

# SECURITIES AND EXCHANGE COMMISSION

## FORM S-3

Registration statement for specified transactions by certain issuers

Filing Date: **1994-03-16**  
SEC Accession No. **0000909518-94-000043**

([HTML Version](#) on [secdatabase.com](http://secdatabase.com))

### FILER

#### **BEAR STEARNS COMPANIES INC**

CIK: **777001** | IRS No.: **133286161** | State of Incorpor.: **DE** | Fiscal Year End: **0630**  
Type: **S-3** | Act: **33** | File No.: **033-52701** | Film No.: **94516256**  
SIC: **6211** Security brokers, dealers & flotation companies

Business Address  
*245 PARK AVE  
NEW YORK NY 10167  
2122722000*

As filed with the Securities and Exchange Commission on March 16, 1994  
Registration No. 33-

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

-----  
FORM S-3  
REGISTRATION STATEMENT  
AND POST-EFFECTIVE AMENDMENT UNDER  
THE SECURITIES ACT OF 1933  
-----

THE BEAR STEARNS COMPANIES INC.  
(Exact Name of Registrant as Specified in its Charter)

Delaware 13-3286161  
(State or Other Jurisdiction (I.R.S. Employer Identificatio No.)  
of Incorporation or  
Organization)

245 Park Avenue  
New York, New York 10167  
(212) 272-2000  
(Address, Including Zip Code, and Telephone Number,  
including Area Code, of Registrant's Principal Executive Offices)

William J. Montgoris  
Chief Operating Officer  
and Chief Financial Officer  
The Bear Stearns Companies Inc.  
245 Park Avenue  
New York, New York 10167  
(212) 272-2000  
(Name and Address, Including Zip Code,  
and Telephone Number, Including Area Code, of Agent For Service)

Copies to:

Dennis J. Block, Esq.  
Weil, Gotshal & Manges  
767 Fifth Avenue  
New York, New York 10153  
(212) 310-8000

Approximate date of commencement of proposed sale of the securities 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, check the following box.

<TABLE>  
<CAPTION>

CALCULATION OF REGISTRATION FEE				
<S>	<C>	<C>	<C>	<C>
Title of Each Class of Securities to be Registered	Amount to be Registered(1) (2)	Proposed Maximum Offering Price Per Unit (3)	Proposed Maximum Aggregate Offering Price (3)	Amount of Registration Fee
Debt Securities and Warrants	\$2,500,000,000	100%	\$2,500,000,000	\$862,069
(1)	In United States dollars or the equivalent thereof in one or more foreign or composite currencies.			
(2)	The amount of Debt Securities and Warrants to be registered is the issue price thereof plus the issue price of any Warrants or the issue price of any Debt Securities to be issued upon the exercise of the Warrants.			
(3)	Estimated solely for the purpose of calculating the registration fee.			

Pursuant to Rule 429 under the Securities Act of 1933, the Prospectus included in this Registration Statement is a combined Prospectus and relates to this Registration Statement and Registration Statement No. 33-51733, Registration Statement No. 33-50393, Registration Statement No. 33-65796, Registration Statement No. 33-57824, Registration Statement No. 33-48829 and Registration Statement No. 33-44521 previously filed by the Registrant on Form S-3 and declared effective on January 7, 1994, October 4, 1993, July 16, 1993, February 18, 1993, July 10, 1992, and December 31, 1991, respectively. This Registration Statement also constitutes Post-Effective Amendment No. 1 to Registration Statement No. 33-51733, Post-Effective Amendment No. 2 to Registration Statement No. 33-50393, Post-Effective Amendment No. 3 to Registration Statement No. 33-65796, Post-Effective Amendment No. 4 to Registration Statement No. 33-57824, Post-Effective Amendment No. 5 to Registration Statement No. 33-48829 and Post-Effective Amendment No. 6 to Registration Statement No. 33-44521, and such Post-Effective Amendments shall thereafter become effective in accordance with Section 8(c) of the Securities Act of 1933.

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 thereafter shall 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.

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 16, 1994

PROSPECTUS

\$3,096,163,750

THE BEAR STEARNS COMPANIES INC.

DEBT SECURITIES AND WARRANTS

The Company may issue and sell from time to time, in one or more series with an aggregate initial public offering price of up to \$3,096,163,750 (or the equivalent in foreign denominated currency or units based on or relating to currencies), debt securities ("Debt Securities") consisting of debentures, notes and/or other unsecured evidences of indebtedness and warrants ("Warrants") to purchase Debt Securities or to buy and sell government debt securities, currencies, currency units, currency indices or currency baskets, stock indices, stock baskets, commodities, commodity indices or another index or reference. The Debt Securities and Warrants are herein collectively referred to as the "Securities." The Debt Securities and Warrants may be offered independently or together for sale directly to purchasers or through dealers, underwriters or agents. The Company will offer the Securities to the public on terms determined by market conditions. The Securities may be sold for, and principal of and interest on Debt Securities and the cash settlement value of the Warrants may be payable in, United States dollars, foreign denominated currency or currency units, in each case, as the Company specifically designates.

The accompanying Prospectus Supplement sets forth the specific designation, aggregate principal amount, purchase price, maturity, interest rates (or manner of calculation thereof), time of payment of interest (if any), currency or currency units in which payments will be made (if other than United States dollars), listing (if any) on a securities exchange and any other specific terms of the Debt Securities, the purchase price, exercise price, exercise period, detachability and any other specific terms of any Warrants and the name of and compensation to each dealer, underwriter or agent (if any) involved in the sale of the Securities. The managing underwriters with respect to each series sold to or through underwriters will be named in the accompanying Prospectus Supplement. Any such underwriters (and any representative thereof), dealers or agents may include Bear, Stearns & Co. Inc., a wholly-owned subsidiary of the Company.

