE MANHATTAN BANK,

TRUSTEE  
-----

INDENTURE

DATED AS OF MARCH 1, 1997  
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INDENTURE, dated as of March 1, 1997, between Becton, Dickinson and Company, a New Jersey corporation, as the Company, and The Chase Manhattan Bank, as Trustee.

#### RECITALS OF THE COMPANY

WHEREAS, the Company has duly authorized the issue from time to time of its debentures, notes or other evidences of indebtedness to be issued in one or more series (the "Securities") up to such principal amount or amounts as may from time to time be authorized in accordance with the terms of this Indenture and to provide, among other things, for the authentication, delivery and administration thereof, the Company has duly authorized the execution and delivery of this Indenture; and

WHEREAS, all things necessary to make this Indenture a valid indenture and agreement according to its terms have been done;

NOW, THEREFORE:

In consideration of the premises and the purchases of the Securities by the holders thereof, the Company and the Trustee mutually covenant and agree for the equal and proportionate benefit of the respective holders from time to time of the Securities or of any and all series thereof as follows:

#### ARTICLE 1

##### DEFINITIONS AND INCORPORATION BY REFERENCE

###### SECTION 1.01. Definitions.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting stock, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Agent" means any Registrar, Paying Agent, transfer agent or Authenticating Agent.

"Attributable Debt" means as to any particular lease which the Company or any Restricted Subsidiary is at any time liable as lessee and at any date as of which the amount thereof is to be determined, the total net obligations of the lessee for rental payments during the remaining term of the lease (including any period for which such lease has been extended or may, at the option of the lessor, be extended) discounted

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from the respective due dates thereof to such date at a rate per annum equivalent to the interest rate inherent in such lease (as determined in good faith by the Board of Directors of the Company) compounded semi-annually.

"Authorized Newspaper" means The Wall Street Journal (Eastern Edition), if practicable, and if not, another newspaper customarily published at least once a day for at least five days in each calendar week and of general circulation in The City of New York. If it shall be impractical in the opinion of the Trustee to make any publication of any notice required hereby in an Authorized Newspaper, any publication or other notice in lieu thereof which is made or given with the approval of the Trustee shall constitute a sufficient publication of such notice.

"Board of Directors" means either the board of directors of the Company or any duly authorized committee of that board.

"Board Resolution" means one or more resolutions of the Board of Directors of the Company or any authorized committee thereof, certified by the secretary or an assistant secretary to have been duly adopted and to be in full force and effect on the date of certification, and delivered to the Trustee.

"Business Day" means, with respect to any Security, any day, other than a Saturday or Sunday, that is a day on which banking institutions are authorized or required by law or regulation to close in the place of payment of the principal of, or any interest on, any such Security.

"Commission" means the U.S. Securities and Exchange Commission, as from time to time constituted, created under the Exchange Act or, if at any time after the execution of this instrument such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties at such time.

"Company" means the party named as such in the first paragraph of this Indenture until a successor replaces it pursuant to Article 5 of this Indenture and thereafter means the successor.

"Consolidated Net Tangible Assets" with respect to any Person means, as at any date of determination, the total amount of assets (less applicable reserves and other properly deductible items) of such Person and its Subsidiaries determined on a consolidated basis in conformity with GAAP and set forth on the most recent consolidated balance sheet of such Person and its Subsidiaries preceding such date of determination after deducting therefrom (a) all current liabilities (excluding liabilities constituting Funded Debt by reason of being renewable or extendible), (b) all goodwill, trade names, trademarks, patents, unamortized debt discount and expense and other like intangibles, (c) investments in and advances to Subsidiaries which are not Restricted Subsidiaries, and (d) minority interests in the equity of Restricted Subsidiaries, all as determined on a consolidated basis in conformity with GAAP and

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set forth on such most recent consolidated balance sheet of such Person and its Subsidiaries.

"Corporate Trust Office" means the office of the Trustee at which the corporate trust business of the Trustee shall, at any particular time, be principally administered, which office is, at the date of this Indenture, located at 450 West 33rd Street, New York, New York 10001-2697, Attention: Global Trust Services.

"Debt" means notes, bonds, debentures or other similar evidences of indebtedness for money borrowed.

"Default" means any Event of Default as defined in Section 6.01 and any event that is, or after notice or passage of time or both would be, an Event of Default.

"Depository" means, with respect to the Securities of any series issuable or issued in the form of one or more Registered Global Securities, The Depository Trust Company or any other Person designated as Depository pursuant to Section 2.03 with respect to such Securities, until a successor Depository shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Depository" shall mean or include each Person who is then a Depository hereunder and, if at any time there is more than one such Person, "Depository" as used with respect to the Securities of any such series shall mean the Depository with respect to the Registered Global Securities of that series.

"Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended.

"Funded Debt" means (a) all indebtedness for money borrowed (including the Securities) which by its terms matures more than twelve months after the time of the computation of the amount thereof or which is extendible or renewable at the option of the obligor on such indebtedness to a time more than twelve months after the time of the computation of the amount thereof (excluding any amount thereof which is included in current liabilities), (b) all guarantees, direct or indirect, of any such indebtedness of others, other than any guarantee of collection arising in the ordinary course of business, and (c) all obligations in respect of lease rentals which, under generally accepted accounting principles, are shown on a balance sheet of the obligor as a liability item other than a current liability.

"GAAP" means generally accepted accounting principles in the United States of America at the date of any computation required or permitted hereunder.

"Holder" or "Securityholder" means the registered holder of any Security.

"Indenture" means this Indenture as originally executed or as it may be amended or supplemented from time to time by one or more indentures supplemental to this Indenture entered into pursuant to the applicable provisions of this Indenture

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and shall include the forms and terms of the Securities of each series established pursuant to Sections 2.01 and 2.03.

"Mortgage" means any mortgage, pledge, lien, conditional sale or other title retention agreement or other similar encumbrance.

"Officers' Certificate" means a certificate signed (i) by the chairman of the Board of Directors, the president or chief executive officer or a vice president and (ii) by the chief financial officer, the treasurer or any assistant treasurer, or the secretary or any assistant secretary, complying with Section 10.03 and delivered to the Trustee.

"Opinion of Counsel" means a written opinion signed by legal counsel, who may be an employee of or counsel to the Company, satisfactory to the Trustee, complying with Section 10.03 and delivered to the Trustee.

"Original Issue Discount Security" means any Security that provides for an amount less than the principal amount thereof to be due and payable upon a declaration of acceleration of the maturity thereof pursuant to Section 6.02.

"Person" means an individual, a corporation, a partnership, a limited liability company, an association, a trust or any other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

"principal" of a Security means the principal amount of, and, unless the context indicates otherwise, includes any premium payable on, the Security.

"Principal Property" means any building, structure or other facility, together with the land upon which it is erected and fixtures comprising a part thereof, now owned or hereafter acquired by the Company or any Restricted Subsidiary and used primarily for manufacturing, processing or warehousing and located in the United States of America or the Commonwealth of Puerto Rico, the gross book value (without deduction of any depreciation reserves) of which at the time the determination is being made exceeds 2.0% of the Consolidated Net Tangible Assets of the Company, other than any such building, structure or other facility or portion thereof which, in the opinion of the Board of Directors of the Company expressed in a Board Resolution, is not of material importance to the total business conducted by the Company and its Restricted Subsidiaries as an entirety .

"Registered Global Security" means a Security evidencing all or a part of a series of Securities, issued to the Depositary for such Securities in accordance with Section 2.02, and bearing the legend prescribed in Section 2.02.

"Responsible Officer" means any officer of the Trustee within the Corporate Trust Office of the Trustee including any vice president, assistant vice president, secretary, assistant secretary or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated

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officers and also, with respect to a particular matter, any other officer of the Trustee to whom such matter is referred because of such officer's knowledge and familiarity with the particular subject.

"Restricted Subsidiary" means any Subsidiary (a) substantially all of the property of which is located, and substantially all of the operations of which are conducted in the United States of America or the Commonwealth of Puerto Rico, and (b) which owns or leases a Principal Property, except a Subsidiary which is primarily engaged in the business of a finance company.

"Securities" means any of the securities, as defined in the first paragraph of the recitals hereof, that are authenticated and delivered under this Indenture.

"Securities Act" means the U.S. Securities Act of 1933, as amended.

"Special Record Date" for the payment of any Defaulted Interest means a date fixed by the Trustee pursuant to Section 2.12.

"Subsidiary" means, with respect to any Person, any corporation, association or other business entity of which more than 50% of the outstanding voting stock is owned, directly or indirectly, by such Person.

"Trust Indenture Act" means the U.S. Trust Indenture Act of 1939, as

amended, as in effect on the date hereof, except as provided in Section 9.06.

"Trustee" means the party named as such in the first paragraph of this Indenture, not in its individual capacity but solely as Trustee, until a successor replaces it with respect to the Securities of any series in accordance with the provisions of Article 7 and thereafter means such successor, not in its individual capacity but solely as Trustee, with respect to such Securities.

"United States Bankruptcy Code" means the Bankruptcy Reform Act of 1978, as amended and as codified in Title 11 of the United States Code, as amended from time to time hereafter, or any successor federal bankruptcy law.

"U.S. Government Obligations" means securities that are (a) direct obligations of the United States of America for the payment of which its full faith and credit is pledged or (b) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which obligations (in the case of clause (a) or clause (b)) are not callable or redeemable at the option of the issuer thereof, and shall also include (c) a depository receipt issued by a bank or trust company as custodian with respect to any such U.S. Government Obligation (as specified in clauses (a) and (b) above) or a specific payment of interest on or principal of any such U.S. Government Obligation (as specified in clauses (a) and (b) above) held by such custodian for the account of

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the holder of a depository receipt; provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of interest on or principal of the U.S. Government Obligation evidenced by such depository receipt.

"Yield to Maturity" means, with respect to any Security, the yield to maturity on such Security calculated at the time of issuance thereof or, if applicable, at the most recent redetermination of interest on such Security, and calculated in accordance with the constant interest method or such other method as is specified in the terms of such Security established pursuant to Section 2.03.

SECTION 1.02. Other Definitions. Each of the following terms is defined in the Section set forth opposite such term:

Term	Section
----	-----
Authenticating Agent	2.02
Bankruptcy Law	6.01
Defaulted Interest	2.12
Designated Amount	4.05
Event of Default	6.01
mandatory sinking fund payment	3.05
optional sinking fund payment	3.05
Paying Agent	2.05
record date	2.04
Registrar	2.05
sale and leaseback transaction	4.05
Security Register	2.05
sinking fund payment date	3.05
UCC	8.02

SECTION 1.03. Incorporation by Reference of and Control by Trust Indenture Act. Whenever this Indenture refers to a provision of the Trust Indenture Act, the provision is incorporated by reference in and made a part of this Indenture. If any provision of this Indenture limits, qualifies or conflicts with the duties imposed by operation of the Trust Indenture Act, such imposed duties shall control. The following terms used in this Indenture that are defined by the Trust Indenture Act have the following meanings:

"indenture securities" means the Securities;

"indenture security holder" means a Holder or a Securityholder;

"indenture to be qualified" means this Indenture;

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"indenture trustee" or "institutional trustee" means the Trustee; and

"obligor" on the indenture securities means the Company or any other obligor on the Securities.

All other terms used in this Indenture that are defined by the Trust Indenture

Act, defined by reference in the Trust Indenture Act to another statute or defined by a rule of the Commission and not otherwise defined herein have the meanings assigned to them therein. For purposes of Trust Indenture Act Section 311(b)(4) and (6), the following terms shall mean:

(a) "cash transaction" means any transaction in which full payment for goods or securities sold is made within seven days after delivery of the goods or securities in currency or in checks or other orders drawn upon banks or bankers and payable upon demand; and

(b) "self-liquidating paper" means any draft, bill of exchange, acceptance or obligation which is made, drawn, negotiated or incurred by the Company for the purpose of financing the purchase, processing, manufacturing, shipment, storage or sale of goods, wares or merchandise and which is secured by documents evidencing title to, possession of, or a lien upon, the goods, wares or merchandise or the receivables or proceeds arising from the sale of the goods, wares or merchandise previously constituting the security, provided the security is received by the Trustee simultaneously with the creation of the creditor relationship with the Company arising from the making, drawing, negotiating or incurring of the draft, bill of exchange, acceptance or obligation.

SECTION 1.04. Rules of Construction. Unless the context otherwise requires:

(a) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(b) words in the singular include the plural, words in the plural include the singular and "or" is not exclusive;

(c) "herein," "hereof" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision;

(d) all references to Sections or Articles refer to Sections or Articles of this Indenture unless otherwise indicated;

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(e) use of masculine, feminine or neuter pronouns should not be deemed a limitation, and the use of any such pronouns should be construed to include, where appropriate, the other pronouns; and

(f) provisions apply to successive actions, events and transactions.

## ARTICLE 2

### THE SECURITIES

SECTION 2.01. Form and Dating. The Securities of each series and the certificate of authentication to appear thereon, if any, shall be substantially in such form or forms (not inconsistent with this Indenture) as shall be established by or pursuant to Board Resolution or one or more indentures supplemental hereto, or, to the extent not so established, as is set forth in Exhibit A hereto, in each case with such letters, numbers or other marks of identification, insertions, omissions, substitutions, legends, endorsements and other variations as are authorized or permitted by the provisions of this Indenture, or may be required to comply with any law, rule or regulation or any rule of any securities exchange or to conform to usage, all as may consistently herewith be determined by the officers executing such Securities as evidenced by their execution of the Securities. Unless otherwise established pursuant to Section 2.03 for the Securities of any series, each Security shall be dated the date of its authentication. The definitive Securities shall be printed, lithographed, engraved, or produced by any combination of these methods or in any other manner on steel engraved borders or otherwise, all as determined by the officers executing such Securities, as evidenced by their execution thereof. Unless otherwise established pursuant to this Section 2.03 for the Securities of any series, the certificate of authentication to appear on all Securities shall be substantially as follows:

#### CERTIFICATE OF AUTHENTICATION

This Security is one of the Securities of the series referred to herein issued pursuant to the within-mentioned Indenture.

THE CHASE MANHATTAN BANK  
as Trustee

By  
-----  
Authorized Officer

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SECTION 2.02. Execution and Authentication. The Securities shall be executed on behalf of the Company by its chairman of the Board, its president or one of its vice presidents, under its corporate seal reproduced thereon attested by its secretary or one of its assistant secretaries. The signature of any of these officers on the Securities may be manual or facsimile. If an officer whose signature is on a Security no longer holds that office at the time the Security is authenticated, the Security shall nevertheless be valid.

The Trustee may appoint an authenticating agent acceptable to the Company (an "Authenticating Agent") to authenticate Securities. The Authenticating Agent may authenticate Securities whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by any Authenticating Agent.

Unless otherwise established pursuant to Section 2.03 for the Securities of any series, no Security shall be valid until the Trustee or an Authenticating Agent manually signs the certificate of authentication on the Security. Such signature shall be conclusive evidence that the Security has been authenticated under this Indenture.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities of any series executed by the Company to the Trustee for authentication together with the applicable documents referred to below in this Section, and the Trustee shall thereupon authenticate and deliver such Securities to or upon the written order of the Company. In authenticating the Securities of any series, the Trustee shall be entitled to receive prior to the first authentication of any Securities of such series, and (subject to Article 7) shall be fully protected in relying upon, in addition to the Officers' Certificate and Opinion of Counsel required by Section 10.02:

(a) any Board Resolution and/or executed supplemental indenture referred to in Sections 2.01 and 2.03 by or pursuant to which the forms and terms of the Securities of such series were established;

(b) an Officers' Certificate setting forth the form or forms and terms of the Securities and stating that the form or forms and terms of the Securities of such series have been, or will be when established in accordance with such procedures as shall be referred to therein, established in compliance with this Indenture;

(c) an Opinion of Counsel to the effect that

(i) the form or forms and terms of such Securities have been established by or pursuant to a resolution of the Board of Directors or by a supplemental indenture

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as permitted by Section 2.01 and 2.03 in conformity with the provisions of this Indenture;

(ii) such Securities, when authenticated and delivered by the Trustee and issued by the Issuer in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and binding obligations of the Issuer, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to creditors' rights generally, general principles of equity (whether considered in a proceeding in equity or at law) or an implied covenant of good faith and fair dealing, and such other matters as shall be specified therein;

(iii) that all laws and requirements in respect of the execution and delivery by the Issuer of the Securities have been complied with;

(iv) covering such other matters as the Trustee may reasonably request.

Unless the terms established pursuant to Section 2.03 for the Securities of a series or portion thereof provide that any such Securities are to be issued in any form other than as Registered Global Securities, the Company shall execute and the Trustee shall authenticate and deliver one or more Registered

Global Securities that (i) shall state the aggregate principal amount of all of the Securities of such series issued in such form and not yet cancelled, (ii) shall be registered in the name of the Depository therefor or the nominee of such Depository, (iii) shall be delivered by the Trustee to such Depository or its custodian or pursuant to such Depository's instructions and (iv) shall bear a legend substantially to the following effect, or to such other effect as such Depository may from time to time request:

"Unless this certificate is presented by an authorized representative of the Depository to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of the Depository (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of the Depository), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein."