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

The Securities may be offered through dealers, through underwriters or through agents designated from time to time, as set forth in the accompanying Prospectus Supplement. The net proceeds to the Company will be, in the case of a dealer, the sales price to such dealer, in the case of an underwriter, the public offering price less the applicable underwriting discount or commission, and, in the case of an agent, the public offering price less the applicable agency commission, in each case, less other expenses attributable to issuance and distribution. See "Plan of Distribution" for possible indemnification arrangements for dealers, underwriters and agents.

This Prospectus and the accompanying Prospectus Supplement may be used by Bear, Stearns & Co. Inc. in connection with offers and sales of Debt Securities and Warrants in market-making transactions at negotiated prices related to prevailing market prices at the time of sale or otherwise. Bear, Stearns & Co. Inc. may act as a principal or agent in such transactions.

-----  
BEAR, STEARNS & CO. INC.

\_\_\_\_\_, 1994

NYFS04...:\25\22625\0122\2322\FRM30794.S2A

IN CONNECTION WITH THE OFFERING OF CERTAIN SECURITIES HEREUNDER, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THOSE SECURITIES, OR OTHER SECURITIES OF THE COMPANY, AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH TRANSACTIONS MAY BE EFFECTED ON THE NEW YORK STOCK EXCHANGE OR OTHERWISE. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

-----  
NO DEALER, SALESMAN OR ANY OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROSPECTUS AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY OR ANY UNDERWRITER, DEALER OR AGENT. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY SECURITIES BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION.

#### 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 with the Commission 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 or at its Regional Offices located at the Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511 and 7 World Trade Center, 13th Floor, New York, New York 10048, and copies of such material can be obtained from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, at prescribed rates. Reports, proxy statements and other information concerning the Company can also be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

This Prospectus constitutes a part of a Registration Statement filed by the Company with the Commission under the Securities Act of 1933, as amended (the "Securities Act"). This Prospectus omits certain of the information contained in the Registration Statement in accordance with the rules and regulations of the Commission. Reference is hereby made to the Registration Statement and related exhibits for further information with respect to the Company and the Securities. Statements contained herein concerning the provisions of any document are not necessarily complete and, in each instance, reference is made to the copy of such document filed as an exhibit to the Registration Statement or otherwise filed with the Commission. Each such statement is qualified in its entirety by such reference.

#### INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents filed by the Company with the Commission pursuant to Section 13 of the Exchange Act (File No. 1-8989), are incorporated herein by reference: (i) the Annual Report on Form 10-K (including the portions of the Company's Annual Report to Stockholders incorporated by reference therein) for the fiscal year ended June 30, 1993 (the "1993 Form 10-K"), (ii) the Quarterly Report on Form 10-Q for the quarterly period ended September 24, 1993 and (iii) the Quarterly Report on Form 10-Q for the quarterly period ended December 31, 1993. All documents filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this Prospectus and prior to the termination of the offering of the Securities shall be deemed to be incorporated by reference into this Prospectus and to be a part hereof from the date of filing of such documents.

Any statement contained herein or in a document 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 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 or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

The Company will provide without charge to each person to whom a copy of this Prospectus is delivered, upon the written or oral request of such person, a copy of any or all documents incorporated by reference into this Prospectus except the exhibits to such documents

(unless such exhibits are specifically incorporated by reference in such documents). Requests for such copies should be directed to Corporate Communications Department, The Bear Stearns Companies Inc., 245 Park Avenue, New York, New York 10167; telephone number (212) 272-2000.

-----

#### THE COMPANY

The Company is a holding company that, through its subsidiaries, principally Bear, Stearns & Co. Inc. ("Bear Stearns") and Bear, Stearns Securities Corp. ("BSSC") is a leading United States investment banking, securities trading and brokerage firm serving United States and foreign corporations, governments and institutional and individual investors. The business of the Company and its subsidiaries includes market-making and trading in corporate, United States government and agency, mortgage-related, asset-backed and municipal securities and trading in options, futures, foreign currencies, interest rate swaps and other derivative products; securities and commodities arbitrage; securities, options and commodities brokerage for domestic and international institutional and individual clients; underwriting and distribution of securities, arranging for the private placement of securities, assisting in mergers and acquisitions and restructurings and providing other financial advisory services, including advising on, and participating in principal investments in, leveraged acquisitions; providing securities clearance services; specialist activities in securities on the floors of the New York Stock Exchange (the "NYSE"); customer financing activities; securities lending activities; fiduciary services; and providing other services, including real estate brokerage, investment management and advisory activities, and securities research.

The Company's operations are conducted from its principal offices in New York City, from domestic regional offices in Atlanta, Boston, Chicago, Dallas, Los Angeles and San Francisco, from representative offices in Geneva, Hong Kong and Shanghai, through international subsidiaries in Frankfurt, Hong Kong, London and Paris, through a branch office in Tokyo and through joint ventures with other firms in Karachi, Madrid and Paris. The Company's foreign offices provide

services and engage in investment activities involving foreign clients and international transactions. The Company's trust company subsidiary, Custodial Trust Company, operates from offices in Princeton, New Jersey.