The Trustee shall have the right to decline to authenticate and deliver any Securities under this Section if (a) the Trustee, being advised by counsel, determines

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that such action may not lawfully be taken; (b) the Trustee in good faith by its board of directors or board of trustees, executive committee, or a trust committee of directors or trustees or Responsible Officers shall determine that such action would expose the Trustee to personal liability; or (c) the issue of any such Securities pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under the Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee.

SECTION 2.03. Amount Unlimited; Issuable in Series. The aggregate principal amount of Securities which may be authenticated and delivered under this Indenture is unlimited.

The Securities may be issued in one or more series and each such series shall rank equally and pari passu with all other unsecured and unsubordinated debt of the Company. There shall be established in or pursuant to Board Resolution or one or more indentures supplemental hereto, prior to the initial issuance of Securities of any series, subject to the last sentence of this Section 2.03,

(a) the designation of the Securities of the series, which shall distinguish the Securities of the series from the Securities of all other series;

(b) any limit upon the aggregate principal amount of the Securities of the series that may be authenticated and delivered under this Indenture and any limitation on the ability of the Company to increase such aggregate principal amount after the initial issuance of the Securities of that series (except for Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, or upon redemption of, other Securities of such series and tenor pursuant to Section 2.06, 2.07, 2.09, 3.03 or 9.04);

(c) any date or dates on which the principal of the Securities of the series is payable (which date or dates may be fixed or extendible);

(d) any rate or rates (which may be fixed or variable) per annum at which the Securities of the series shall bear interest, if any, any date or dates from which such interest shall accrue, on which such interest shall be payable and on which a record shall be taken for the determination of Holders to whom interest is payable and/or any method by which any such rate or rates or date or dates shall be determined;

(e) if other than as provided in Section 4.02, any place or places where the principal of and any interest on Securities of the series shall be payable, any Securities of the series may be surrendered

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for exchange, any notices or demands to or upon the Company in respect of the Securities of the series and this Indenture may be served and any notice to Holders may be published, and any time when such payments are to be made at any place of payment;

(f) any right of the Company to redeem Securities of the series, in whole or in part, at its option and any period or periods within which, any price or prices at which and any terms

and conditions upon which Securities of the series may be so redeemed, pursuant to any sinking fund or otherwise;

(g) any obligation of the Company to redeem, purchase or repay Securities of the series pursuant to any mandatory redemption, sinking fund or analogous provisions or at the option of a Holder thereof and any price or prices at which, any period or periods within which, and any terms and conditions upon which, Securities of the series shall be redeemed, purchased or repaid, in whole or in part, pursuant to such obligation;

(h) if other than the denominations specified in Section 2.04, the denominations in which Securities of the series shall be issuable;

(i) if other than the principal amount thereof, the portion of the principal amount of Securities of the series which shall be payable upon declaration of acceleration of the maturity thereof;

(j) if other than the coin or currency in which the Securities of the series are denominated, the coin or currency in which payment of the principal of or any interest on the Securities of the series shall be payable or, if the amount of any payments of principal of and/or interest on the Securities of the series may be determined with reference to an index based on a coin or currency other than that in which the Securities of the series are denominated, the manner in which such amounts shall be determined;

(k) if other than the currency of the United States of America, the currency or currencies, including composite currencies, in which payment of the principal of and any interest on the Securities of the series shall be payable, and the manner in which any such currencies shall be valued against other currencies in which any other Securities shall be payable;

(l) any obligation of the Company to pay additional amounts on the Securities of the series in respect of any tax, assessment or governmental charge withheld or deducted and any right of the

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Company to redeem such Securities rather than pay such additional amounts;

(m) any provisions for the Securities of the series to be issued in bearer form, with or without coupons, and if the Securities of the series are to be issuable in definitive form (whether upon original issue or upon exchange of a temporary Security of such series) only upon receipt of certain certificates or other documents or satisfaction of other conditions, the form and terms of such certificates, documents or conditions;

(n) if other than the Person acting as Trustee, any Agent authenticating the Securities of the series;

(o) any provisions for the defeasance of any Securities of the series in addition to, in substitution for or in modification of the provisions of Article 8;

(p) if the Securities of the series are issuable in whole or in part as one or more Registered Global Securities, the form of any legend or legends which shall be borne by any such Registered Global Security in addition or in lieu of that set forth in Section 2.02, the identity of any Depository for such Registered Global Security or Securities other than The Depository Trust Company and any circumstances other than those set forth in Section 2.06 in which any Person may have the right to obtain Securities in exchange therefor;

(q) any provisions for Events of Default applicable to any Securities of the series in addition to, in substitution for or in modification of the provisions of Section 6.01;

(r) any provisions for covenants applicable to any Securities of the series in addition to, in substitution for or in modification of the provisions of Article 4; and

(s) any other terms of the Securities of the series (which terms shall not be inconsistent with the provisions of this Indenture).

All Securities of any one series shall be substantially identical, except as to principal amount and as to date of authentication and payee, and except as may otherwise be provided by or pursuant to the Board Resolution or indenture supplemental hereto referred to above. Notwithstanding the preceding sentence, all Securities of any one series need not be issued at the same time and may be issued from time to time, if so provided by or pursuant to such Board Resolution or supplemental indenture, and any forms and any terms of such Securities may be

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determined from time to time prior to the issuance thereof by procedures established by or pursuant to such Board Resolution or supplemental indenture.

SECTION 2.04. Denominations and Interest Payments. The Securities shall be issuable as registered Securities in denominations of \$1,000 and any integral multiple thereof, unless otherwise established pursuant to Section 2.03 for such Securities.

The Securities of each series shall bear interest, if any, from the date, and such interest shall be payable on the dates, established pursuant to Section 2.03 for the Securities of such series.

The Person in whose name any Security of any series is registered at the close of business on any record date applicable to the particular series with respect to any interest payment date for such series shall be entitled to receive the interest, if any, payable on such interest payment date notwithstanding any transfer or exchange of such Security subsequent to the record date and prior to such interest payment date, except to any extent the Company shall default in the payment of such interest, in which case the provisions of Section 2.12 shall apply. The term "record date" as used with respect to any interest payment date (except a date for payment of defaulted interest) for any Security shall mean the date specified as such in the terms of such securities of any particular series established pursuant to Section 2.03, or, if no such date is so established, the fifteenth day next preceding such interest payment date, whether or not such record date is a Business Day. Each installment of interest on the Securities of any series may be paid by check mailed to the address of the Person entitled thereto as it appears in the Security Register.

Except as otherwise established pursuant to Section 2.03 for the Securities of any series, interest on the Securities of each series shall be calculated on the basis of a 360-day year consisting of twelve months of 30 days each and, in the case of an incomplete month, the actual number of days elapsed.

SECTION 2.05. Registrar and Paying Agent. The Company shall maintain an office or agency where Securities may be presented for registration of transfer or for exchange (the "Registrar") and an office or agency where Securities may be presented for payment (the "Paying Agent"). The Registrar shall keep a register of the Securities of each series and of their registration, transfer and exchange (the "Security Register"). The Company may appoint one or more additional or substitute Paying Agents or Registrars with respect to the Securities of any series, or remove any Agent, without notice to any Person (other than the Trustee). The terms "Paying Agent" and "Registrar" includes all Persons appointed as such.

Whenever no other Person is acting as Registrar or Paying Agent with respect to the Securities of any series, the Person then acting as Trustee shall also act as such Registrar or Paying Agent. The Company or any Affiliate of the Company may act as Paying Agent or Registrar. If, at any time, the Person acting as the Trustee is not

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the Registrar with respect to the Securities of any series, such Registrar shall make available to the Trustee ten days prior to each interest payment date for such Securities and at such other times as the Trustee may reasonably request the names and addresses of the Holders as they appear in the Security Register for such Securities.

SECTION 2.06. Transfer and Exchange. At the option of the Holder thereof, Securities of any series (other than a Registered Global Security, except as set forth below) may be exchanged for a Security or Securities of such series and tenor having authorized denominations and an equal aggregate principal amount, upon surrender of such Securities to be exchanged at the agency of the Company maintained for such purpose and upon payment, if the Company shall so require, of the sum hereinafter provided. Whenever any Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Securities which the Holder making the exchange is entitled to receive.

All Securities presented for registration of transfer, exchange, redemption or payment shall be duly endorsed by, or be accompanied by a written instrument or instruments of transfer in form satisfactory to the Company and the Trustee duly executed by the Holder or his attorney duly authorized in

writing.

The Company may require payment of a sum sufficient to cover any transfer tax or similar governmental charge that may be imposed in connection with any exchange or registration of transfer of Securities (other than such transfer tax or similar charge imposed upon exchanges pursuant to Section 2.09, 3.03 or 9.04). No service charge shall be made for any such transaction.

Notwithstanding any other provision of this Section 2.06, unless and until it is exchanged in whole or in part for Securities in definitive registered form, a Registered Global Security of any series may not be transferred except as a whole by the Depositary therefor to a nominee of such Depositary or by a nominee of such Depositary to such Depositary or another nominee of such Depositary or by such Depositary or any such nominee to a successor Depositary for such series or a nominee of such successive Depositary.

If at any time the Depositary for any Registered Global Securities of any series notifies the Company that it is unwilling or unable to continue as Depositary for such Registered Global Securities or if at any time the Depositary for such Registered Global Securities shall no longer be eligible under applicable law, the Company shall appoint a successor Depositary eligible under applicable law with respect to such Registered Global Securities. If a successor Depositary eligible under applicable law for such Registered Global Securities is not appointed by the Company within 90 days after the Company receives such notice or becomes aware of such ineligibility, the Company will execute, and the Trustee, upon receipt of the Company's order for the authentication and delivery of certificated Securities of such series, will authenticate and deliver, certificated Securities of such series and tenor in any authorized

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denominations in an aggregate principal amount equal to the principal amount of such Registered Global Securities, in exchange for such Registered Global Securities.

The Company may at any time and in its sole discretion determine that any Registered Global Securities of any series shall no longer be maintained in global form. In such event the Company will execute, and the Trustee, upon receipt of the Company's order for the authentication and delivery of certificated Securities of such series, will authenticate and deliver, certificated Securities of such series and tenor in any authorized denominations in an aggregate principal amount equal to the principal amount of such Registered Global Securities, in exchange for such Registered Global Securities.

During the continuance of an Event of Default and in such other circumstances, if any, as may be established pursuant to Section 2.03 with respect to any Registered Global Security, the Depositary for such Registered Global Security may surrender such Registered Global Security in exchange in whole or in part for certificated Securities of the same series and tenor on such terms as are acceptable to the Company and such Depositary. Thereupon, the Company shall execute, and the Trustee shall authenticate and deliver, without service charge,

(a) to the Person specified by such Depositary new certificated Securities of the same series and tenor, of any authorized denominations as requested by such Person, in an aggregate principal amount equal to and in exchange for such Person's beneficial interest in the Registered Global Security; and

(b) to such Depositary a new Registered Global Security in a denomination equal to the difference, if any, between the principal amount of the surrendered Registered Global Security and the aggregate principal amount of certificated Securities authenticated and delivered pursuant to clause (a) above.

Securities issued in exchange for a Registered Global Security pursuant to this Section 2.06 shall be registered in such names and in such authorized denominations as the Depositary for such Registered Global Security, pursuant to instructions from its direct or indirect participants or otherwise, shall instruct the Trustee or an agent of the Company or the Trustee. The Trustee or such Agent shall deliver such Securities to or as directed by the Persons in whose names such Securities are so registered.

All Securities issued upon registration of any transfer or exchange of Securities shall be valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Securities surrendered upon such registration of transfer or exchange.

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The Registrar shall not be required (a) to register the transfer of or exchange Securities of any series during a period beginning at the opening of business 15 days before the day of the transmission of a notice of redemption of

Securities of such series selected for redemption under Section 3.02 and ending at the close of business on the day of such transmission or (b) to register the transfer of or exchange any Security selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part.

SECTION 2.07. Replacement Securities. If a defaced or mutilated Security of any series is surrendered to the Trustee or if a Holder claims that its Security of any series has been lost, destroyed or wrongfully taken, the Company shall issue and the Trustee shall authenticate a replacement Security of such series and tenor and principal amount, bearing a number not contemporaneously outstanding. If required by the Trustee or the Company, an indemnity bond must be furnished that is sufficient in the judgment of both the Trustee and the Company to protect the Company, the Trustee and any Agent from any loss that any of them may suffer if a Security is replaced. The Company may charge such Holder for its expenses and the expenses of the Trustee (including without limitation attorneys' fees and expenses) in replacing a Security. In case any such mutilated, defaced, lost, destroyed or wrongfully taken Security has become or is about to become due and payable, the Company in its discretion may pay such Security instead of issuing a new Security in replacement thereof.

Every replacement Security is an additional obligation of the Company and shall be entitled to the benefits of this Indenture.

To the extent permitted by law, the foregoing provisions of this Section are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or wrongfully taken Securities.

SECTION 2.08. Outstanding Securities. Securities outstanding at any time are all Securities that have been authenticated by the Trustee except for those cancelled by it, those delivered to it for cancellation and those described in this Section as not outstanding.

If a Security is replaced pursuant to Section 2.07, it ceases to be outstanding unless and until the Trustee and the Company receive proof satisfactory to them that the replaced Security is held by a bona fide holder in due course.

If the Paying Agent (other than the Company or an Affiliate of the Company) holds, or if the Company or its Affiliate (if the Company or its Affiliate shall act as the Paying Agent) sets aside and segregates in trust, on the maturity date or any redemption date or date for repurchase of the Securities, money sufficient to pay Securities payable or to be redeemed or repurchased on that date, then on and after that date such Securities cease to be outstanding and interest on them shall cease to accrue; provided, however, that, if such Securities or portions thereof are to be

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redeemed, notice of such redemption has been duly given pursuant to this Indenture, or provision therefor satisfactory to such Trustee has been made.

A Security does not cease to be outstanding because the Company or one of its Affiliates holds such Security, provided, however, that, in determining whether the Holders of the requisite principal amount of the outstanding Securities have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Securities owned by the Company or any Affiliate of the Company shall be disregarded and deemed not to be outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Securities which a Responsible Officer of the Trustee knows to be so owned shall be so disregarded. The principal amount of an Original Issue Discount Security that shall be deemed to be outstanding for such purposes shall be the amount of principal thereof that would be due and payable as of the date of such determination upon a declaration of acceleration pursuant to Section 6.02. Any Securities so owned which have been pledged in good faith by the Company, or by any Affiliate of the Company, as security for loans or other obligations, otherwise than to another such Affiliate of the Company, shall be deemed to be outstanding if the pledgee establishes to the satisfaction of the Trustee that the pledgee is entitled pursuant to its pledge agreement and is free to exercise in its discretion the right to vote such securities, uncontrolled by the Company or any other obligor upon the Securities or by any such Affiliate of the Company or of any such other obligor upon the Securities.

SECTION 2.09. Temporary Securities. Until definitive Securities of any series are ready for delivery, the Company may prepare and the Trustee shall authenticate temporary Securities of such series. Temporary Securities of any series shall be substantially in the form of definitive Securities of such series but may have insertions, substitutions, omissions and other variations determined to be appropriate by the Officers executing the temporary Securities, as evidenced by their execution of such temporary Securities. If temporary Securities of any series are issued, the Company will cause definitive Securities of such series to be prepared without unreasonable delay. After the preparation of definitive Securities of any series, the temporary Securities of such series shall be exchangeable for definitive Securities of such series and tenor upon surrender of such temporary Securities at the office or agency of the

Company designated for such purpose, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Securities of any series the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of definitive Securities of such series and tenor and authorized denominations. Until so exchanged, the temporary Securities of any series shall be entitled to the same benefits under this Indenture as definitive Securities of such series and tenor.

SECTION 2.10. Cancellation. The Company at any time may deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and may

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deliver to the Trustee for cancellation any Securities previously authenticated hereunder which the Company has not issued and sold. Any Agent shall forward to the Trustee any Securities surrendered to it for registration of transfer, exchange or payment. The Trustee shall cancel and destroy all Securities surrendered for registration of transfer, exchange, payment or cancellation and shall deliver certificates of destruction to the Company, all in accordance with its customary practices. The Company may not issue new Securities to replace Securities it has paid in full or delivered to the Trustee for cancellation.

SECTION 2.11. CUSIP Numbers. The Company in issuing the Securities may use "CUSIP" numbers (or such other numbers as then generally in use), and the Trustee shall use such numbers in notices of redemption, repurchase or exchange as a convenience to Holders; provided that any such notice shall state that no representation is made as to the correctness of such numbers either as printed on the Securities or as contained in any such notice.

SECTION 2.12. Defaulted Interest. Any interest on any Security of any series which is payable, but is not punctually paid or duly provided for, on any interest payment date established pursuant to Section 2.03 (herein called "Defaulted Interest") shall forthwith cease to be payable to the Holder on the relevant record date by virtue of having been such Holder, and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in clause (a) or (b) below:

(a) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names the Securities of such series are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Security of such series and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect to such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this clause provided. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder of Securities of such series at his address as it appears in the Security

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Register, not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been so mailed, such Defaulted Interest shall be paid to the Persons in whose names the Securities of such series are registered at the close of business of such Special Record Date and shall no longer be payable pursuant to the following clause (b).

(b) The Company may make payment of any Defaulted Interest on the Securities of any series in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

SECTION 2.13. Persons Deemed Owners. Prior to due presentment of a

Security for registration of transfer and subject to Section 2.12, the Company, the Trustee and any Agent may deem and treat the Person in whose name any Security shall be registered upon the Security Register as the absolute owner of such Security (whether or not such Security shall be overdue and notwithstanding any notation of the ownership or other writing thereon made by anyone other than the Company or any Registrar) for the purpose of receiving payments or principal of or interest on such Security and for all other purposes; and none of the Company, the Trustee and any Agent shall be affected by any notice to the contrary.

None of the Company, the Trustee and any Agent shall have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Registered Global Security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

### ARTICLE 3

#### REDEMPTION AND REPAYMENT

SECTION 3.01. Applicability of Article. The provisions of this Article shall be applicable to the Securities of any series which are redeemable before their maturity or to any sinking fund for the retirement of Securities of a series, except as otherwise specified pursuant to Section 2.03 for Securities of such series.

SECTION 3.02. Notice of Redemption; Partial Redemptions. Notice of redemption shall be given by the Company, or at the Company's request, by the Trustee in the name and at the expense of the Company, to the Holders of Securities to be redeemed by mailing notice of such redemption by first class mail, postage prepaid, at least 30 days and not more than 60 days prior to the date fixed for

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redemption to such Holders at their last addresses as they shall appear upon the Security Register. Failure to give notice by mail, or any defect in the notice to the Holder of any Security designated for redemption as a whole or in part shall not affect the validity of the proceedings for the redemption of any other Security.

The notice of redemption to each such Holder shall specify the principal amount of each Security of such series held by such Holder to be redeemed, the CUSIP numbers of the Securities to be redeemed, the date fixed for redemption, the redemption price, the place or places of payment, that payment will be made upon presentation and surrender of such Securities and that such redemption is pursuant to the mandatory or optional sinking fund, or both, if such be the case, or such other terms of such Securities as shall be specified in such notice, that interest accrued to the date fixed for redemption will be paid as specified in such notice and that, unless the Company defaults in making such redemption payment, on and after said date interest thereon or on the portions thereof to be redeemed will cease to accrue. In case any Security of a series is to be redeemed in part only, the notice of redemption shall state the portion of the principal amount thereof to be redeemed and shall state that on and after the date fixed for redemption, upon surrender of such Security, a new Security or Securities of such series and tenor in principal amount equal to the unredeemed portion thereof will be issued.

Prior to any redemption date specified in the notice of redemption given as provided in this Section, or at such other time as shall be established pursuant to Section 2.03 for the Securities of any series with respect to such Securities, the Company will deposit with the Trustee or with one or more Paying Agents (or, if the Company is acting as its own Paying Agent, set aside, segregate and hold in trust as provided in Section 4.03) an amount of money sufficient to redeem on the redemption date all the Securities of such series so called for redemption at the appropriate redemption price, together with accrued interest to the date fixed for redemption. In case of a redemption at the election of the Company prior to the expiration of any restriction on such redemption, the Company shall deliver to the Trustee, prior to the giving of any notice of redemption to Holders pursuant to this Section, an Officers' Certificate stating that such redemption is not prohibited by such restriction.

If fewer than all of the Securities of a series are to be redeemed, the Company shall give the Trustee at least 45 days' notice thereof and, thereafter, the Trustee shall select (not more than 60 days prior to the redemption date) by such method as the Trustee shall deem appropriate and fair, Securities of such series to be redeemed in whole or in part. Securities may be redeemed in part in multiples equal to the minimum authorized denomination for Securities of such series or any multiple thereof. The Trustee shall promptly notify the Company in writing of the Securities of such series selected for redemption and, in the case of any Securities of such series selected for partial redemption, the principal amount thereof to be redeemed. For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Security

redeemed or to be redeemed only in part, to the portion of the principal amount of such Security which has been or is to be redeemed.

SECTION 3.03. Payment of Securities Called for Redemption. If notice of redemption has been given as above provided, the Securities or portions of Securities specified in such notice shall become due and payable on the date and at the place stated in such notice at the applicable redemption price, together with interest accrued to the date fixed for redemption, and on and after such date (unless the Company shall default in the payment of such Securities at the redemption price, together with interest accrued to such date) interest on the Securities or portions of Securities so called for redemption shall cease to accrue, and such Securities shall cease from and after the date fixed for redemption to be entitled to any benefit under this Indenture, and the Holders thereof shall have no right in respect of such Securities except the right to receive the redemption price thereof and unpaid interest to the date fixed for redemption. On presentation and surrender of such Securities at a place of payment specified in said notice, said Securities or the specified portions thereof shall be paid and redeemed by the Company at the applicable redemption price, together with interest accrued thereon to the date fixed for redemption; provided that payment of interest becoming due on or prior to the date fixed for redemption shall be payable to the Holders of such Securities registered as such on the relevant record date subject to the terms and provisions of Sections 2.04 and 2.12 hereof.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid or duly provided for, bear interest from the date fixed for redemption at the rate of interest or Yield to Maturity (in the case of an Original Issue Discount Security) borne by such Security, or at any rate for defaulted interest specified in the form or terms of such Security established pursuant to Section 2.01 or 2.03.

Upon presentation of any Security of any series redeemed in part only, the Company shall execute and the Trustee shall authenticate and deliver to or on the order of the Holder thereof, at the expense of the Company, a new Security or Securities of such series and tenor, of authorized denominations, in principal amount equal to the unredeemed portion of the Security so presented.

SECTION 3.04. Exclusion of Certain Securities from Eligibility for Selection for Redemption. Securities shall be excluded from eligibility for selection for redemption if they are identified by registration and certificate number in an Officers' Certificate delivered to the Trustee at least 40 days prior to the last date on which notice of redemption may be given as being owned of record and beneficially by, and not pledged or hypothecated by, either (a) the Company or (b) an Affiliate of the Company.

SECTION 3.05. Mandatory and Optional Sinking Funds. The minimum amount of any sinking fund payment provided for by the terms of Securities of any series is herein referred to as a "mandatory sinking fund payment", and any payment

in excess of such minimum amount provided for by the terms of the Securities of any series is herein referred to as an "optional sinking fund payment". The date on which a sinking fund payment is to be made is herein referred to as the "sinking fund payment date".

In lieu of making all or any part of any mandatory sinking fund payment with respect to any series of Securities in cash, the Company may at its option (a) deliver to the Trustee Securities of such series theretofore purchased or otherwise acquired (except through a mandatory sinking fund payment) by the Company or receive credit for Securities of such series (not previously so credited) theretofore purchased or otherwise acquired (except as aforesaid) by the Company and delivered to the Trustee for cancellation pursuant to Section 2.10, (b) receive credit for optional sinking fund payments (not previously so credited) made pursuant to this Section, or (c) receive credit for Securities of such series (not previously so credited) redeemed by the Company through any optional sinking fund payment. Securities so delivered or credited shall be received or credited by the Trustee at the sinking fund redemption price specified in such Securities.

On or before the sixtieth day next preceding each sinking fund payment date for any series, or such shorter period as shall be acceptable to the Trustee, the Company will deliver to the Trustee an Officers' Certificate (a) specifying the portion of the mandatory sinking fund payment to be satisfied by payment of cash and the portion to be satisfied by credit of specified Securities of such series and the basis for such credit, (b) stating that none of the specified Securities of such series has theretofore been so credited, (c) stating that no defaults in the payment of interest or Events of Default with respect to such series have occurred (which have not been waived or cured) and are continuing and (d) stating whether or not the Company intends to exercise its right to make an optional sinking fund payment with respect to such series

and, if so, specifying the amount of such optional sinking fund payment which the Company intends to pay on or before the next succeeding sinking fund payment date. Any Securities of such series to be credited and required to be delivered to the Trustee in order for the Company to be entitled to credit therefor as aforesaid which have not theretofore been delivered to the Trustee shall be delivered for cancellation pursuant to Section 2.10 to the Trustee with such Officers' Certificate (or reasonably promptly thereafter if acceptable to the Trustee). Such Officers' Certificate shall be irrevocable and upon its receipt by the Trustee the Company shall become unconditionally obligated to make all the cash payments or payments therein referred to, if any, on or before the next succeeding sinking fund payment date. Failure of the Company, on or before any such sixtieth day, to deliver such Officers' Certificate and Securities specified in this paragraph, if any, shall not constitute a default but shall constitute, on and as of such date, the irrevocable election of the Company (a) that the mandatory sinking fund payment for such series due on the next succeeding sinking fund payment date shall be paid entirely in cash without the option to deliver or credit Securities of such series in respect thereof and (b) that the Company will make no optional sinking fund payment with respect to such series as provided in this Section.

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If the sinking fund payment or payments (mandatory or optional or both) to be made in cash on the next succeeding sinking fund payment date plus any unused balance of any preceding sinking fund payments made in cash shall exceed \$50,000 or a lesser sum if the Company shall so request with respect to the Securities of any series, such cash shall be applied on the next succeeding sinking fund payment date to the redemption of Securities of such series at the sinking fund redemption price thereof together with accrued interest thereon to the date fixed for redemption. If such amount shall be \$50,000 or less and the Company makes no such request then it shall be carried over until a sum in excess of \$50,000 is available. The Trustee shall select, in the manner provided in Section 3.02, for redemption on such sinking fund payment date, a sufficient principal amount of Securities of such series to absorb said cash, as nearly as may be, and shall (if requested in writing by the Company) inform the Company of the serial numbers of the Securities of such series (or portions thereof) so selected. Securities shall be excluded from eligibility for redemption under this Section if they are identified by registration and certificate number in an Officers' Certificate delivered to the Trustee at least 60 days prior to the sinking fund payment date as being owned of record and beneficially by either (a) the Company or (b) an entity specifically identified in such Officers' Certificate as an Affiliate of the Company. The Trustee, in the name and at the expense of the Company (or the Company, if it shall so request the Trustee in writing) shall cause notice of redemption of the Securities of such series to be given in substantially the manner provided in Section 3.02 (and with the effect provided in Section 3.03) for the redemption of Securities of such series in part at the option of the Company. The amount of any sinking fund payments not so applied or allocated to the redemption of Securities of such series shall be added to the next cash sinking fund payment for such series and, together with such payment, shall be applied in accordance with the provisions of this Section. Any and all sinking fund moneys held on the stated maturity date of the Securities of any particular series (or earlier, if such maturity is accelerated), which are not held for the payment or redemption of particular Securities of such series shall be applied, together with other moneys, if necessary, sufficient for the purpose, to the payment of the principal of, and interest on, the Securities of such series at maturity.

At or before 10:00 a.m. in the place of payment on each sinking fund payment date, the Company shall pay to the Trustee in cash or shall otherwise provide for the payment of all interest accrued to the date fixed for redemption on Securities to be redeemed on the next following sinking fund payment date.

The Trustee shall not redeem or cause to be redeemed any Securities of any series with sinking fund moneys or mail any notice of redemption of such Securities by operation of the sinking fund during the continuance of a Default in payment of interest on such Securities or of any Event of Default with respect to such Securities except that, where the mailing of notice of redemption of such Securities shall theretofore have been made, the Trustee shall redeem or cause to be redeemed such Securities, provided that it shall have received from the Company a sum sufficient for such redemption. Except as aforesaid, any moneys in the sinking fund for such Securities at the time when any such Default or Event of Default shall occur, and any

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moneys thereafter paid into such sinking fund, shall, during the continuance of such Default or Event of Default, be deemed to have been collected under Article 6 and held for the payment of all Securities of such series. In case such Event of Default shall have been waived as provided in Section 6.04 or such Default cured on or before the sixtieth day preceding the sinking fund payment date in any year, such moneys shall thereafter be applied on the next succeeding sinking fund payment date in accordance with this Section to the redemption of such Securities.

SECTION 3.06. Repayment. Securities of any series which are repayable

before their maturity at the option of their Holders (as established pursuant to Section 2.03) shall be repayable in accordance with their terms and in accordance with this Section.

Notice of any repayment date with respect to the Securities of any series shall, unless otherwise specified by the terms of the Securities of such series, be given by the Company not less than 45 nor more than 60 days prior to such repayment date to each Holder of Securities of such series in accordance with Section 10.01. The notice of the repayment date shall state (a) the repayment date; (b) the repayment price; (c) the place or places where such Securities are to be surrendered for payment and the date by which Securities must be so surrendered in order to be repaid; (d) a description of the procedure which a Holder must follow to exercise a repayment right; and (e) that exercise of the option to elect repayment is irrevocable. No failure of the Company to give the foregoing notice shall limit any Holder's right to exercise a repayment right.

On or prior to the repayment date, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 4.03) an amount of money sufficient to pay the repayment price of and accrued interest, if any, on all of the Securities of such series which are to be repaid on that date.

The notice of repayment having been given, the Securities of such series to be repaid shall, on the repayment date, become due and payable at the repayment price applicable thereto and from and after such date (unless the Company shall default in the payment of the repayment price and accrued interest) such Securities shall cease to bear interest. Upon surrender of any such Security for repayment in accordance with said notice, such Security shall be paid by the Company at the repayment price together with accrued interest to the repayment date; provided, however, that installments of interest whose maturity is on or prior to such repayment date shall be payable to the Holders of such Securities registered as such at the close of business on the relevant record dates according to the terms and provisions of Section 2.04.

If any Security shall not be paid upon surrender thereof for repayment, the principal shall, until paid, bear interest from the repayment date at the rate prescribed therefor for such Security.

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Any Security which by its terms may be repaid in part at the option of the Holder and which is to be repaid only in part shall be surrendered at any office or agency of the Company designated pursuant to Section 4.02 (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing), and the Company shall execute, and the Trustee shall authenticate and deliver to the Holder of such Security, without service charge, a new Security or Securities of the same series and tenor, of any authorized denomination as requested by such Holder, in aggregate principal amount equal to and in exchange for the unrepaid portion of the principal of the Security so surrendered.

#### ARTICLE 4

#### COVENANTS

SECTION 4.01. Payment of Principal, Premium and Interest. The Company covenants and agrees for the benefit of Securities of each series that it will duly and punctually pay the principal of and any interest on the Securities of that series in accordance with the terms of such Securities and this Indenture.

SECTION 4.02. Maintenance of Office or Agency. The Company will maintain in each place of payment of the Securities of any series established pursuant to Section 2.03 an office or agency where Securities of that series may be presented or surrendered for payment, where Securities of that series may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Company in respect of the Securities of that series and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Company hereby appoints the Trustee as its agent to receive all such presentations, surrenders, notices and demands.

The Company may also from time to time designate one or more other offices or agencies where the Securities of one or more series may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in each place of payment for Securities of any series for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other

SECTION 4.03. Money for Securities Payments to Be Held in Trust. If the Company shall at any time act as its own Paying Agent with respect to the Securities of any series, it will, on or before each due date of the principal of and any interest on any of the Securities of that series, segregate and hold in trust for the benefit of the Persons entitled thereto a sum sufficient to pay the principal and any interest so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided and will promptly notify the Trustee of its action or failure so to act.

Whenever the Company shall have one or more Paying Agents for any series of Securities, it will, prior to each due date of the principal of and any interest on any Securities of that series, deposit with a Paying Agent a sum sufficient to pay the principal and any interest so becoming due, such sum to be held in trust for the benefit of the Persons entitled to such principal or interest, and (unless the Person that is such Paying Agent is also the Trustee) the Company will promptly notify the Trustee of its action or failure so to act.

The Company will cause each Person that acts as a Paying Agent for the Securities of any series (unless such Person also acts as Trustee) to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will:

(a) hold all sums held by it for the payment of the principal of or any interest on Securities of that series in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as herein provided;

(b) give the Trustee notice of any default by the Company (or any other obligor upon the Securities of that series) in the making of any payment of principal or interest on the Securities of that series; and

(c) at any time during the continuance of any such default or Event of Default, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying Agent.

The Company may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by written request direct any Paying Agent to pay, to the Trustee all sums held in trust by the Company or such Paying Agent, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Company or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such money.

Subject to any applicable escheat laws, any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the

principal of and any interest on any Security of any series and remaining unclaimed for two years after such principal and any interest has become due and payable shall be paid to the Company upon written request by the Company, or (if then held by the Company) shall be discharged from such trust; and the Holder of such Security shall thereafter, as an unsecured general creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company mail to each holder and cause to be published once, in an Authorized Newspaper, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the later of the date of such publication or the most recent date of such mailing, any unclaimed balance of such money then remaining will be repaid to the Company.