Bear Stearns and BSSC are broker-dealers registered with the Commission, futures commission merchants registered with the Commodity Futures Trading Commission, members of the NYSE and all other principal United States securities and commodities exchanges and members of the National Association of Securities Dealers, Inc. (the "NASD") and the National Futures Association. Bear Stearns is also recognized as a "primary dealer" in United States government securities designated by the Federal Reserve Bank of New York.

The Company is incorporated in Delaware. The principal executive office of the Company is located at 245 Park Avenue, New York, New York 10167; its telephone number is (212) 272-2000.

#### USE OF PROCEEDS

Unless otherwise specified in the applicable Prospectus Supplement, the Company intends to use the net proceeds from the sale of the Securities for general corporate purposes, which may include additions to working capital, the repayment of short-term indebtedness and investments in, or extensions of credit to, subsidiaries.

#### RATIO OF EARNINGS TO FIXED CHARGES

The ratio of earnings to fixed charges was 1.9 for the six months ended December 31, 1993 and 1.8, 1.6, 1.2, 1.2 and 1.3 for the fiscal years ended June 30, 1993, 1992, 1991, 1990 and 1989, respectively. These ratios were calculated by dividing the sum of fixed charges into the sum of earnings before taxes and fixed charges. Fixed charges for these purposes consist of all interest expense and certain other immaterial expenses.

#### DESCRIPTION OF DEBT SECURITIES

##### GENERAL

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 terms and provisions will not apply to the Debt Securities so offered will be described in the Prospectus Supplement relating to those Debt Securities.

The Debt Securities will be issued under an Indenture, dated as of May 31, 1991 (the "Indenture"), between the Company and Chemical Bank (formerly Manufacturers Hanover Trust Company), as trustee (the "Trustee"). A copy of the Indenture is filed as an exhibit to the Registration Statement of which this Prospectus forms a part (the "Registration Statement"). 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 provisions of the Indenture, including the definitions therein of certain terms.

The Indenture does not limit the principal amount of Debt Securities that may be issued thereunder, and provides that Debt Securities may be issued thereunder in one or more series up to the aggregate principal amount that may be authorized from time to time by the Company. The Company from time to time may, without the consent of the Holders of outstanding Debt Securities, provide for the issuance of other debt securities under the Indenture in addition to the Debt Securities authorized on the date of this Prospectus. The Indenture provides the Company with the ability, in addition to the ability to issue Debt Securities with terms different than those of Debt Securities previously issued, to "reopen" a previous issue of a series of Debt Securities and issue additional Debt Securities of such series. Debt Securities in an aggregate principal amount of up to \$3,096,163,750 may be offered pursuant to this Prospectus. As of the date of this Prospectus, \$6,103,536,250 aggregate principal amount of Debt Securities have been issued under the Indenture and are outstanding.

Reference is hereby made to the Prospectus Supplement relating to

the particular series of Debt Securities offered thereby for the terms of those Debt Securities, including, where applicable (1) the title of the Debt Securities and the series of which those Debt Securities are a part; (2) the aggregate principal amount of, or any limit on the aggregate principal amount of, those Debt Securities; (3) the date or dates on which those Debt Securities will mature; (4) the rate or rates per annum (which may be fixed or variable) at which those Debt Securities will bear interest, if any; (5) the date or dates on which such interest, if any, will be payable and the record date or dates relating thereto; (6) the provisions, if any, for redemption of those Debt Securities and the redemption price thereof; (7) the sinking fund requirements, if any, with respect to those Debt Securities; (8) whether those Debt Securities provide for payment in United States dollars, a foreign currency or a composite currency; (9) any index, formula or other method used to determine the amount of payments of principal (and premium, if any) or interest, if any, on those Debt Securities; (10) the form (registered or bearer or both) in which those Debt Securities may be issued and any restrictions applicable to the exchange of one form for another and to the offer, sale and delivery of the Debt Securities in either form; (11) whether those Debt Securities will be issued in book-entry form (a "Global Security") or in certificated form; (12) whether and under what circumstances the Company will pay additional amounts ("Additional Amounts") relating to specified taxes, assessments or other governmental charges in respect of those Debt Securities and whether the Company has the option to redeem those Debt Securities rather than pay such Additional Amounts, and the terms of any such redemption; (13) if the amount of payments of principal of (and premium, if any) or interest, if any, on, and Additional Amounts in respect of those Debt Securities may be determined with reference to an index, formula or other method based on a coin or currency other than that in which the Debt Securities are stated to be payable, the

manner in which those amounts will be determined; (14) the provisions, if any, for the defeasance of those Debt Securities; and (15) any other terms of those Debt Securities not inconsistent with the provisions of the Indenture.

Unless otherwise provided in the applicable Prospectus Supplement, Debt Securities will be issued only in registered form without coupons ("Registered Securities") in denominations of \$1,000 and integral multiples thereof, and in bearer form with or without coupons ("Bearer Securities") in the denomination of \$5,000. If Bearer Securities of a series are issued, the federal income tax consequences and other special considerations applicable to those Bearer Securities will be described in the Prospectus Supplement relating to that series.

Unless otherwise provided in the applicable Prospectus Supplement, Registered Securities may be transferred or exchanged at the corporate trust office or agency of the Trustee in the City and State of New York, subject to the limitations provided in the Indenture, without the payment of any service charge, other than any tax or other governmental charge that may be imposed in connection therewith. Bearer Securities will be transferable by delivery. Provisions with respect to the exchange of Bearer Securities of any series will be described in the Prospectus Supplement relating thereto.