SECTION 4.04. Restrictions on Secured Debt. The Company will not itself, and will not permit any Restricted Subsidiary to, incur, issue, assume or guarantee any Debt secured by a Mortgage on any Principal Property or on any shares of stock or Debt of any Restricted Subsidiary, whether such Principal Property, stock or Debt is now owned or shall hereafter be acquired, without effectively providing that the Securities (together with, if the Company shall so determine, any other Debt of the Company or such Restricted Subsidiary then existing or thereafter created which is not subordinate to the Securities) shall be secured equally and ratably with (or prior to) such secured Debt, so long as such secured Debt shall be so secured, unless, after giving effect thereto, the aggregate amount of all such secured Debt (other than that permitted below) plus all Attributable Debt of the Company and its Restricted Subsidiaries in respect

of sale and leaseback transactions (other than those sale and leaseback transactions permitted by subsections (a), (c) and (d) of Section 4.05) would not exceed 10% of the Consolidated Net Tangible Assets of the Company, provided, however, that this Section shall not apply to, and there shall be excluded from secured Debt in any computation under this Section, Debt secured by:

(a) Mortgages existing at the date hereof on any property owned or leased by the Company or any Restricted Subsidiary at that date securing Debt outstanding on that date;

(b) Mortgages on any property, shares of stock or Debt existing at the time of acquisition thereof (including acquisition through merger or consolidation) or Mortgages on Principal Properties acquired or constructed after the date of this Indenture to secure the payment of all or any part of the purchase price or construction cost thereof or to secure any Debt incurred or for which a firm commitment is obtained prior to, at the time of, or within 120 days after, the acquisition of such property or the completion of any such construction for the purpose of financing all or any part of the purchase price or construction cost thereof;

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(c) Mortgages on property of, or on any shares of stock or Debt of, any corporation existing at the time such corporation becomes a Restricted Subsidiary;

(d) Mortgages in favor of the United States of America, any State thereof or the Commonwealth of Puerto Rico, any political subdivision thereof or any agency, department or other instrumentality thereof, to secure progress, advance or other payments pursuant to any contract or provision of any statute;

(e) Mortgages in favor of the Company or any Restricted Subsidiary;

(f) Mortgages in connection with the issuance of tax-exempt industrial development bonds under the Internal Revenue Code of 1986, as amended, or as hereafter amended, to finance all or any part of the purchase price of or the cost of constructing or improving property; provided that any such Mortgage shall be limited to such property acquired or constructed or such improvement and to theretofore substantially unimproved real property on which such construction or improvement is located; and provided, further that the Company and Restricted Subsidiaries may further secure all or any part of such purchase price or the cost of construction or the improvement by an interest on additional property of the Company and Restricted Subsidiaries only to the extent necessary for the construction, maintenance and operation of, and access to, such property so acquired or constructed or such improvement;

(g) Mortgages under workers' compensation laws, unemployment insurance laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts (other than for the repayment of Debt), or deposits to secure public or statutory obligations of the Company or any Restricted Subsidiary, or deposits of cash or obligations of the United States of America to secure surety and appeal bonds to which the Company or any Restricted Subsidiary is a party or in lieu of such bonds, or pledges or deposits for similar purposes in the ordinary course of business, or liens imposed by law, such as laborers' or others employees', carriers', warehousemen's, mechanics', materialmen's and vendors' liens and liens arising out of judgments or awards against the Company or any Restricted Subsidiary with respect to which the Company or such Restricted Subsidiary at the time shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review, or liens for property taxes not yet subject to penalties for nonpayment or the amount or validity of which is being in good faith contested by

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appropriate proceedings by the Company or any Restricted Subsidiary, as the case may be, or minor survey exceptions, minor encumbrances, easements or reservations of, or rights of others for, rights of way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real properties, which liens, exceptions, encumbrances, easements, reservations, rights and restrictions do not, in the opinion of the Company, in the aggregate materially detract from the value of said properties or

materially impair their use in the operation of the business of the Company and the Restricted Subsidiaries; and

(h) Any extension, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any Mortgage referred to in the foregoing clauses (a) to (g), inclusive; provided that (i) such extension, renewal or replacement Mortgage shall be limited to all or part of the same property, shares of stock or Debt that secured the Mortgage extended, renewed or replaced (plus improvements on such property) and (ii) the Debt secured by such Mortgage at the time of such extension, renewal or replacement is not increased.

SECTION 4.05. Limitation on Sale and Leasebacks. The Company will not itself, and it will not permit any Restricted Subsidiary to, enter into any arrangement with any Person (not including the Company or any Restricted Subsidiary) or to which any such Person is a party, providing for the leasing by the Company or any such Restricted Subsidiary for a period, including renewals, of three years or more of any Principal Property which has been or is to be sold or transferred, more than 120 days after the acquisition, completion of construction or commencement of full operation thereof, by the Company or any such Restricted Subsidiary to such Person or to any other Person to whom funds have been or are to be advanced by such Person on the security of such Principal Property (herein referred to as a "sale and leaseback transaction") unless:

(a) the commitment to enter into such sale and leaseback transaction was entered into within the aforesaid 120 day period, or

(b) the Company or such Restricted Subsidiary could create Debt secured by a Mortgage pursuant to Section 4.04 on the Principal Property to be leased back in an amount equal to the Attributable Debt with respect to such sale and leaseback transaction without equally and ratably securing the Securities, or

(c) the Company, within 120 days after the sale or transfer shall have been made by the Company or by any such Restricted Subsidiary, applies an amount (the "Designated Amount") equal to the greater of (i) the net proceeds of the sale of the Principal Property

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sold and leased back pursuant to such arrangement and (ii) the fair market value of the Principal Property so sold and leased back at the time of entering into such arrangement (as determined by the Board of Directors of the Company), to the retirement of Funded Debt of the Company, provided that the amount required to be applied to the retirement of Funded Debt of the Company shall be reduced by (i) the principal amount of any Securities delivered within 120 days after such sale or transfer to the Trustee for retirement and cancellation, and (ii) the principal amount of Funded Debt, other than Securities, voluntarily retired by the Company within 120 days after such sale or transfer. Notwithstanding the foregoing, no retirement referred to in this clause (c) may be effected by payment at maturity or pursuant to any mandatory sinking fund payment or any mandatory prepayment provision, or

(d) the Company or any Restricted Subsidiary, within a period commencing 180 days prior to and ending 180 days after the date of the sale or transfer in respect of such sale and leaseback transaction, has expended or reasonably expects to expend within such period any monies to acquire or construct any Principal Property or Properties (and such amounts expended or to be expended have not been applied to other sale and leaseback transactions pursuant to this subsection (d)), in which case the Company or any Restricted Subsidiary shall be entitled to enter into such sale and leaseback transaction to the extent that the Designated Amount in respect thereof is less than such monies expended or to be expended, provided that if such Designated Amount exceeds such monies expended or to be expended, the Company shall be entitled to enter into such sale and leaseback transaction if (i) the Attributable Debt applicable to the proportion of the Designated Amount represented by such excess can be incurred under subsection (b) above, or (ii) such excess is applied as set forth in subsection (c) above, or (iii) any combination of clauses (i) and (ii) above is elected by the Company or any Restricted Subsidiary in respect of such excess, and provided further that if such monies expended or to be expended exceed the Designated Amount in respect of such sale and leaseback transaction, such excess may be applied as provided in this subsection (d) to any other sale and leaseback transaction occurring within such period.

SECTION 4.06. Statement by Officers as to Default; Notice of Certain Events of Default. Within 120 days after the close of each fiscal year of the Company ending after the date hereof, the Company shall file with the Trustee a certificate signed by the chairman of the Board of Directors, the chief executive officer, the president or any vice president and by the chief financial officer, the treasurer, the controller or the secretary or any assistant secretary of the Company (provided that one such signatories shall be the Company's principal executive officer, principal financial

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officer or principal accounting officer), as to such officer's knowledge of the Company's compliance with all conditions and covenants under this Indenture (without regard to any period of grace or requirement of notice provided hereunder) and in the event any Default of the Company exists, such officers shall specify the nature of such Default.

The Company covenants to (a) file with the Trustee, within 15 days after the Company is required to file the same with the Commission, copies of the annual reports and of the information, documents and other reports which the Company may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Exchange Act (or copies of such portions thereof as may be prescribed by the Commission by rules and regulations); or, if the Company is not required to file with the Commission information, documents or reports pursuant to either Section 13 or Section 15(d) of the Exchange Act, then the Company will file with the Trustee and will file with the Commission, in accordance with rules and regulations prescribed by the Commission, such of the supplementary and periodic information, documents and reports required pursuant to Section 13 of the Exchange Act in respect of a security listed and registered on a national securities exchange as may be prescribed in such rules and regulations; (b) file with the Trustee and the Commission, in accordance with the rules and regulations prescribed from time to time by the Commission, such additional information, documents and reports with respect to compliance by the Company with the conditions and covenants provided for in this Indenture as may be required by such rules and regulations, including, in the case of annual reports, if required by such rules and regulations, certificates or opinions of independent public accountants, conforming to the requirements of Sections 10.02 and 10.03, as to compliance with conditions or covenants, compliance with which is subject to verification by accountants; (c) mail, or cause the Trustee to mail, to the Holders of the Securities, as the names and addresses of such Holders appear on the Security Register, such information, documents or reports required to be filed with the Trustee pursuant to the provisions of paragraphs (a) and (b) of this Section 4.06 as may be required by rules and regulations prescribed by the Commission; and (d) remain subject to the informational filing requirements of the Commission pursuant to the Exchange Act.

Within 5 days after the occurrence thereof, the Company shall notify the Trustee of each Default or Event of Default.

SECTION 4.07. Waiver of Certain Covenants. The Company may omit in any particular instance to comply with any term, provision or condition set forth in Sections 4.04 and 4.05 with respect to the Securities of any series if before the time for such compliance the Holders of a majority in principal amount of the Outstanding Securities of such series shall, by Act of such Holders, either waive such compliance in such instance or generally waive compliance with such term, provision or condition, but no such waiver shall extend to or affect such term, provision or condition except to the extent so expressly waived, and, until such waiver shall become effective, the

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obligations of the Company and the duties of the Trustee in respect of any such term, provision or condition shall remain in full force and effect.

## ARTICLE 5

### SUCCESSOR CORPORATION

SECTION 5.01. When Company May Merge, Etc.. The Company shall not consolidate or merge with any other Person or sell, convey, assign, transfer, lease or otherwise dispose of all or substantially all its properties and assets as an entirety in one transaction or a series of transactions to any Person, and the Company shall not permit any Person to consolidate with or merge into the Company or sell, convey, assign, transfer, lease or otherwise dispose of all or substantially all of its properties or assets to the Company, unless:

(a) either (i) the Company shall be the surviving Person or (ii) such Person shall be a corporation organized and validly existing under the laws of the United States of America or any State thereof or the District of Columbia and shall expressly assume by a supplemental indenture, executed and delivered to the Trustee, in form satisfactory to the Trustee, all of the Company's obligations under the Securities and under this Indenture;

(b) immediately before and after such transaction or each element of such series, no Default or Event of Default shall have occurred and be continuing;

(c) if, as a result of any such consolidation or merger or such conveyance, transfer or lease, properties or assets of the Company would become subject to a mortgage, pledge, lien, security interest or other encumbrance which would not be permitted by this Indenture, the Company or such successor corporation or Person, as the case may be, takes such steps as shall be necessary effectively to secure the Securities equally and ratably with (or prior to) all indebtedness secured thereby; and

(d) giving effect to such transaction will not cause an event of default under any mortgage, bond, debenture, note or other instrument or obligation that the Company or any Subsidiary of the Company is a party to or bound by.

The Company shall deliver to the Trustee prior to the consummation of the proposed transaction an Officers' Certificate to the foregoing effects, and an Opinion of Counsel stating that the proposed transaction and any such supplemental indenture comply with this Indenture.

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SECTION 5.02. Successor Substituted. Upon any consolidation or merger, or any sale, conveyance, assignment, transfer, lease or other disposition of all or substantially all of the properties and assets of the Company in accordance with Section 5.01, the successor Person formed by such consolidation or into or with which the Company is merged or to which such sale, conveyance, assignment, transfer, lease or other disposition is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with the same effect as if such successor Person had been named as the Company herein; and, except in the case of a lease, the predecessor Person shall be relieved of all obligations and covenants under this Indenture and the Securities.

#### ARTICLE 6

##### DEFAULTS AND REMEDIES

SECTION 6.01. Events of Default. An Event of Default shall occur with respect to the Securities of any series if there shall occur (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) Any failure to pay any installment of interest on any Securities of such series, when and as the same shall become payable as therein expressed, and such failure shall continue for a period of 30 days; or

(b) Any failure to pay the principal of any Securities of such series when and as the same shall become due and payable as therein expressed, whether at the stated maturity thereof or otherwise; or

(c) Any default in the deposit of any sinking fund payment, when and as due by the terms of any Security of that series; or

(d) Any failure to perform or observe any other of the covenants, conditions or agreements on the part of the Company to be performed or observed pursuant to this Indenture or in the Securities of such series (other than a covenant, condition or agreement a Default in whose performance or whose breach is elsewhere in this Section 6.01 specifically dealt with), and such failure shall continue for a period of 60 days after written notice by registered or certified mail specifying the failure and that the same is a Default and requiring the Company to remedy such failure shall have been given to the Company from the Trustee or to the Company and to the Trustee from the Holders of not less than 25% of the principal amount of the Securities of such series then outstanding; or

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(e) The Company shall commence, or file a petition commencing, a voluntary case under the United States Bankruptcy Code or any similar Federal or state law for the relief of debtors (the "Bankruptcy Law"); or the Company shall file a petition or answer or consent seeking reorganization, arrangement, adjustment, or composition under any Bankruptcy Law, or shall consent to the filing of any such

petition, answer, or consent; or the Company shall appoint, or consent to the appointment of, a custodian, receiver, liquidator, trustee, assignee, sequestrator or other similar official in bankruptcy or insolvency of the Company or of any substantial part of its property or shall make an assignment for the benefit of creditors; or shall admit in writing its inability to pay its debts generally as they become due; or shall take corporate action in furtherance of any such action; or

(f) Any order for relief against the Company shall have been entered by a court having jurisdiction in the premises under any provision of Bankruptcy Law and such order shall have continued undischarged or unstayed for a period of 60 days; or a decree or order by a court having jurisdiction in the premises shall have been entered approving as properly filed a petition seeking reorganization, arrangement, adjustment, or composition of the Company under any Bankruptcy Law, and such decree or order shall have continued undischarged or unstayed for a period of 60 days; or a decree or order of court having jurisdiction in the premises for the appointment of a custodian, receiver, similar official in bankruptcy or insolvency of the Company or of any substantial part of its property, or for the winding up or liquidation of its affairs, shall have been entered, and such decree or order shall have remained in force undischarged or unstayed for a period of 60 days; or

(g) Any other Event of Default established pursuant to Section 2.03 for the Securities of such series.

SECTION 6.02. Acceleration. If an Event of Default with respect to the Securities of any series then outstanding occurs and is continuing, then, and in each and every such case, except for any Securities the principal of which shall have already become due and payable, either the Trustee or the Holders of not less than 25% in aggregate principal amount of the Securities of such series then outstanding hereunder (each such series treated as a separate class) by notice in writing to the Company (and to the Trustee if given by Holders), may declare the entire principal (or, if the Securities of any such series are Original Issue Discount Securities, such portion of the principal amount as may be specified in the terms of such series established pursuant to Section 2.03) of all Securities of such series, and the interest accrued thereon, if any, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable.

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However, if at any time after the entire principal (or, if the Securities are Original Issue Discount Securities, such portion of the principal as may be specified in the terms thereof established pursuant to Section 2.03) of the Securities of any series shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered as hereinafter provided, the Company shall have paid or shall have deposited with the Trustee a sum sufficient to pay all overdue interest and principal of all Securities of such series which shall have become due otherwise than by acceleration (with interest upon such principal and, to the extent that payment of such interest is enforceable under applicable law, upon overdue installments of interest, at the rate specified therefor in such Securities or, if not so specified, at the same rate as the rate of interest or Yield to Maturity (in the case of Original Issue Discount Securities) specified in the Securities of each such series to the date of such payment or deposit) and such amount as shall be sufficient to cover all amounts owing the Trustee under Section 7.07, and if all Events of Default under the Indenture, other than the non-payment of the principal of Securities which shall have become due by acceleration, shall have been cured, waived or otherwise remedied as provided herein, then and in every such case the Holders of a majority in aggregate principal amount of all the then outstanding Securities of such series that have been accelerated (each such series voting as a separate class), by written notice to the Company and to the Trustee, may waive all defaults with respect to each such series and rescind and annul such declaration and its consequences, but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon.

For all purposes under this Indenture, if a portion of the principal of any Original Issue Discount Securities shall have been accelerated and declared due and payable pursuant to the provisions hereof, then, from and after such declaration, unless such declaration has been rescinded and annulled, the principal amount of such Original Issue Discount Securities, or, if a formula for calculating the principal due in the event of acceleration is specified in the terms of any Original Issue Discount Securities, the amount determined by application of such formula, shall be deemed, for all purposes hereunder, to be such portion of the principal thereof as shall be due and payable as a result of such acceleration, and payment of such portion of the principal thereof as shall be due and payable as a result of such acceleration, together with interest, if any, thereon and all other amounts owing thereunder, shall constitute payment in full of such Original Issue Discount Securities.

SECTION 6.03. Other Remedies. If an Event of Default with respect to the Securities of any series occurs and is continuing, the Trustee may pursue, in

its own name or as trustee of an express trust, any available remedy by proceeding at law or in equity to collect the payment of principal of and interest on the Securities of such series or to enforce the performance of any provision of the Securities of such series or this Indenture.

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The Trustee may maintain a proceeding even if it does not possess any of the Securities or does not produce any of them in the proceeding.

SECTION 6.04. Waiver of Past Defaults. Subject to Sections 6.02, 6.07 and 9.02, the Holders of at least a majority in principal amount (or, if the Securities are Original Issue Discount Securities, such portion of the principal as may be specified in the terms thereof established pursuant to Section 2.03) of the outstanding Securities of each series affected (each such series voting as a separate class), by notice to the Trustee, may waive an existing Default or Event of Default with respect to the Securities of such series and its consequences, except a Default in the payment of principal of or interest on any Security as specified in clause (a) or (b) of Section 6.01 or in respect of a covenant or provision of this Indenture which cannot be modified or amended without the consent of the Holder of each outstanding Security affected. Upon any such waiver, such Default shall cease to exist, and any Event of Default with respect to the Securities of such series arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereto.

SECTION 6.05. Control of Majority. Subject to Sections 7.01 and 7.02(e), the Holders of at least a majority in aggregate principal amount (or, if any Securities are Original Issue Discount Securities, such portion of the principal as may be specified in the terms thereof established pursuant to Section 2.03) of the outstanding Securities of each series affected (each such series voting as a separate class) may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to the Securities of such series by this Indenture; provided that the Trustee may refuse to follow any direction that conflicts with law or this Indenture, that may involve the Trustee in personal liability or that the Trustee determines in good faith may be unduly prejudicial to the rights of Holders not joining in the giving of such direction; and provided further that the Trustee may take any other action it deems proper that is not inconsistent with any directions received from Holders of Securities pursuant to this Section 6.05.

SECTION 6.06. Limitation on Suits. No Holder of any Security of any series may institute any proceeding, judicial or otherwise, with respect to this Indenture or the Securities of such series, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless:

(a) such Holder has previously given to the Trustee written notice of a continuing Event of Default with respect to the Securities of such series;

(b) the Holders of at least 25% in aggregate principal amount of outstanding Securities of such series shall have made written

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request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(c) such Holder or Holders have offered to the Trustee indemnity reasonably satisfactory to the Trustee against any costs, liabilities or expenses to be incurred in compliance with such request;

(d) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(e) during such 60-day period, the Holders of a majority in aggregate principal amount of the outstanding Securities of such series have not given the Trustee a direction that is inconsistent with such written request.

A Holder may not use this Indenture to prejudice the rights of another Holder or to obtain a preference or priority over such other Holder.

SECTION 6.07. Rights of Holders to Receive Payment. Notwithstanding any other provision of this Indenture, the right of any Holder of a Security to receive payment of principal of or interest, if any, on such Holder's Security on or after the respective due dates expressed on such Security (or in the case of redemption, the redemption date, or in the case of repayment, at the option of the Holders, on the repayment date), which right is unconditional and absolute, or to bring suit for the enforcement of any such payment on or after

such respective dates, shall not be impaired or affected without the consent of such Holder.

SECTION 6.08. Collection Suit by Trustee. If an Event of Default with respect to the Securities of any series in payment of principal or interest specified in clause (a) or (b) of Section 6.01 occurs and is continuing, the Trustee may recover judgment in its own name and as trustee of an express trust against the Company for the whole amount (or such portion thereof as specified in the terms established pursuant to Section 2.03 of Original Issue Discount Securities) of principal of, and accrued interest remaining unpaid on, together with interest on overdue principal of, and, to the extent that payment of such interest is lawful, interest on overdue installments of interest on, the Securities of such series, in each case at the rate or Yield to Maturity (in the case of Original Issue Discount Securities) specified in such Securities or, if not so specified, at the same rate as the rate of interest or Yield to Maturity (in such case) specified for such Securities, and such further amount as shall be sufficient to cover all amounts owing the Trustee under Section 7.07.

If an Event of Default with respect to the Securities of any series occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders of the Securities of such series by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce

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any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

SECTION 6.09. Trustee May File Proofs of Claim. The Trustee may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for amounts due the Trustee under Section 7.07) and the Holders allowed in any judicial proceedings relative to the Company (or any other obligor on the Securities), its creditors or its property and shall be entitled and empowered to collect and receive any moneys, securities or other property payable or deliverable upon conversion or exchange of the Securities or upon any such claims and to distribute the same, and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it under Section 7.07. Nothing herein contained shall be deemed to empower the Trustee to authorize or consent to, or accept or adopt on behalf of any Holder, any plan of reorganization, arrangement, adjustment or composition affecting the Securities or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

SECTION 6.10. Trustee May Enforce Claims Without Possession of Securities. All rights of action and claims under this Indenture or the Securities may be prosecuted and enforced by the Trustee without the possession of any of the Securities or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Securities in respect of which such judgment has been recovered.

SECTION 6.11. Application of Proceeds. Any moneys collected by the Trustee pursuant to this Article in respect of the Securities of any series shall be applied in the following order at the date or dates fixed by the Trustee and, in case of the distribution of such moneys on account of principal or interest, upon presentation of the several Securities in respect of which moneys have been collected and stamping (or otherwise noting) thereon the payment, or issuing Securities of such series and tenor in reduced principal amounts in exchange for the presented Securities of such series and tenor if only partially paid, or upon surrender thereof if fully paid:

FIRST: To the payment of all amounts due the Trustee under Section 7.07;

SECOND: In case the principal of the Securities of such series in respect of which moneys have been collected shall not have become and be then due and payable, to the payment of interest on the Securities of such series in default in the

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order of the maturity of the installments of such interest, with interest (to the extent that such interest has been collected by the Trustee) upon the overdue installments of interest, at the rate specified therefor in such Securities or, if not so specified, at the same rate as the rate of interest or Yield to Maturity (in the case of Original Issue Discount Securities) specified

in such Securities, such payments to be made ratably to the Persons entitled thereto, without discrimination or preference;

THIRD: In case the principal of the Securities of such series in respect of which moneys have been collected shall have become and shall be then due and payable, to the payment of the whole amount then owing and unpaid upon all the Securities of such series for principal and interest, with interest upon the overdue principal, and (to the extent that such interest has been collected by the Trustee) upon overdue installments of interest, at the rate specified therefor in such Securities or, if not so specified, at the same rate as the rate of interest or Yield to Maturity (in the case of Original Issue Discount Securities) specified in the Securities of such series; and in case such moneys shall be insufficient to pay in full the whole amount so due and unpaid upon the Securities of such series, then to the payment of such principal and interest or Yield to Maturity, without preference or priority of principal over interest or Yield to Maturity, or of interest or Yield to Maturity over principal, or of any installment of interest over any other installment of interest, or of any Security of such series over any other Security of such series, ratably to the aggregate of such principal and accrued and unpaid interest or Yield to Maturity; and

FOURTH: To the payment of the remainder, if any, to the Company or any other Person lawfully entitled thereto.

SECTION 6.12. Restoration of Rights and Remedies. If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then, and in every such case, subject to any determination in such proceeding, the Company, the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Company, Trustee and the Holders shall continue as though no such proceeding had been instituted.

SECTION 6.13. Undertaking for Costs. In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as Trustee, in either case in respect to the Securities of any series, a court may require any party litigant in such suit to file an undertaking to pay the costs of the suit, and the court may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit having due regard to the merits and good faith of the claims or defenses made by the party litigant; but the provisions of this Section shall not apply to any suit instituted by the Company, to any suit instituted by the Trustee, to any suit instituted by any Holder, or group of Holders, holding in the aggregate more than 10% in principal amount of the outstanding Securities of any series, or to any suit instituted by any Holder for the enforcement of

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the payment of the principal of or interest on any Security on or after the maturity of such Security (or, in the case of redemption, on or after the redemption date, or in the case of repayment, at the option of the Holders, on the repayment date).

SECTION 6.14. Rights and Remedies Cumulative. Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or wrongfully taken Securities in Section 2.07, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

SECTION 6.15. Delay or Omission Not Waiver. No delay or omission of the Trustee or of any Holder to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article 6 or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

SECTION 6.16. Waiver of Stay or Extension Laws. The Company covenants (to the extent it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law whenever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE 7

TRUSTEE

SECTION 7.01. General. The duties and responsibilities of the Trustee shall be as provided by the Trust Indenture Act and as set forth herein. Notwithstanding the foregoing, no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, unless it receives indemnity satisfactory to it against any loss, liability or expense. Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Article 7.

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SECTION 7.02. Certain Rights of Trustee. Subject to Trust Indenture Act Sections 315(a) through (d):

(a) The Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, Officers' Certificate, Opinion of Counsel, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document believed by it to be genuine and to have been signed or presented by the proper Person or Persons. The Trustee need not investigate any fact or matter stated in the document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and in the case of any such documents which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.

(b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate and/or an Opinion of Counsel, which shall conform to Section 10.03. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such certificate or opinion. Whenever in the administration of the trusts of this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering or omitting any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or bad faith on the part of the Trustee, be deemed to be conclusively proved and established by an Officers' Certificate delivered to the Trustee, and such certificate, in the absence of negligence or bad faith on the part of the Trustee, shall be full warrant to the Trustee for any action taken, suffered or omitted by it under the provisions of this Indenture upon the faith thereof.

(c) The Trustee may act through its attorneys and agents not regularly in its employ and shall not be responsible for the misconduct or negligence of any agent or attorney appointed with due care.

(d) Any request, direction, order or demand of the Company mentioned herein shall be sufficiently evidenced by an Officers' Certificate (unless other evidence in respect thereof be herein specifically prescribed); and any resolution of the Board of Directors may be evidenced to the Trustee by a Board Resolution.

(e) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request,

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order or direction of any of the Holders, unless such Holders shall have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities that might be incurred by it in compliance with such request or direction.

(f) The Trustee shall not be liable for any action it takes or omits to take in good faith in accordance with Section 6.05 relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture.

(g) The Trustee may consult with counsel and the written

advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(h) Prior to the occurrence of an Event of Default hereunder and after the curing or waiving of all Events of Default, the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, Officers' Certificate, Opinion of Counsel, Board Resolution, statement, instrument, opinion, report, notice, request, consent, order, approval, appraisal, bond, debenture, note, coupon, security, or other paper or document unless requested in writing so to do by the Holders of not less than a majority in aggregate principal amount of the Securities of all series affected then outstanding; provided that, if the payment within a reasonable time to the Trustee of the costs, expenses or liabilities likely to be incurred by it in the making of such investigation is, in the opinion of the Trustee, not reasonably assured to the Trustee by the security afforded to it by the terms of this Indenture, the Trustee may require indemnity satisfactory to it against such expenses or liabilities as a condition to proceeding.

SECTION 7.03. Individual Rights of Trustee. The Person acting as the Trustee, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not the Trustee. Any Agent may do the same with like rights. However, the Trustee is subject to Trust Indenture Act Sections 310(b) and 311.

SECTION 7.04. Trustee's Disclaimer. The recitals contained herein and in the Securities (except the Trustee's certificate of authentication) shall be taken as statements of the Company and not of the Trustee and the Trustee assumes no responsibility for the correctness of the same. Neither the Trustee nor any of its agents (a) makes any representation as to the validity or adequacy of this Indenture

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or the Securities and (b) shall be accountable for the Company's use or application of the proceeds from the Securities.

SECTION 7.05. Notice of Default. If any Default with respect to the Securities of any series occurs and is continuing the Trustee shall give to all Holders of Securities of such series notice of such Default known to it within 60 days after it occurs in the manner and to the extent provided in Section 313(c) of the Trust Indenture Act, unless such Default shall have been cured or waived before the mailing or publication of such notice; provided, however, that, except in the case of a Default in the payment of the principal of, interest on or sinking fund installment with respect to any Security, the Trustee shall be protected in withholding such notice if a Responsible Officer in good faith determines that the withholding of such notice is in the interests of such Holders.

SECTION 7.06. Reports by Trustee to Holders. Within 60 days after each May 15, beginning with May 15, 1997, the Trustee shall mail to each Holder in the manner and to the extent provided in Trust Indenture Act Section 313(c) a brief report dated as of such May 15, if required by Trust Indenture Act Section 313(a).

SECTION 7.07. Compensation and Indemnity. The Company shall pay to the Trustee such compensation as shall be agreed upon in writing from time to time for its services. The compensation of the Trustee shall not be limited by any law on compensation of a trustee of an express trust. The Company shall reimburse the Trustee upon request for all reasonable out-of-pocket expenses, disbursements and advances incurred or made by the Trustee without negligence or bad faith in its part. Such expenses shall include the reasonable compensation and expenses of the Trustee's agents, counsel and other persons not regularly in its employ.

The Company shall indemnify each of the Trustee, any predecessor Trustee and their officers, directors and employees, for, and hold each of them harmless against, any loss, liability or expense incurred by any of them without negligence or bad faith on the part of any of them arising out of or in connection with the acceptance or administration of this Indenture or the trusts hereunder, the issuance of the Securities of any series and the performance of duties under this Indenture and the Securities, including the costs and expenses of defending against or investigating any claim of liability and of complying with any process served upon it or any of them in connection with the exercise or performance of any of the powers or duties of the Trustee under this Indenture and the Securities.

The obligations of the Company under this Section 7.07 to compensate the Trustee, to indemnify the Trustee, each predecessor Trustee and their officers, directors and employees and to pay or reimburse the Trustee for expenses,

disbursements and advances shall constitute additional indebtedness hereunder and shall survive the resignation or removal of the Trustee, the satisfaction and discharge of this Indenture or the rejection or termination of this Indenture under Bankruptcy Law. Such additional indebtedness shall be a senior claim to that of the Securities

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upon all property and funds held or collected by the Trustee as such, except funds held in trust for the benefit of the Holders of particular Securities, and the Securities are hereby subordinated to such senior claim.

SECTION 7.08. Replacement of Trustee. A resignation or removal of the Trustee as Trustee with respect to the Securities of any series and an appointment of a successor Trustee as Trustee with respect to the Securities of any series shall become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.08.

The Trustee may resign as Trustee with respect to the Securities of any series at any time by so notifying the Company in writing. The Holders of a majority in principal amount of the outstanding Securities of any series may remove the Trustee as Trustee with respect to the Securities of such series by so notifying the Trustee in writing and may appoint a successor Trustee with respect thereto with the consent of the Company. The Company, by a Board Resolution, or, subject to Section 6.13, any Holder who has been a bona fide Holder of a Security for at least six months, on behalf of himself and all others similarly situated by petition to any court of competent jurisdiction, may remove the Trustee as Trustee with respect to the Securities of any series if: (a) the Trustee is no longer eligible under Section 7.10 of this Indenture; (b) the Trustee is adjudged bankrupt or insolvent; (c) a receiver or other public officer takes charge of the Trustee or its property; or (d) the Trustee becomes incapable of acting.

If the Trustee resigns or is removed as Trustee with respect to the Securities of any series, or if a vacancy exists in the office of Trustee with respect to the Securities of any series for any reason, the Company, by a Board Resolution, shall promptly appoint a successor Trustee with respect thereto. Within one year after the successor Trustee takes office, the Holders of a majority in principal amount of the outstanding Securities of such series may appoint a successor Trustee in respect of such Securities to replace the successor Trustee appointed by the Company. If the successor Trustee with respect to the Securities of any series does not deliver its written acceptance required by the next succeeding paragraph of this Section 7.08 within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Company or any bona fide Holder of a Security of such series for at least six months may petition any court of competent jurisdiction for the appointment of a successor Trustee with respect thereto.

A successor Trustee with respect to the Securities of any series shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Immediately after the delivery of such written acceptance, subject to the lien provided for in Section 7.07, (a) the retiring Trustee shall promptly transfer all property held by it as Trustee in respect of the Securities of such series to the successor Trustee, (b) the resignation or removal of the retiring Trustee in respect of the Securities of such series shall become effective and (c) the successor Trustee shall have all the rights,

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powers and duties of the Trustee in respect of the Securities of such series under this Indenture.

Upon request of any such successor Trustee, the Company shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in the preceding paragraph.

The Company shall promptly give notice of any resignation and any removal of the Trustee with respect to the Securities of any series and each appointment of a successor Trustee in respect of the Securities of such series to all Holders of Securities of such series. Each notice shall include the name of the successor Trustee and the address of its Corporate Trust Office.

Notwithstanding replacement of the Trustee with respect to the Securities of any series pursuant to this Section 7.08, the Company's obligations under Section 7.07 shall continue for the benefit of the retiring Trustee and the retiring Trustee shall have no liability for the acts or omissions of any successor Trustee.

SECTION 7.09. Successor Trustee by Merger, Etc. If the Trustee consolidates with, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation or national banking association, the resulting, surviving or transferee corporation or national banking association without any further act shall be the successor Trustee with the same effect as if the successor Trustee had been named as the Trustee

herein, provided such corporation or national banking association shall be otherwise qualified and eligible under this Article. In case any Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities.