If the amount of payments of principal of (and premium, if any) or any interest on Debt Securities of any series is to be determined with reference to any type of index, formula or other method, the federal income tax consequences (if material), specific terms of and other information with respect to those Debt Securities and that index, formula or other method will be described in the Prospectus Supplement relating to that series.

If the principal of (and premium, if any) or any interest on Debt Securities of any series are payable in a foreign or composite currency, the restrictions, elections, federal income tax consequences, specific terms and other information with respect to those Debt Securities and such currency will be described in the Prospectus Supplement relating to that series.

One or more series of Debt Securities may be sold at a substantial discount below its or their stated principal amount, bearing no interest or interest at a rate that at the time of issuance is below market rate. One or more series of Debt Securities may be variable rate debt securities that may be exchangeable for fixed rate debt securities. Federal income tax consequences and other special considerations applicable to any such series will be described in the

The Debt Securities will be unsecured and will rank pari passu

-----

with all other unsecured and unsubordinated indebtedness of the Company. The Company extends credit to its subsidiaries from time to time. Extensions of credit to subsidiaries may be subordinated to the claims of unaffiliated creditors of those subsidiaries. In addition, since the Company is a holding company, the right of the Company and hence the right of creditors of the Company (including the Holders of the Debt Securities) to participate in any distribution of the assets of any subsidiary upon its liquidation or reorganization, or otherwise, is necessarily subject to the prior claims of creditors of the subsidiary, except to the extent that claims of the Company itself as a creditor of the subsidiary may be recognized. Furthermore, dividends, loans and advances to the Company from certain of its subsidiaries, including Bear Stearns and BSSC, are restricted by net capital requirements under the Exchange Act and under rules of certain exchanges and other regulatory bodies and by covenants governing certain indebtedness of those subsidiaries.

Unless otherwise provided in the applicable Prospectus Supplement, the principal of (and premium, if any) and any interest on Debt Securities will be payable (in the case of Registered Securities) at the corporate trust office or agency of the Trustee in the City and State of New York or (in the case of Bearer Securities) at the office of the Trustee located outside the United States maintained for such purpose; provided, however, that

payment of interest other than interest payable at maturity (or on the date of redemption, if any, if the Debt Securities are redeemable by the Company prior to maturity, or on the date of repayment, if the Debt Securities are repayable at the option of the Holder thereof prior to maturity) on Registered Securities may be made at the option of the Company by check mailed to the address of the person entitled thereto or, at the option of a Holder of at least \$10,000,000 in principal amount of Registered Securities, by wire transfer to an account designated by such Holder in writing at least 16 days prior to the date on which such payment is due. Unless otherwise provided in the applicable Prospectus Supplement, no payment on a Bearer Security will be made by mail to an address in the United States or by wire transfer to an account maintained by the Holder thereof in the United States or will otherwise be made inside the United States.

#### NOTICES

Unless otherwise provided in the applicable Prospectus Supplement, any notice required to be given to a Holder of a Debt Security of any series that is a Registered Security will be mailed to the last address of such Holder set forth in the applicable Security Register. Any notice required to be given to a Holder of a Debt Security that is a Bearer Security will be published in a daily newspaper of general circulation in the city or cities specified in the Prospectus Supplement relating to such Bearer Security.

#### GLOBAL SECURITIES

The Debt Securities of a series may be issued in whole or in part in the form of one or more Global Securities that will be deposited with, or on behalf of, a depositary (the "Depositary") identified in the Prospectus Supplement relating to such series. Global Securities may be issued in either registered or bearer form and in either temporary or definitive form. Unless and until it is exchanged in whole or in part for the individual Debt Securities represented thereby, a Global Security may not be transferred except as a whole by the Depositary for such Global Security to a nominee of the Depositary or by a nominee of the Depositary to the Depositary or another nominee of the Depositary or by the Depositary or any nominee to a successor of the Depositary or a nominee of the successor.

The specific terms of the depositary arrangement with respect to any Debt Securities of a series will be described in the Prospectus Supplement relating to such series. The Company anticipates that the following provisions will apply to all depositary arrangements.

Upon the issuance of a Global Security, the Depositary will credit on its book-entry system the respective principal amounts of the individual Debt Securities represented by such Global Security to the accounts of institutions that have accounts with the Depositary ("participants"). The accounts to be credited shall be designated by the underwriters of the Debt Securities, or if the Debt Securities are offered and sold directly by the Company or through agents, by the

Company or those agents. Ownership of beneficial interest in a Global Security will be limited to participants or persons that may hold beneficial interests through participants. Ownership of beneficial interest in a Global Security will be shown on, and the transfer of that ownership will be effected only through, records maintained by the Depository's participants or persons that hold through participants. The laws of some states require that certain purchasers of securities take physical delivery of securities. Such limits and such laws may limit the market for beneficial interests in a Global Security.

So long as the Depository for a Global Security, or its nominee, is the registered owner of a Global Security, the Depository or nominee, as the case may be, will be considered the sole owner or Holder of the Debt

Securities represented by the Global Security for all purposes under the Indenture. Except as provided below, owners of beneficial interests in a Global Security will not be entitled to have Debt Securities represented by Global Securities registered in their names, will not receive or be entitled to receive physical delivery of Debt Securities in definitive form and will not be considered the owners or Holders thereof under the Indenture.