SECTION 7.10. Eligibility. This Indenture shall always have a Trustee who satisfies the requirements of Trust Indenture Act Section 310(a). The Trustee shall have a combined capital and surplus of at least \$50,000,000 as set forth in its most recent published annual report of condition. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

SECTION 7.11. Money Held in Trust. The Trustee shall not be liable for interest on any money received by it except as the Trustee may agree in writing with the Company. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law and except for money held in trust under Article 8 of this Indenture.

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## ARTICLE 8

### DISCHARGE OF INDENTURE

SECTION 8.01. Defeasance Within One Year of Payment. Except as otherwise provided in this Section 8.01, the Company may terminate its obligations under the Securities of any series and this Indenture with respect to Securities of such series if:

(a) all Securities of such series previously authenticated and delivered (other than destroyed, lost or wrongfully taken Securities of such series that have been replaced or paid pursuant to Section 2.07 or Securities of such series for whose payment money or securities have theretofore been held in trust and thereafter repaid to the Company, as provided in Section 4.03) have been delivered to the Trustee for cancellation and the Company has paid all sums payable by it hereunder; or

(b) (i) all of the Securities of such series mature within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for giving the notice of redemption, (ii) the Company irrevocably deposits in trust with the Trustee, as trust funds solely for the benefit of the Holders of such Securities for that purpose, money or U.S. Government Obligations or a combination thereof sufficient (unless such funds consist solely of money, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee), without consideration of any reinvestment, to pay the principal of and any interest on the Securities of such series to maturity or redemption, as the case may be, and to pay all other sums payable by it hereunder, (iii) such deposit will not result in a breach or violation of or constitute a default under this Indenture or any other agreement or instrument to which the Company is a party or by which it is bound, and (iv) the Company delivers to the Trustee an Officers' Certificate and an Opinion of Counsel, in each case stating that all conditions precedent provided for herein relating to the satisfaction and discharge of this Indenture with respect to the Securities of such series and of the Securities of such series have been complied with.

With respect to the foregoing clause (a), only the Company's obligations under Section 7.07 in respect of the Securities of such series shall survive. With respect to the foregoing clause (b), only the Company's obligations in Sections 2.02, 2.03, 2.04, 2.05, 2.06, 2.07, 2.10, 2.11, 2.13, 4.02, 4.03, 7.07, 7.08, 8.04, and 8.05 in respect of the Securities of such series shall survive until the Securities of such series are no longer outstanding. Thereafter, only the Company's obligations in Sections 4.03 and 7.07 in respect of the Securities of such series shall survive. After any such

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irrevocable deposit, the Trustee upon request shall acknowledge in writing the discharge of the Company's obligations under the Securities of such series and this Indenture with respect to the Securities of such series except for those surviving obligations specified above.

SECTION 8.02. Defeasance. The Company will be deemed to have paid and will be discharged from any and all obligations in respect of the Securities of any series, the provisions of this Indenture will, except as provided below, no longer be in effect with respect to the Securities of such series, the Trustee,

at the expense of the Company, shall execute proper instruments acknowledging the same and the Securities of any such series will no longer be outstanding pursuant to Section 2.08, on the 91st day after the following conditions shall have been satisfied:

(a) the Company has irrevocably deposited in trust with the Trustee as trust funds solely for the benefit of the Holders of the Securities of such series, for payment of the principal of and any interest on the Securities of such series, money or U.S. Government Obligations or a combination thereof in an amount sufficient (unless such funds consist solely of money, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee) without consideration of any reinvestment and after payment of all federal, state and local taxes or other charges and assessments in respect thereof payable by the Trustee, to pay and discharge the principal of, any accrued interest on, and any mandatory sinking fund payments in respect of the outstanding Securities of such series to maturity or earlier redemption (irrevocably provided for under arrangements satisfactory to the Trustee), as the case may be;

(b) such deposit will not result in a breach or violation of, or constitute a default under, this Indenture or any other agreement or instrument to which the Company is a party or by which it is bound;

(c) no Default with respect to the Securities of such series shall have occurred and be continuing on the date of such deposit;

(d) the Company shall have delivered to the Trustee (i) either (A) a ruling directed to the Trustee received from the Internal Revenue Service to the effect that the Holders of the Securities of such series will not recognize income, gain or loss for federal income tax purposes as a result of such deposit and will be subject to federal income tax on the same amount and in the same manner and at the same times as would have been the case if such deposit had not been made or (B) an Opinion of Counsel to the same effect as the ruling described in clause (A) above and (ii) an Opinion of Counsel to the effect that the Holders of the Securities of such series have a valid

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security interest in the trust funds subject to no prior liens under the Uniform Commercial Code or successor law, as then in effect in each applicable jurisdiction (the "UCC");

(e) such deposit would not cause any Securities of such series then listed on the New York Stock Exchange or other national securities exchange to be delisted as a result thereof; and

(f) the Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, in each case stating that all conditions precedent provided for herein relating to the defeasance contemplated by this Section 8.02 of the Securities of such series have been complied with.

The Company's obligations in Sections 2.02, 2.03, 2.04, 2.05, 2.06, 2.07, 2.10, 2.11, 2.13, 4.02, 4.03, 7.07, 7.08, and 8.04 with respect to the Securities of such series shall survive until such Securities are no longer outstanding. Thereafter, only the Company's obligations in Sections 4.03 and 7.07 shall survive.

SECTION 8.03. Covenant Defeasance. The Company may omit to comply with any term, provision or condition set forth in Sections 4.04 and 4.05 (or any other specific covenant relating to the Securities of any series established pursuant to Section 2.03 which may by its terms be defeased pursuant to this Section 8.03), and such omission shall be deemed not to be an Event of Default under clause (d) of Section 6.01 with respect to the outstanding Securities of a series if:

(a) the Company has irrevocably deposited in trust with the Trustee as trust funds solely for the benefit of the Holders of the Securities of such series, for payment of the principal of and any interest on the Securities of such series, money or U.S. Government Obligations or a combination thereof in an amount sufficient (unless such funds consist solely of money, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee) without consideration of any reinvestment and after payment of all federal, state and local taxes or other charges and assessments in respect thereof payable

by the Trustee, to pay and discharge the principal of, any interest on, and any mandatory sinking fund payments in respect of the outstanding Securities of such series to maturity or earlier redemption (irrevocably provided for under arrangements satisfactory to the Trustee), as the case may be;

(b) such deposit will not result in a breach or violation of, or constitute a default under, this Indenture or any other agreement or instrument to which the Company is a party or by which it is bound;

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(c) no Default with respect to the Securities of such series shall have occurred and be continuing on the date of such deposit;

(d) the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that (i) the Holders of the Securities of such series have a valid security interest in the trust funds subject to no prior liens under the UCC and (ii) such Holders will not recognize income, gain or loss for federal income tax purposes as a result of such deposit and covenant defeasance and will be subject to federal income tax on the same amount and in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred; and

(e) the Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, in each case stating that all conditions precedent provided for herein relating to the covenant defeasance contemplated by this Section 8.03 of the Securities of such series have been complied with.

SECTION 8.04. Application of Trust Money. Subject to Section 4.03, the Trustee or Paying Agent shall hold in trust money or U.S. Government Obligations deposited with it pursuant to Section 8.01, 8.02 or 8.03, as the case may be, in respect of the Securities of any series and shall apply the deposited money and the proceeds from deposited U.S. Government Obligations in accordance with the Securities of such series and this Indenture to the payment of the principal of and any interest on the Securities of such series; but such money need not be segregated from other funds except to the extent required by law.

SECTION 8.05. Reinstatement. If the Trustee or Paying Agent is unable to apply any money or U.S. Government Obligations in accordance with Section 8.01, 8.02 or 8.03, as the case may be, by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Company's obligations under this Indenture and the Securities of the series for which such application was to be made shall be revived and reinstated as though no deposit had occurred pursuant to Section 8.01, 8.02 or 8.03 and the Trustee or Paying Agent shall promptly pay to the Company upon written request any money or U.S. Government Obligations deposited with it pursuant thereto; provided that if the Company has made any payment of interest on or principal of any Securities of such series because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Securities to receive such payment from the money or U.S. Government Obligations held by the Trustee or Paying Agent.

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## ARTICLE 9

### AMENDMENTS, SUPPLEMENTS AND WAIVERS

SECTION 9.01. Without Consent of Holders. The Company, by a Board resolution, and the Trustee may amend or supplement this Indenture or the Securities of any series without notice to or the consent of any Holder:

(a) to cure any ambiguity, defect or inconsistency in this Indenture or such Securities; provided that such amendments or supplements shall not materially and adversely affect the interests of the Holders affected thereby;

(b) to comply with Article 5;

(c) to evidence and provide for the acceptance of appointment hereunder with respect to the Securities of any or all series by a successor Trustee and to make provision for the appointment of different Trustees for the Securities of different series;

(d) to establish the form or forms or terms of the Securities of any series or of any coupons appertaining to such Securities pursuant to Section 2.03;

(e) to provide for uncertificated or bearer Securities, with or without coupons, and to make all appropriate changes for such purpose; and

(f) to make any change that does not materially and adversely affect the rights of any Holder of outstanding securities.

SECTION 9.02. With Consent of Holders. The Company, by a Board Resolution, and the Trustee may amend this Indenture and the Securities of any series for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or modifying in any manner the rights of Holders under this Indenture of such Securities, but only with the written consent of the Holders of a majority in principal amount of the outstanding Securities of each series affected by such supplemental indenture voting separately; provided, however, that no such supplemental indenture shall, without the consent of the Holder of each outstanding Security of each series affected thereby,

(a) extend the stated maturity of the principal of, or any sinking fund obligation or any installment of interest on, such Holder's Security, or reduce the principal amount thereof or the rate of interest thereon (or Yield to Maturity of any Original Issue Discount Security), or adversely affect the rights of such Holder under any mandatory redemption or repurchase provision or any right of

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redemption or repurchase at the option of the Company or such Holder, or reduce the amount of the principal of an Original Issue Discount Security that would be due and payable upon an acceleration of the maturity thereof pursuant to Section 6.02 or the amount thereof provable in bankruptcy, or change any place of payment where, or the currency in which, any Security or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the due date therefor, or change the manner of determining any of the foregoing established pursuant to Section 2.03 for the Securities of any series;

(b) reduce the percentage in principal amount of outstanding Securities of the relevant series the consent of whose Holders is required for any such supplemental indenture, for any waiver of compliance with certain provisions of this Indenture or certain Defaults and their consequences provided for in this Indenture;

(c) waive a Default in the payment of principal of or interest on any Security of such Holder; or

(d) change any obligation of the Company to maintain an office or agency in the places and for the purposes specified in Section 4.02; or

(e) modify any of the provisions of this Section 9.02, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each outstanding Security affected thereby.

A supplemental indenture which changes or eliminates any covenant or other provision of this Indenture which has expressly been included solely for the benefit of one or more particular series of Securities, or which modifies the rights of Holders of Securities of such series with respect to such covenant or provision, shall be deemed not to affect the rights under this Indenture of the Holders of Securities of any other series or of the coupons appertaining to such Securities.

It shall not be necessary for the consent of any Holder under this Section 9.02 to approve the particular form of any proposed amendment, supplement or waiver, but it shall be sufficient if such consent approves the substance thereof.

After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Company shall give to the Holders affected thereby a notice briefly describing the amendment, supplement or waiver. The Company will mail supplemental indentures to Holders upon request. Any failure of the Company to mail such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplemental indenture or waiver.

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SECTION 9.03. Revocation and Effect of Consent. Until an amendment,

supplemental indenture or waiver becomes effective, a consent to it by a Holder is a continuing consent by the Holder and every subsequent Holder of a Security or portion of a Security that evidences the same debt as the Security of the consenting Holder, even if notation of the consent is not made on any Security. However, any such Holder or subsequent Holder may revoke the consent as to its Security or portion of its Security. Such revocation shall be effective only if the Trustee receives the notice of revocation before the date the amendment, supplement or waiver becomes effective. An amendment, supplement or waiver shall become effective with respect to any Securities affected thereby on receipt by the Trustee of written consents from the requisite Holders of outstanding Securities affected thereby.

The Company may, but shall not be obligated to, fix a record date (which may be not less than 10 nor more than 60 days prior to the solicitation of consents) for the purpose of determining the Holders of the Securities of any series affected entitled to consent to any amendment, supplement or waiver. If a record date is fixed, then, notwithstanding the immediately preceding paragraph, those Persons who were such Holders at such record date (or their duly designated proxies) and only those Persons shall be entitled to consent to such amendment, supplement or waiver or to revoke any consent previously given, whether or not such Persons continue to be such Holders after such record date. No such consent shall be valid or effective for more than 90 days after such record date.

After an amendment, supplement or waiver becomes effective with respect to the Securities of any series affected thereby, it shall bind every Holder of such Securities.

SECTION 9.04. Notation on or Exchange of Securities. If an amendment, supplement or waiver changes the terms of any Security, the Trustee may require the Holder thereof to deliver it to the Trustee. The Trustee may place an appropriate notation on the Security about the changed terms and return it to the Holder and the Trustee may place an appropriate notation on any Security of such series thereafter authenticated. Alternatively, if the Company or the Trustee so determines, the Company in exchange for the Security shall issue and the Trustee shall authenticate a new Security of the same series and tenor that reflects the changed terms.

SECTION 9.05. Trustee to Sign Amendments, Etc.. The Trustee shall be entitled to receive, and shall be fully protected in relying upon, in addition to the documents required by Section 10.02, an Opinion of Counsel stating that the execution of any amendment, supplement or waiver authorized pursuant to this Article 9 is authorized or permitted by this Indenture, stating that all requisite consents have been obtained or that no consents are required and stating that such supplemental indenture constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to customary exceptions. Subject to the preceding sentence, the Trustee shall sign such amendment, supplement or waiver if the same does not adversely affect the rights of

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the Trustee. The Trustee may, but shall not be obligated to, execute any such amendment, supplement or waiver that affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

SECTION 9.06. Conformity with Trust Indenture Act. Every supplemental indenture executed pursuant to this Article 9 shall conform to the requirements of the Trust Indenture Act as then in effect.

SECTION 9.07. Effect of Supplemental Indentures. Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Securities theretofore or thereafter authenticated and delivered hereunder will be bound thereby.

## ARTICLE 10

### MISCELLANEOUS

SECTION 10.01. Notices. Any notice or communication shall be sufficiently given if written and (a) if delivered in person when received or (b) if mailed by first class mail 5 days after mailing, or (c) as between the Company and the Trustee if sent by facsimile transmission, when transmission is confirmed, in each case addressed as follows:

if to the Company:  
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Becton, Dickinson & Company  
1 Becton Drive  
Franklin Lakes, New Jersey 07417-1880  
Attention: Chief Financial Officer  
Telephone No.: (201) 847-6800  
Telecopy No.: (201) 847-5361

if to the Trustee:  
- -----

The Chase Manhattan Bank  
450 West 33rd Street  
New York, NY 10001-2697  
Telephone No.: (212) 946-8157  
Telecopy No.: (212) 946-7799

The Company or the Trustee by written notice to the other may designate additional or different addresses for subsequent notices or communications.

Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders. Except as otherwise provided

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in this Indenture, if a notice or communication is mailed in the manner provided in this Section 10.01, it is duly given, whether or not the addressee receives it.

Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

In case it shall be impracticable to give notice as herein contemplated, then such notification as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder.

SECTION 10.02. Certificate and Opinion as to Conditions Precedent. Upon any request or application by the Company to the Trustee to take any action under this Indenture, the Company shall furnish to the Trustee:

(a) an Officers' Certificate stating that, in the opinion of the signers, all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with; and

(b) an Opinion of Counsel stating that, in the opinion of such Counsel, all such conditions precedent have been complied with.

SECTION 10.03. Statements Required in Certificate or Opinion . Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include:

(a) a statement that each person signing such certificate or opinion has read such covenant or condition and the definitions herein relating thereto;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the statement or opinion contained in such certificate or opinion is based;

(c) a statement that, in the opinion of each such person, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(d) a statement as to whether or not, in the opinion of each such person, such condition or covenant has been complied with; provided, however, that, with respect to matters of fact, an Opinion of Counsel may rely on an Officers' Certificate or certificates of public officials.

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SECTION 10.04. Evidence of Ownership. The Company, the Trustee and any agent of the Company or the Trustee may deem and treat the Person in whose name any Security shall be registered upon the Security Register for such series as the absolute owner of such Security (whether or not such Security shall be overdue and notwithstanding any notation of ownership or other writing thereon) for the purpose of receiving payment of or on account of the principal of and, subject to the provisions of this Indenture, interest on such Security and for all other purposes; and neither the Company nor the Trustee nor any agent of the Company or the Trustee shall be affected by any notice to the contrary.

SECTION 10.05. Rules by Trustee, Paying Agent or Registrar. The Trustee may make reasonable rules for action by or at a meeting of Holders. The Paying Agent or Registrar may make reasonable rules for its functions.