Subject to the restrictions discussed under "Limitations on Issuance of Bearer Securities and Bearer Warrants" below, payments of principal of (and premium, if any) and any interest on the individual Debt Securities registered in the name of the Depository or its nominee will be made to the Depository or its nominee, as the case may be, as the Holder of such Global Security. Neither the Company nor the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of a Global Security, or for maintaining, supervising or reviewing any records relating to beneficial ownership interests and each of them may act or refrain from acting without liability on any information provided by the Depository. The Company expects that the Depository, upon receipt of any payment of principal, premium or interest in respect of a Global Security, will credit immediately the accounts of the participants with payment in amounts proportionate to their respective holdings in principal amount of beneficial interest in a 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 Global Security will be governed by standing customer instructions and customary practices, as is now the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such participants. Receipt by owners of beneficial interests in a temporary Global Security of payments of principal, premium or interest in respect thereof will be subject to the restrictions discussed under "Limitations on Issuance of Bearer Securities and Bearer Warrants" below.

If interest is paid on a bearer Global Security, or if no interest has been paid but the bearer Global Security remains outstanding beyond a reasonable period of time after the restricted period (as defined in applicable U.S. Treasury regulations) has ended, the Depository must provide the Company with a certificate to the effect that the owners of the beneficial interests in the Global Security are non-U.S. persons or U.S. persons that are permitted to hold bearer securities under applicable U.S. Treasury regulations. In general, U.S. persons that are permitted to hold bearer securities are U.S. persons who acquire the securities through the foreign branch of certain U.S. financial institutions and certain U.S. financial institutions that hold the securities for resale to non-U.S. persons or who hold the securities on their own account through a foreign branch. The certificate must be provided within a reasonable period of time after the end of the restricted period, but in no event later than the date when interest is paid. The certificate must be based on statements provided to the Depository by the owners of the beneficial interests.

If the Depository is at any time unwilling or unable or ineligible to continue as depository and a successor depository is not appointed by the Company within 90 calendar days, then the Company will issue Debt Securities in certificated form in exchange for all outstanding Global Securities. In addition, the Company (but not a Holder) may at any time determine not to have Debt Securities represented by a Global Security and, in that event, will issue Debt Securities in definitive form in exchange for all Global Securities. In any such instance, an owner of a beneficial interest in the Global Securities to be exchanged will be entitled to delivery in definitive form of Debt Securities equal in principal amount to such beneficial

interest and to have such Debt Securities registered in its name. Individual Debt Securities of the series so issued will be issued (a) as Registered Securities in denominations, unless otherwise specified by the Company, of \$1,000 and integral multiples thereof if the Debt Securities of that series are issuable as Registered Securities, (b) as Bearer Securities in the denomination or denominations specified by the Company if the Debt Securities of that series are issuable as Bearer Securities or (c) as either Registered or Bearer Securities, if the Debt Securities of that series are issuable in either form. See,

however, "Limitations on Issuance of Bearer Securities and Bearer Warrants" below for a description of certain restrictions on the issuance of individual Bearer Securities in exchange for beneficial interests in a Global Security.

#### LIMITATION ON LIENS

The Indenture provides that the Company may not, and may not permit any Restricted Subsidiary to, issue, incur, assume, guarantee or suffer to exist any indebtedness for borrowed money secured by a pledge of, lien on or security interest in any shares of Voting Stock of any Restricted Subsidiary without effectively providing that the securities issued under the Indenture, including the Debt Securities, will be secured equally and ratably with such secured indebtedness. The term "Restricted Subsidiary" as defined in the Indenture means Bear Stearns, Custodial Trust Company, BSSC and any other subsidiary of the Company owning, directly or indirectly, any of the common stock of, or succeeding to a significant portion of the business, property or assets of a Restricted Subsidiary, or with which a Restricted Subsidiary is merged or consolidated.

#### MERGER AND CONSOLIDATION

The Indenture provides that the Company may consolidate or merge with or into any other corporation, and the Company may sell, lease or convey all or substantially all of its assets to any corporation, organized and existing under the laws of the United States of America or any state thereof, provided that (a) the corporation (if other than the Company) formed by or resulting from any such consolidation or merger or that shall have received such assets shall expressly assume payment of the principal of, and premium, if any, and interest on, (and any Additional Amounts payable in respect of) the Debt Securities and the performance and observance of all of the covenants and conditions of the Indenture to be performed or observed by the Company, and (b) the Company or such successor corporation shall not immediately thereafter be in default under the Indenture.

Unless otherwise provided in the applicable Prospectus Supplement, the Indenture does not restrict (i) a consolidation, merger, sale of assets or other similar transaction that may adversely affect the creditworthiness of the Company or a successor or combined entity, (ii) a change in control of the Company or (iii) a highly leveraged transaction involving the Company, whether or not involving a change in control, and the Indenture therefore will not protect holders of the Debt Securities from the substantial impact that any of the foregoing transactions may have on the value of the Debt Securities.

#### MODIFICATION AND WAIVER

Modification and amendment of the Indenture may be effected by the Company and the Trustee with the consent of the Holders of 66 2/3% in principal amount of the outstanding Debt Securities of each series affected thereby, provided that no such modification or amendment may, without the consent of the Holder of each outstanding Debt Security affected thereby (a) change the Stated Maturity or the date of any installment of principal of, or interest on, any Debt Security or change the Redemption Price or the Optional Redemption Price thereof; (b) reduce the principal amount of, or the rate of interest on, or the amount of any Additional Amount payable in respect of, any Debt Security or reduce the amount of principal that could be declared due and payable prior to the Stated Maturity of that Debt Security, or change the obligation of the Company to pay any Additional Amounts (except as contemplated or permitted under the Indenture), or reduce the amount of the principal of a Discount Security that would be due and payable upon a declaration of acceleration of the maturity of that Debt Security pursuant to the Indenture; (c) change the place or currency of any payment of principal, premium, if any,

or interest on any Debt Security; (d) impair the right to institute

suit for the enforcement of any payment on or with respect to any Debt Security; (e) reduce the percentage in principal amount of the outstanding Debt Securities of any series, the consent of whose Holders is required to modify or amend the Indenture; or (f) modify the foregoing requirements or reduce the percentage of outstanding Debt Securities necessary to waive any past default to less than a majority. Except with respect to certain fundamental provisions, the Holders of at least a majority in principal amount of outstanding Debt Securities of any series may, with respect to that series, waive past defaults under the Indenture and waive compliance by the Company with certain provisions of the Indenture.

#### EVENTS OF DEFAULT

Under the Indenture, the following will be Events of Default with respect to any series of Debt Securities: (a) default in the payment of interest on, or any Additional Amounts payable in respect of, any Debt Securities of that series when due, which default has continued for 30 days; (b) default in the payment of the principal of, and premium, if any, on, any Debt Security of that series when due; (c) default in the deposit of any sinking fund payment, when due, in respect of any Debt Security of that series; (d) default in the performance of any other covenant of the Company contained in the Indenture or in the Debt Securities of that series, which default has continued for 60 days after written notice as provided in the Indenture; (e) default for 10 days after notice as provided in the Indenture, in respect of any other indebtedness for borrowed money of the Company or any Restricted Subsidiary in excess of \$10,000,000 that has been declared due and payable prior to maturity; (f) certain events of bankruptcy, insolvency or reorganization; and (g) any other Event of Default with respect to Debt Securities of that series. The Trustee or the Holders of 25% in principal amount (or any lesser amount that may be provided for in the Debt Securities of that series) of the outstanding Debt Securities of that series may declare the principal amount of all outstanding Debt Securities of that series due and payable immediately if an Event of Default with respect to the Debt Securities of that series shall occur and be continuing at the time of declaration. At any time after a declaration of acceleration has been made with respect to the Debt Securities of any series, but before a judgment or decree for payment of money due has been obtained by the Trustee, the Holders of a majority in principal amount of the outstanding Debt Securities of that series may rescind any declaration of acceleration and its consequences, if all payments due (other than those due solely as a result of acceleration) have been made and all Events of Default have been remedied or waived. Any Event of Default with respect to Debt Securities of any series may be waived by the Holders of a majority in principal amount of all outstanding Debt Securities of that series, except in a case of failure to pay the principal of, and premium, if any, or interest on, or any Additional Amounts payable in respect of, any Debt Security of that series for which payment had not been subsequently made or in respect of a covenant or provision that cannot be modified or amended without the consent of the Holder of each outstanding Debt Security of that series.

The Holders of a majority in principal amount of the outstanding Debt Securities of a series 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 Debt Securities of that series, provided that this direction shall not be in conflict with any rule of law or the Indenture. Before proceeding to exercise any right or power under the Indenture at the direction of those Holders, the Trustee shall be entitled to receive from those Holders reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in complying with any such direction.

The Company will be required to furnish to the Trustee annually a statement as to the fulfillment by the Company of all of its obligations under the Indenture.

#### DEFERANCE

If so established by the Company under the terms of the Indenture with respect to Debt Securities of any series that are Registered Securities denominated and payable only in United States dollars (except as otherwise provided under the Indenture), the Company, at its option, (a) will be discharged from any and all obligations in respect of the Debt Securities of that series (except for certain

obligations to register the transfer or exchange of Debt Securities of that series, replace stolen, lost or mutilated Debt Securities of that series, maintain paying agents and hold moneys for payment in trust) on the 91st day after the applicable conditions described in this paragraph have been satisfied or (b) will not be subject to provisions of the Indenture described above under "Limitation on Liens" and "Merger and Consolidation" with respect to the Debt Securities of that series, in each case if the Company deposits with the Trustee, in trust, money or U.S. Government Obligations that, through the payment of interest thereon and principal thereof in accordance with their terms, will provide money in an amount sufficient to pay all the principal (including any mandatory sinking fund payments) of, and premium, if any, and any interest on, the Debt Securities of that series on the dates such payments are due in accordance with the terms of those Debt Securities. To exercise either option, the Company is required to deliver to the Trustee an opinion of counsel to the effect that (a) the deposit and related defeasance would not cause the Holders of the Debt Securities of the series being defeased to recognize income, gain or loss for United States Federal income tax purposes and (b) if the Debt Securities of that series are then listed on the NYSE, the exercise of the option would not result in delisting. Defeasance provisions, if any, with respect to any series of Debt Securities may be specified by the Company under the terms of the Indenture.

#### DESCRIPTION OF WARRANTS

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 and provisions will not apply to the Warrants so offered will be described in the Prospectus Supplement relating to those Warrants.

The Company may issue Warrants for the purchase of Debt Securities, Warrants to buy or sell debt securities of or guaranteed by the United States or other sovereign states ("Government Debt Securities"), Warrants to buy or sell currencies, currency units or units of a currency index or currency basket, Warrants to buy or sell units of a stock index or stock basket and Warrants to buy and sell a commodity or a commodity index. Warrants may be offered independently of or together with any series of Debt Securities and may be attached to or separate from those Debt Securities. The Warrants will be settled either through physical delivery or through payment of a cash settlement value as set forth herein and in any applicable Prospectus Supplement. Each series of Warrants will be issued under a separate warrant agreement (a "Warrant Agreement") to be entered into between the Company and a bank or a trust company, as warrant agent (the "Warrant Agent"), all as described in the Prospectus Supplement relating to that series of Warrants. The Warrant Agent will act solely as the agent of the Company under the applicable Warrant Agreement and in connection with the certificates for the Warrants (the "Warrant Certificates"), if any, of that series, and will not assume any obligation or relationship of agency or trust for or with any holders of those Warrant Certificates or beneficial owners of those Warrants. The following summaries of certain provisions of the forms of Warrant Agreements and Warrant Certificates do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all the provisions of the Warrant Agreements and the Warrant Certificates, copies of which have been filed as exhibits to the Registration Statement of which this Prospectus is a part.