SECTION 10.06. Payment Date Other than a Business Day. If any date for

payment of principal or interest on any Security shall not be a Business Day at any place of payment for such Security, then payment of principal of or interest on such Security, as the case may be, need not be made on such date, but may be made on the next succeeding Business Day at any place of payment with the same force and effect as if made on such date and no interest shall accrue in respect of such payment for the period from and after such date.

SECTION 10.07. Governing Law. The laws of the State of New York shall govern this Indenture and the Securities.

SECTION 10.08. No Adverse Interpretation of Other Agreements. This Indenture may not be used to interpret another indenture or loan or debt agreement of the Company or any Subsidiary of the Company. Any such indenture or agreement may not be used to interpret this Indenture.

SECTION 10.09. Successors. All covenants and agreements of the Company in this Indenture and the Securities shall bind its successors and assigns, whether or not so expressed. All agreements of the Trustee in this Indenture shall bind its successors.

SECTION 10.10. Duplicate Originals. The parties may sign any number of copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

SECTION 10.11. Separability. In case any provision in this Indenture or in the Securities shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 10.12. Table of Contents, Headings, Etc. The Table of Contents and headings of the Articles and Sections of this Indenture have been inserted for

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convenience of reference only, are not to be considered a part hereof and shall in no way modify or restrict any of the terms and provisions hereof.

SECTION 10.13. Incorporators, Stockholders, Officers and Directors of Company Exempt from Individual Liability. No recourse under or upon any obligation, covenant or agreement contained in this Indenture, in any Security, or because of any indebtedness evidenced thereby, shall be had against any incorporator, as such or against any past, present or future stockholder, officer, director or employee, as such, of the Company or of any successor, either directly or through the Company or any successor, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such personal liability being expressly waived and released by the acceptance of the Securities by the Holders thereof and as part of the consideration for the issue of the Securities.

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SIGNATURES

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed, all as of the date first written above.

BECTON, DICKINSON & COMPANY  
as the Company

By: \_\_\_\_\_

Name:  
Title:

THE CHASE MANHATTAN BANK  
as Trustee

By: \_\_\_\_\_

Name:  
Title:

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EXHIBIT A

FORM OF FACE OF SECURITY:

[Legend for Registered Global Security: Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative

of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.]

BECTON, DICKINSON AND COMPANY

\_\_\_ % Notes due \_\_\_\_\_

No. \_\_\_\_\_ \$ \_\_\_\_\_

BECTON, DICKINSON AND COMPANY, a New Jersey corporation (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "Company"), for value received, hereby promises to pay to \_\_\_\_\_, or registered assigns, the principal sum of \_\_\_\_\_, on \_\_\_\_\_ and to pay interest, on \_\_\_\_\_ and \_\_\_\_\_, of each year, commencing \_\_\_\_\_, on said principal sum at the rate of \_\_\_\_\_ per annum, from \_\_\_\_\_ or \_\_\_\_\_, as the case may be, next preceding the date of this Note to which interest has been paid, unless the date hereof is a date to which interest has been paid, in which case from the date of this Note, or unless no interest has been paid on the Notes, in which case from \_\_\_\_\_, until payment of said principal sum has been made or duly provided for, provided, however, that payment of interest may be made at the option of the Company (i) by check mailed to the address of the Person entitled thereto as such address shall appear on the register of Notes or (ii) by transfer in immediately available funds to an account maintained by the Person entitled thereto as specified in the register of Notes. Notwithstanding the foregoing, if the date hereof is after the fifteenth day of the calendar month preceding any \_\_\_\_\_ or \_\_\_\_\_, as the case may be, and prior to such \_\_\_\_\_ or \_\_\_\_\_, this Note shall bear interest from such \_\_\_\_\_ or \_\_\_\_\_; provided, however, that if and to the extent that the Company shall default in the payment of interest due on such \_\_\_\_\_ or \_\_\_\_\_, then this Note shall bear interest from the next preceding \_\_\_\_\_ or \_\_\_\_\_ to which interest has been paid, or, if no interest has been paid on the Notes, from \_\_\_\_\_ [If applicable insert --, and (to the extent that the payment of such interest shall be legally enforceable) at the rate of \_\_\_\_\_% per annum on any overdue principal and on any overdue installment of interest]. The interest so payable on any \_\_\_\_\_ or \_\_\_\_\_ will, subject to certain exceptions provided in the Indenture referred to on the reverse hereof, be paid to the Person in whose name this Note is registered at the close of business on the fifteenth day of the calendar month preceding such \_\_\_\_\_ or \_\_\_\_\_.

Reference is made to the further provisions of this Note set forth on the reverse hereof. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Trustee under the Indenture referred to on the reverse hereof.

IN WITNESS HEREOF, Becton, Dickinson and Company has caused this Note to be executed in its name and on its behalf by the signatures of two of its officers authorized to execute Securities pursuant to the Indenture and has caused its corporate seal to be affixed hereunto or imprinted hereon.

Dated: \_\_\_\_\_, 199\_\_

[SEAL] BECTON, DICKINSON AND COMPANY  
By: \_\_\_\_\_  
By: \_\_\_\_\_

TRUSTEE'S CERTIFICATE  
OF AUTHENTICATION

This Note is one of the Securities of the series referred to herein issued pursuant to the within-mentioned Indenture.

THE CHASE MANHATTAN BANK,  
as Trustee  
By: \_\_\_\_\_  
Authorized Officer

FORM OF REVERSE OF SECURITY:

BECTON, DICKINSON AND COMPANY

[Title of Security]

This Note is one of a duly authorized issue of debentures, notes or other evidences of indebtedness of the Company (herein called the "Securities") of the series hereinafter specified, all issued or to be issued

under and pursuant to an Indenture, dated as of March 1, 1997 (as amended or supplemented, herein called the "Indenture"), duly executed and delivered by the Company and The Chase Manhattan Bank, as Trustee (herein called the "Trustee"), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties, obligations and immunities thereunder of the Company, the Trustee and the Holders of the Securities. The Securities may be issued in one or more series, which different series may be issued in various aggregate principal amounts, may mature at different times, may bear interest (if any) at different rates, may be subject to different redemption provisions (if any), may be subject to different sinking, purchase or analogous funds (if any) and may otherwise vary as in the Indenture provided. This Note is one of a series designed as the [Title of Security] (the "Notes") limited in aggregate principal amount to \$\_\_\_\_\_ (except as in the Indenture provided). Terms defined in the Indenture have the same definition herein unless otherwise specified.

In case an Event of Default, as defined in the Indenture, with respect to the Notes shall have occurred and be continuing, the principal hereof and interest hereon may be declared, and upon such declaration shall become, due and payable, in the manner, with the effect and subject to the conditions provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of any series at any time by the Company and the Trustee with the consent of the Holders of a majority in aggregate principal amount of the outstanding Securities of such series, each affected series voting separately. The Indenture also contains provisions permitting the Holders of a majority in aggregate principal amount of the outstanding Securities of any series, on behalf of the Holders of all the Securities of such series, to waive certain past defaults under the Indenture and their consequences. Any such consent or waiver by or on behalf of the Holder of this Note shall be conclusive and binding upon such holder and upon all future Holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof whether or not notation of such consent or waiver is made upon this Note or such other Note.

Subject to the terms of the Indenture, the Company may elect either (i) to defease and be discharged from any and all obligations with respect to the Notes or (ii) to be released from its obligations with respect to certain covenants applicable to the Notes, upon

compliance by the Company with certain conditions set forth therein, which provisions apply to this Note.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest on this Note at the place, at the respective times, at the rate and in the coin or currency prescribed herein. [This Note is not redeemable prior to maturity.] [Insert redemption provisions if applicable.]

Upon the presentment for registration of transfer of this Note at the office or agency of the Company designated for such purpose pursuant to the Indenture, a new Note or Notes of authorized denominations for an equal aggregate principal amount will be issued to the transferee in exchange therefor, subject to the limitations provided in the Indenture, without charge except for any tax or other governmental charge imposed in connection therewith.

Prior to due presentment for registration of transfer of this Note, the Company, the Trustee or any Note registrar, co-registrar, paying agent or authenticating agent, may deem and treat the registered Holder hereof as the absolute owner of this Note (whether or not this Note shall be overdue and notwithstanding any notation of ownership or other writing hereon), for the purpose of receiving payment hereof, or on account hereof, and for all other purposes, and the Company, the Trustee and any Note registrar, co-registrar, paying agent and authenticating agent shall not be affected by any notice to the contrary.

March 18, 1997

Becton, Dickinson and Company  
1 Becton Drive  
Franklin Lakes, New Jersey 07417-1880

Ladies and Gentlemen:

In connection with the proposed shelf registration under the Securities Act of 1933, as amended (the "Securities Act"), by Becton, Dickinson and Company, a New Jersey corporation (the "Company"), of \$300,000,000 principal amount of the Company's debentures, notes or other debt securities (the "Debt Securities") proposed to be issued under an Indenture, dated as of March 1, 1997 (the "Indenture"), between the Company and The Chase Manhattan Bank, as Trustee (the "Trustee"), and/or warrants to purchase Debt Securities (the "Warrants" and, together with the Debt Securities, the "Securities") proposed to be issued pursuant to a Warrant Agreement (the "Warrant Agreement") to be entered into between the Company and a Warrant Agent (the "Warrant Agent"), I have examined such corporate records and other documents, including the Registration Statement on Form S-3 proposed to be filed with the Securities and Exchange Commission (the "Registration Statement"), and have reviewed such matters of law as I have deemed necessary for this opinion, and I advise you that in my opinion:

1. The Company is a corporation duly organized and existing under the laws of the State of New Jersey.
2. When the Indenture relating to any Debt Securities has been duly authorized, executed and delivered, the terms of the Debt Securities and of their issuance and sale have been duly established in conformity with the Indenture, the Debt Securities of a particular series (the "Offered Debt Securities") or Warrants of a particular series (the "Offered Warrants" and, together with the Offered Debt Securities, the "Offered Securities") have been duly authorized by the Board of Directors of the Company or of a duly authorized committee thereof and when, with respect to any Offered Warrants, the Warrant Agreement has been duly executed and delivered, and the Offered Securities have been duly executed and issued in accordance with the provisions of the applicable Indenture and/or Warrant Agreement and the Offered Debt Securities have been duly authenticated, the Offered Securities have been issued and sold as contemplated in the Registration Statement, and the Registration Statement has become effective under the Securities Act, the Offered Securities will be legally issued, valid and binding obligations of the Company.

I consent to the filing of this opinion as an exhibit to the Registration Statement and to the references made to me in the Prospectus contained as a part of the Registration

Statement.

Very truly yours,

/s/ John W. Galiardo

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John W. Galiardo

EXHIBIT 12

BECTON, DICKINSON AND COMPANY  
 CALCULATION OF RATIO OF EARNINGS TO FIXED CHARGES

(All Amounts in Millions Except for Ratio of Earnings to Fixed Charges)

<TABLE>  
 <CAPTION>

	Three Months Ended December 31, 1996	Year Ended September 30,				
		1996	1995	1994	1993	1992
Income Before Income Taxes and Cumulative Effect of Accounting Changes	\$ 81.8	\$393.7	\$349.6	\$296.2	\$222.9	\$269.5
Undistributed (Earnings)/Losses of Less than 50%-Owned Companies (1.2) Carried at Equity	-	-	-	-	0.2	
Net Capitalized Interest (10.9)	0.8	4.5	7.2	5.7	3.3	
Fixed Charges	18.1	75.8	80.5	84.0	90.9	96.0
Earnings as Adjusted	\$100.7	\$474.0	\$437.3	\$385.9	\$317.3	\$353.4
Fixed Charges:						
Interest Cost/1/	\$ 14.1	\$ 59.5	\$ 64.7	\$ 68.4	\$ 74.9	\$ 81.8
Interest Allocable to Rents/2/	3.8	15.0	15.3	15.0	15.5	13.7
Amortization of Debt Expense	0.2	1.3	0.5	0.6	0.5	0.5
Fixed Charges	\$ 18.1	\$ 75.8	\$ 80.5	\$ 84.0	\$ 90.9	\$ 96.0
Ratio of Earnings to Fixed Charges	5.56	6.25	5.43	4.59	3.49	3.68

</TABLE>

/1/Includes interest expense and interest capitalized in accordance with  
 FASB Statement No. 34.

/2/Represents an appropriate portion of rental expense.

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CONSENT OF INDEPENDENT AUDITORS

We consent to the reference to our firm under the caption "Experts" in the Registration Statement (Form S-3) of Becton, Dickinson and Company for the registration of \$300,000,000 of its debt securities, and to the incorporation by reference therein of our report dated November 7, 1996, with respect to the consolidated financial statements and schedule of Becton, Dickinson and Company included in its Annual Report (Form 10-K) for the year ended September 30, 1996, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

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Ernst & Young LLP

Hackensack, New Jersey  
March 14, 1997

BECTON, DICKINSON AND COMPANY

POWER OF ATTORNEY  
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KNOW ALL PERSONS BY THESE PRESENTS that the undersigned Director and/or Officer of Becton, Dickinson and Company, a New Jersey corporation (the "Corporation"), hereby constitutes and appoints each of Geoffrey D. Cheatham, Bridget M. Healy, and Raymond P. Ohlmuller, severally, his true and lawful attorney-in-fact and agent, in the name and on behalf of the undersigned to do any and all acts and things and execute any and all instruments which the said attorney-in-fact and agent may deem necessary or advisable to enable the Corporation to comply with the Securities Act of 1933, as amended (the "Act"), and any rules and regulations and requirements of the Securities and Exchange Commission (the "Commission") in respect thereof, in connection with the registration under the Act of debentures, notes and/or other evidences of indebtedness, including debt securities which may be convertible into shares of Common Stock of the Corporation, par value \$1.00 per share, and warrants or other rights to purchase such debt securities (collectively, the "Debt Securities") proposed to be sold from time to time by the Corporation, including specifically, but without limiting the generality of the foregoing, the power and authority to sign the name of the undersigned in his capacity as a Director and/or Officer of the Corporation to a Registration Statement of Form S-3 or such other form as may be appropriate to be filed with the Commission in respect of said Debt Securities, to any and all amendments, including post-effective amendments, to the said Registration Statement and to any and all instruments and documents filed as a part of or in connection with the said Registration Statement or amendments thereto; HEREBY RATIFYING AND CONFIRMING all that the said attorneys-in-fact and agents, or any of them, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has subscribed these presents this 20th day of November, 1996.

/s/ Clateo Castellini  
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Clateo Castellini

BECTON, DICKINSON AND COMPANY

POWER OF ATTORNEY  
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KNOW ALL PERSONS BY THESE PRESENTS that the undersigned Officer of Becton, Dickinson and Company, a New Jersey corporation (the "Corporation"), hereby constitutes and appoints each of Geoffrey D. Cheatham, Bridget M. Healy, and Raymond P. Ohlmuller, severally, his true and lawful attorney-in-fact and agent, in the name and on behalf of the undersigned to do any and all acts and things and execute any and all instruments which the said attorney-in-fact and agent may deem necessary or advisable to enable the Corporation to comply with the Securities Act of 1933, as amended (the "Act"), and any rules and regulations and requirements of the Securities and Exchange Commission (the "Commission") in respect thereof, in connection with the registration under the Act of debentures, notes and/or other evidences of indebtedness, including debt securities which may be convertible into shares of Common Stock of the Corporation, par value \$1.00 per share, and warrants or other rights to purchase such debt securities (collectively, the "Debt Securities") proposed to be sold from time to time by the Corporation, including specifically, but without limiting the generality of the foregoing, the power and authority to sign the name of the undersigned in his capacity as a Director and/or Officer of the Corporation to a Registration Statement of Form S-3 or such other form as may be appropriate to be filed with the Commission in respect of said Debt Securities, to any and all amendments, including post-effective amendments, to the said Registration Statement and to any and all instruments and documents filed as a part of or in connection with the said Registration Statement or amendments thereto; HEREBY RATIFYING AND CONFIRMING all that the said attorneys-in-fact and agents, or any of them, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has subscribed these presents this 17th day of March, 1997.

/s/ Edward J. Ludwig  
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Edward J. Ludwig

BECTON, DICKINSON AND COMPANY

POWER OF ATTORNEY  
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KNOW ALL PERSONS BY THESE PRESENTS that the undersigned Director and/or Officer of Becton, Dickinson and Company, a New Jersey corporation (the "Corporation"), hereby constitutes and appoints each of Geoffrey D. Cheatham, Bridget M. Healy, and Raymond P. Ohlmuller, severally, his true and lawful attorney-in-fact and agent, in the name and on behalf of the undersigned to do any and all acts and things and execute any and all instruments which the said attorney-in-fact and agent may deem necessary or advisable to enable the Corporation to comply with the Securities Act of 1933, as amended (the "Act"), and any rules and regulations and requirements of the Securities and Exchange Commission (the "Commission") in respect thereof, in connection with the registration under the Act of debentures, notes and/or other evidences of indebtedness, including debt securities which may be convertible into shares of Common Stock of the Corporation, par value \$1.00 per share, and warrants or other rights to purchase such debt securities (collectively, the "Debt Securities") proposed to be sold from time to time by the Corporation, including specifically, but without limiting the generality of the foregoing, the power and authority to sign the name of the undersigned in his capacity as a Director and/or Officer of the Corporation to a Registration Statement of Form S-3 or such other form as may be appropriate to be filed with the Commission in respect of said Debt Securities, to any and all amendments, including post-effective amendments, to the said Registration Statement and to any and all instruments and documents filed as a part of or in connection with the said Registration Statement or amendments thereto; HEREBY RATIFYING AND CONFIRMING all that the said attorneys-in-fact and agents, or any of them, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has subscribed these presents this 20th day of November, 1996.

/s/ Harry N. Beaty, M.D.

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Harry N. Beaty, M.D.

BECTON, DICKINSON AND COMPANY

POWER OF ATTORNEY  
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KNOW ALL PERSONS BY THESE PRESENTS that the undersigned Director and/or Officer of Becton, Dickinson and Company, a New Jersey corporation (the "Corporation"), hereby constitutes and appoints each of Geoffrey D. Cheatham, Bridget M. Healy, and Raymond P. Ohlmuller, severally, his true and lawful attorney-in-fact and agent, in the name and on behalf of the undersigned to do any and all acts and things and execute any and all instruments which the said attorney-in-fact and agent may deem necessary or advisable to enable the Corporation to comply with the Securities Act of 1933, as amended (the "Act"), and any rules and regulations and requirements of the Securities and Exchange Commission (the "Commission") in respect thereof, in connection with the registration under the Act of debentures, notes and/or other evidences of indebtedness, including debt securities which may be convertible into shares of Common Stock of the Corporation, par value \$1.00 per share, and warrants or other rights to purchase such debt securities (collectively, the "Debt Securities") proposed to be sold from time to time by the Corporation, including specifically, but without limiting the generality of the foregoing, the power and authority to sign the name of the undersigned in his capacity as a Director and/or Officer of the Corporation to a Registration Statement of Form S-3 or such other form as may be appropriate to be filed with the Commission in respect of said Debt Securities, to any and all amendments, including post-effective amendments, to the said Registration Statement and to any and all instruments and documents filed as a part of or in connection with the said Registration Statement or amendments thereto; HEREBY RATIFYING AND CONFIRMING all that the said attorneys-in-fact and agents, or any of them, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has subscribed these presents this 20th day of November, 1996.

/s/ Henry P. Becton, Jr.

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Henry P. Becton, Jr.

BECTON, DICKINSON AND COMPANY

POWER OF ATTORNEY  
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KNOW ALL PERSONS BY THESE PRESENTS that the undersigned Director and/or Officer of Becton, Dickinson and Company, a New Jersey corporation (the "Corporation"), hereby constitutes and appoints each of Geoffrey D. Cheatham, Bridget M. Healy, and Raymond P. Ohlmuller, severally, his true and lawful attorney-in-fact and agent, in the name and on behalf of the undersigned to do any and all acts and things and execute any and all instruments which the said attorney-in-fact and agent may deem necessary or advisable to enable the Corporation to comply with the Securities Act of 1933, as amended (the "Act"), and any rules and regulations and requirements of the Securities and Exchange

Commission (the "Commission") in respect thereof, in connection with the registration under the Act of debentures, notes and/or other evidences of indebtedness, including debt securities which may be convertible into shares of Common Stock of the Corporation, par value \$1.00 per share, and warrants or other rights to purchase such debt securities (collectively, the "Debt Securities") proposed to be sold from time to time by the Corporation, including specifically, but without limiting the generality of the foregoing, the power and authority to sign the name of the undersigned in his capacity as a Director and/or Officer of the Corporation to a Registration Statement of Form S-3 or such other form as may be appropriate to be filed with the Commission in respect of said Debt Securities, to any and all amendments, including post-effective amendments, to the said Registration Statement and to any and all instruments and documents filed as a part of or in connection with the said Registration Statement or amendments thereto; HEREBY RATIFYING AND CONFIRMING all that the said attorneys-in-fact and agents, or any of them, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has subscribed these presents this 20th day of November, 1996.

/s/ Albert J. Costello

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Albert J. Costello

BECTON, DICKINSON AND COMPANY

POWER OF ATTORNEY  
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KNOW ALL PERSONS BY THESE PRESENTS that the undersigned Director and/or Officer of Becton, Dickinson and Company, a New Jersey corporation (the "Corporation"), hereby constitutes and appoints each of Geoffrey D. Cheatham, Bridget M. Healy, and Raymond P. Ohlmuller, severally, his true and lawful attorney-in-fact and agent, in the name and on behalf of the undersigned to do any and all acts and things and execute any and all instruments which the said attorney-in-fact and agent may deem necessary or advisable to enable the Corporation to comply with the Securities Act of 1933, as amended (the "Act"), and any rules and regulations and requirements of the Securities and Exchange Commission (the "Commission") in respect thereof, in connection with the registration under the Act of debentures, notes and/or other evidences of indebtedness, including debt securities which may be convertible into shares of Common Stock of the Corporation, par value \$1.00 per share, and warrants or other rights to purchase such debt securities (collectively, the "Debt Securities") proposed to be sold from time to time by the Corporation, including specifically, but without limiting the generality of the foregoing, the power and authority to sign the name of the undersigned in his capacity as a Director and/or Officer of the Corporation to a Registration Statement of Form S-3 or such other form as may be appropriate to be filed with the Commission in respect of said Debt Securities, to any and all amendments, including post-effective amendments, to the said Registration Statement and to any and all instruments and documents filed as a part of or in connection with the said Registration Statement or amendments thereto; HEREBY RATIFYING AND CONFIRMING all that the said attorneys-in-fact and agents, or any of them, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has subscribed these presents this 20th day of November, 1996.

/s/ Gerald M. Edelman, M.D.

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Gerald M. Edelman, M.D.

BECTON, DICKINSON AND COMPANY

POWER OF ATTORNEY  
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KNOW ALL PERSONS BY THESE PRESENTS that the undersigned Director and/or Officer of Becton, Dickinson and Company, a New Jersey corporation (the "Corporation"), hereby constitutes and appoints each of Geoffrey D. Cheatham, Bridget M. Healy, and Raymond P. Ohlmuller, severally, his true and lawful attorney-in-fact and agent, in the name and on behalf of the undersigned to do any and all acts and things and execute any and all instruments which the said attorney-in-fact and agent may deem necessary or advisable to enable the Corporation to comply with the Securities Act of 1933, as amended (the "Act"), and any rules and regulations and requirements of the Securities and Exchange Commission (the "Commission") in respect thereof, in connection with the registration under the Act of debentures, notes and/or other evidences of indebtedness, including debt securities which may be convertible into shares of Common Stock of the Corporation, par value \$1.00 per share, and warrants or other rights to purchase such debt securities (collectively, the "Debt Securities") proposed to be sold from time to time by the Corporation, including specifically, but without limiting the generality of the foregoing, the power and authority to sign the name of the undersigned in his capacity as a Director and/or Officer of the Corporation to a Registration Statement of Form S-3 or

such other form as may be appropriate to be filed with the Commission in respect of said Debt Securities, to any and all amendments, including post-effective amendments, to the said Registration Statement and to any and all instruments and documents filed as a part of or in connection with the said Registration Statement or amendments thereto; HEREBY RATIFYING AND CONFIRMING all that the said attorneys-in-fact and agents, or any of them, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has subscribed these presents this 20th day of November, 1996.

/s/ John W. Galiardo

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John W. Galiardo

BECTON, DICKINSON AND COMPANY

POWER OF ATTORNEY  
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KNOW ALL PERSONS BY THESE PRESENTS that the undersigned Director and/or Officer of Becton, Dickinson and Company, a New Jersey corporation (the "Corporation"), hereby constitutes and appoints each of Geoffrey D. Cheatham, Bridget M. Healy, and Raymond P. Ohlmuller, severally, his true and lawful attorney-in-fact and agent, in the name and on behalf of the undersigned to do any and all acts and things and execute any and all instruments which the said attorney-in-fact and agent may deem necessary or advisable to enable the Corporation to comply with the Securities Act of 1933, as amended (the "Act"), and any rules and regulations and requirements of the Securities and Exchange Commission (the "Commission") in respect thereof, in connection with the registration under the Act of debentures, notes and/or other evidences of indebtedness, including debt securities which may be convertible into shares of Common Stock of the Corporation, par value \$1.00 per share, and warrants or other rights to purchase such debt securities (collectively, the "Debt Securities") proposed to be sold from time to time by the Corporation, including specifically, but without limiting the generality of the foregoing, the power and authority to sign the name of the undersigned in his capacity as a Director and/or Officer of the Corporation to a Registration Statement of Form S-3 or such other form as may be appropriate to be filed with the Commission in respect of said Debt Securities, to any and all amendments, including post-effective amendments, to the said Registration Statement and to any and all instruments and documents filed as a part of or in connection with the said Registration Statement or amendments thereto; HEREBY RATIFYING AND CONFIRMING all that the said attorneys-in-fact and agents, or any of them, shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has subscribed these presents this 20th day of November, 1996.

/s/ Richard W. Hanselman

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Richard W. Hanselman

BECTON, DICKINSON AND COMPANY

POWER OF ATTORNEY  
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IN WITNESS WHEREOF, the undersigned has subscribed these presents this

20th day of November, 1996.

/s/ Frank A. Olson

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Frank A. Olson

BECTON, DICKINSON AND COMPANY

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/s/ James E. Perrella

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James E. Perrella

BECTON, DICKINSON AND COMPANY

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/s/ Gloria M. Shatto

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Gloria M. Shatto

BECTON, DICKINSON AND COMPANY

POWER OF ATTORNEY

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IN WITNESS WHEREOF, the undersigned has subscribed these presents this 20th day of November, 1996.

/s/ Raymond S. Troubh

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Raymond S. Troubh

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D. C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY  
UNDER THE TRUST INDENTURE ACT OF 1939 OF  
A CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF  
A TRUSTEE PURSUANT TO SECTION 305 (b) (2) \_\_\_\_\_

THE CHASE MANHATTAN BANK  
(Exact name of trustee as specified in its charter)

NEW YORK 13-4994650  
(State of incorporation (I.R.S. employer  
if not a national bank) identification No.)

270 PARK AVENUE  
NEW YORK, NEW YORK  
  
(Address of principal executive offices) 10017  
(Zip Code)

WILLIAM H. MCDAVID  
General Counsel  
270 Park Avenue  
New York, New York 10017  
Tel: (212) 270-2611

(Name, address and telephone number of agent for service)

BECTON, DICKINSON AND COMPANY  
(Exact name of obligor as specified in its charter)

NEW JERSEY 22-0760120  
(State or other jurisdiction of (I.R.S. employer  
incorporation or organization) identification No.)

ONE BECTON DRIVE  
FRANKLIN LAKES, N.J.  
(Address of principal executive offices) 07417-1880  
(Zip Code)

DEBT SECURITIES  
(Title of the indenture securities)

GENERAL

ITEM 1. GENERAL INFORMATION.

Furnish the following information as to the trustee:

- (a) Name and address of each examining or supervising authority to which it is subject.
  - New York State Banking Department, State House, Albany, New York 12110.
  - Board of Governors of the Federal Reserve System, Washington, D.C., 20551.
  - Federal Reserve Bank of New York, District No. 2, 33 Liberty

Street, New York, N.Y.

Federal Deposit Insurance Corporation, Washington, D.C., 20429.

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

ITEM 2. AFFILIATIONS WITH THE OBLIGOR.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

ITEM 16. LIST OF EXHIBITS

List below all exhibits filed as a part of this Statement of Eligibility.

1. A copy of the Articles of Association of the Trustee as now in effect, including the Organization Certificate and the Certificates of Amendment dated February 17, 1969, August 31, 1977, December 31, 1980, September 9, 1982, February 28, 1985, December 2, 1991 and July 10, 1996 (see Exhibit 1 to Form T-1 filed in connection with Registration Statement No. 333-06249, which is incorporated by reference).

2. A copy of the Certificate of Authority of the Trustee to Commence Business (see Exhibit 2 to Form T-1 filed in connection with Registration Statement No. 33-50010, which is incorporated by reference. On July 14, 1996, in connection with the merger of Chemical Bank and The Chase Manhattan Bank (National Association), Chemical Bank, the surviving corporation, was renamed The Chase Manhattan Bank).

3. None, authorization to exercise corporate trust powers being contained in the documents identified above as Exhibits 1 and 2.

4. A copy of the existing By-Laws of the Trustee (see Exhibit 4 to Form T-1 filed in connection with Registration Statement No. 333-06249, which is incorporated by reference).

5. Not applicable.

6. The consent of the Trustee required by Section 321(b) of the Act (see Exhibit 6 to Form T-1 filed in connection with Registration Statement No. 33-50010, which is incorporated by reference. On July 14, 1996, in connection with the merger of Chemical Bank and The Chase Manhattan Bank (National Association), Chemical Bank, the surviving corporation, was renamed The Chase Manhattan Bank).

7. A copy of the latest report of condition of the Trustee, published pursuant to law or the requirements of its supervising or examining authority.

8. Not applicable.

9. Not applicable.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939 the Trustee, The Chase Manhattan Bank, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of New York and State of New York, on the 13TH day of MARCH, 1997.

THE CHASE MANHATTAN BANK

By /s/ Glenn G. McKeever

-----  
Glenn G. McKeever  
Senior Trust Officer

EXHIBIT 7 TO FORM T-1

Bank Call Notice

RESERVE DISTRICT NO. 2  
CONSOLIDATED REPORT OF CONDITION OF

The Chase Manhattan Bank  
of 270 Park Avenue, New York, New York 10017  
and Foreign and Domestic Subsidiaries,  
a member of the Federal Reserve System,

at the close of business December 31, 1996,

in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

<TABLE>  
<CAPTION>  
ASSETS  
- - - - -

	DOLLAR AMOUNTS	
	-----	
	IN MILLIONS	
<S>	<C>	
Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin....	\$	11,509
Interest-bearing balances.....		8,457
Securities:		
Held to maturity securities.....		3,128
Available for sale securities.....		40,534
Federal Funds sold and securities purchased under		
agreements to resell in domestic offices of the ank		
and of its Edge and Agreement subsidiaries, and in		
IBF's:		
Federal Funds sold.....		9,222
Securities purchased under agreements to resell.....		422
Loans and lease financing receivables:		
Loans and leases, net of unearned income.....	133,935	
Less: Allowance for loan and lease losses.....	2,789	
Less: Allocated transfer risk reserve.....	16	
	-----	
Loans and leases, net of unearned income, allowance,		131,130
and reserve.....		
Trading Assets.....		49,876
Premises and fixed assets (including capitalized leases).		2,877
Other real estate owned.....		290
Investments in unconsolidated subsidiaries and		
associated companies.....		124
Customer's liability to this bank of acceptances		
outstanding.....		2,313
Intangible assets.....		1,316
Other assets.....		11,231
		-----
Total Assets.....	\$	272,429
		=====

</TABLE>

<TABLE>  
<CAPTION>  
LIABILITIES  
- - - - -

	DOLLAR AMOUNTS	
	-----	
	IN MILLIONS	
<S>	<C>	
Deposits		
In domestic offices.....	\$	87,006
Noninterest-bearing.....	35,783	
Interest-bearing.....	51,223	
	-----	
In foreign offices, Edge and Agreement subsidiaries,		73,206
and IBF's.....		
Noninterest-bearing.....	4,347	
Interest-bearing.....	68,859	
Federal funds purchased and securities sold under		
agreements to repurchase in domestic offices of the		
bank and of its Edge and Agreement subsidiaries, and		
in IBF's Federal funds purchased.....		14,980
Demand notes issued to the U.S. Treasury.....		10,125
Trading liabilities.....		1,867
Other Borrowed money:		
With a remaining maturity of one year or less.....	14,639	
With a remaining maturity of more than one year.....		425
Mortgage indebtedness and obligations under capitalized		
leases.....		40
Bank's liability on acceptances executed and outstanding.		2,267
Subordinated notes and debentures.....		5,471
Other liabilities.....		11,343
		-----
Total Liabilities.....	\$	256,152
		-----
Limited-Life Preferred stock and related surplus		550

EQUITY CAPITAL  
- - - - -

Common stock.....	\$	1,251
Surplus.....		10,243
Undivided profits and capital reserves.....		4,526
Net unrealized holding gains (Losses) on		
available-for-sale securities		(309)
Cumulative foreign currency translation adjustments.....		16

Total Equity Capital.....	15,727
	-----
Total Liabilities, Limited-Life Preferred Stock and Equity Capital.....	\$ 272,429

</TABLE>

I, Joseph L. Sclafani, S.V.P. & Controller of the above-named bank, do hereby declare that this Report of Condition has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true to the best of my knowledge and belief.

JOSEPH L. SCLAFANI

We, the undersigned directors, attest to the correctness of this Report of Condition and declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true and correct.

WALTER V. SHIPLEY                    )  
EDWARD D. MILLER                    ) DIRECTORS  
THOMAS G. LABRECQUE                )