#### GENERAL

Reference is hereby made to the Prospectus Supplement relating to the particular series of Warrants, if any, offered thereby for the terms of those Warrants, including, where applicable: (1) whether the Warrant is for Debt Securities, Government Debt Securities, currencies, currency units, currency indices or currency baskets, stock indices, stock baskets, commodities, commodity indices or any other index or reference as therein described; (2) the offering price; (3) the currency, currency unit, currency index or currency basket based on or relating to currencies for which those Warrants may be purchased; (4) the date on which the right to exercise those Warrants will commence and the date (the "Expiration Date") on which that right will expire; (5) whether those Warrants are to be issuable in registered form ("Registered Warrants") or bearer form ("Bearer Warrants"); (6) whether those Warrants are extendable and the period or periods of such extendability; (7) the terms upon which Bearer

Warrants, if any, of any series may be exchanged for Registered Warrants of that series; (8) whether those Warrants will be issued in book-entry form (a "Global Warrant Certificate") or in certificated Form; (9) United States federal income tax consequences applicable to those Warrants; and (10) any other terms of those Warrants not inconsistent with the applicable Warrant Agreement.

If the offered Warrants are to purchase Debt Securities, the Prospectus Supplement will also describe (1) the designation, aggregate principal amount, currency, currency unit or currency basket and other terms of the Debt Securities purchasable upon exercise of those Warrants; (2) the designation and terms of the Debt Securities with which those Warrants are issued and the number of those Warrants issued with each such Debt Security; (3) the date or dates on and after which those Warrants and the related Debt Securities will be separately transferable; and (4) the principal amount of Debt Securities purchasable upon exercise of one offered Warrant and the price at which and currency, currency unit or currency basket in which such principal amount of Debt Securities may be purchased upon such exercise. Prior to exercising their Warrants, holders of those Warrants will not have any of the rights of Holders of the Debt Securities of the series purchasable upon such exercise, including the right to receive payments of principal of, or premium, if any, or interest, if any, on, those Debt Securities, or to enforce any of the covenants in the Indenture.

If the offered Warrants are to buy or sell Government Debt Securities or a currency, currency unit, currency index or currency basket, the Prospectus Supplement will describe the amount and designation of the Government Debt Securities or currency, currency unit, currency index or currency basket, as the case may be, subject to each Warrant, whether those Warrants provide for cash settlement or delivery of the Government Debt Securities or currency, currency unit, currency index or currency basket upon exercise.

If the offered Warrants are Warrants on a stock index or a stock basket, those Warrants will provide for payment of an amount in cash determined by reference to increases or decreases in such stock index or stock basket, and the Prospectus Supplement will describe the terms of those Warrants, the stock index or stock basket covered by those Warrants and the market to which the stock index or stock basket relates.

If the offered Warrants are Warrants on a commodity or commodity index, those Warrants will provide for cash settlement or delivery of the particular commodity or commodity index. The Prospectus Supplement will describe the terms of those Warrants, the commodity or commodity index covered by those Warrants and the market, if any, to which the commodity or commodity index relates.

Registered Warrants of any series will be exchangeable for Registered Warrants of the same series representing in the aggregate the number of Warrants surrendered for exchange. Warrant Certificates, to the extent exchangeable, may be presented for exchange, and Registered Warrants may be presented for transfer, at the corporate trust office of the Warrant Agent for that series of Warrants (or any other office indicated in the

Prospectus Supplement relating to that series of Warrants). Warrants to buy or sell Government Debt Securities or a currency, currency unit, currency index or currency basket, and Warrants on stock indices or stock baskets or on commodities or commodity indices, may be issued in the form of a single Global Warrant Certificate, registered in the name of the nominee of the depository of the Warrants, or may initially be issued in the form of definitive certificates that may be exchanged, on a fixed date, or on a date or dates selected by the Company, for interests in a Global Warrant Certificate, as set forth in the applicable Prospectus Supplement. Bearer Warrants will be transferable by delivery. The Prospectus Supplement will describe the terms of exchange applicable to any Bearer Warrants.

#### EXERCISE OF WARRANTS

Each Warrant will entitle the Holder to purchase such principal amount of the Debt Securities or buy or sell such amount of Government Debt Securities or of a currency, currency unit, currency index or currency basket, commodity or commodities at the exercise price, or receive a settlement value in respect of such amount of Government

Debt Securities or of a currency, currency unit, currency index or currency basket, stock index or stock basket, commodity or commodity index, as shall in each case be set forth in or calculable from, the Prospectus Supplement relating to that series of Warrants or as otherwise set forth in the Prospectus Supplement. Warrants may be exercised at the corporate trust office of the Warrant Agent (or any other office indicated in the Prospectus Supplement relating to those Warrants) at any time up to 5:00 p.m. New York time on the date set forth in the Prospectus Supplement relating to those Warrants or as may be otherwise set forth in the Prospectus Supplement. After such time on that date (or such later date to which such date may be extended by the Company), unexercised Warrants will become void.

Subject to any restrictions and additional requirements that may be set forth in the Prospectus Supplement relating thereto, Warrants may be exercised by delivery to the Warrant Agent of the Warrant Certificate evidencing such Warrants properly completed and duly executed and of payment as provided in the Prospectus Supplement of the amount required to purchase the Debt Securities, or (except in the case in the case of Warrants providing for cash settlement) payment for or delivery of the Government Debt Securities or currency, currency unit, currency basket, stock index, stock basket, commodity or commodity index, as the case may be, purchased or sold upon such exercise. Only Registered Securities will be issued and delivered upon exercise of Registered Warrants. Warrants will be deemed to have been exercised upon receipt of such Warrant Certificate and any payment, if applicable, at the corporate trust office of the Warrant Agent or any other office indicated in the Prospectus Supplement and the Company will, as soon as practicable thereafter, issue and deliver the Debt Securities purchasable upon such exercise, or buy or sell such Government Debt Securities or currency, currency unit, currency basket, commodity or commodities or pay the settlement value in respect of the Warrants. If fewer than all of the Warrants represented by such Warrant Certificate are exercised, a new Warrant Certificate will be issued for the remaining amount of the Warrants. Special provisions relating to the exercise of any Bearer Warrants or automatic exercise of Warrants will be described in the related Prospectus Supplement.

#### LIMITATIONS ON ISSUANCE OF BEARER SECURITIES AND BEARER WARRANTS

In compliance with United States federal income tax laws and regulations, the Company and any underwriter, agent or dealer participating in the offering of any Bearer Security will agree that, in connection with the original issuance of such Bearer Security or during the restricted period (as defined in applicable U.S. Treasury regulations) of such Bearer Security, they will not offer, sell or deliver such Bearer Security, directly or indirectly, to a U.S. Person or to any person within the United States, except to the extent permitted under U.S. Treasury regulations.

Each Bearer Security, including Bearer Global Securities that will not be exchanged for definitive individual Securities prior to the stated maturity, will bear on the face of the Security and on any interest coupons that may be detachable therefrom a legend to the following effect: "Any United States Person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code." The sections referred to in the legend provide that, with certain exceptions, a United States taxpayer who holds Bearer Securities will not be allowed to deduct any loss, and will not be eligible for capital gain treatment with respect to any gain, realized on a sale, exchange, redemption or other disposition of those Bearer Securities. The legend described above will also be evidenced on any book-entry system maintained with respect to the Bearer Securities.

As used herein, "United States" means the United States of America and its possessions, and "U.S. Person" means a citizen or resident of the United States, a corporation, partnership or other entity created or organized in or under the laws of the United States, or an estate or trust the income of which is subject to United States federal income taxation regardless of its source.

Pending the availability of a definitive Global Security or individual Bearer Securities, as the case may be, Debt Securities that are issuable as Bearer Securities may initially be represented by a single temporary Global Security. Following the availability of a definitive Global Security in bearer form, or individual Bearer Securities, and subject to any further limitations described in the applicable Prospectus Supplement, the temporary Global Security will be exchangeable for interests in such definitive Global Security or

for such individual Bearer Securities, respectively, only upon receipt of a "Certificate of Non-U.S. Beneficial Ownership" unless such a certificate has already been provided by the Depositary because interest has been paid on the Global Security or because a reasonable period of time after the end of the restricted period has passed.

Limitations on the offer, sale, delivery and exercise of Bearer Warrants (including a requirement that a Certificate of Non-U.S. Beneficial Ownership be delivered upon exercise of a Bearer Warrant) will be described in the Prospectus Supplement relating to those Bearer Warrants.

#### PLAN OF DISTRIBUTION

The Company may sell the Securities in any of three ways: (i) to underwriters (including Bear Stearns) or dealers, who may act directly or through a syndicate represented by one or more managing underwriters (including Bear Stearns); (ii) through broker-dealers (including Bear Stearns) designated by the Company to act on its behalf as agents; or (iii) directly to one or more purchasers. Each Prospectus Supplement will set forth the manner and terms of the offering of the Securities covered thereby, including (i) whether that offering is being made to underwriters or through agents; (ii) any underwriting discounts, dealer concessions, agency commissions and any other items that may be deemed to constitute underwriters', dealers' or agents' compensation, and (iii) the purchase price or initial public offering price of the Securities and the anticipated proceeds to the Company from the sale of the Securities.

When Securities are to be sold to underwriters, unless otherwise set forth in the applicable Prospectus Supplement, the obligations of the underwriters to purchase those Securities will be subject to certain conditions precedent but the underwriters will be obligated to purchase all of the Securities if any are purchased. The Securities will be acquired by the underwriters for their own account and may be resold by the underwriters, either directly to the public or to securities dealers, from time to time in one or more transactions, including negotiated transactions, either at fixed public offering price or at varying prices determined at the time of sale. The initial public offering price, if any, and any concessions allowed or reallocated to dealers, may be changed from time to time.

To the extent that any Securities underwritten by Bear Stearns are not resold by Bear Stearns for an amount at least equal to the public offering price thereof, the proceeds from the offering of those Securities will be reduced. Bear Stearns intends to resell any of those Securities from time to time following termination of the offering at varying prices related to prevailing market prices at the time of sale, subject to applicable prospectus delivery requirements.

Unless otherwise indicated in the applicable Prospectus Supplement, when Securities are sold through an agent, the designated agent will agree, for the period of its appointment as agent, to use its best efforts to sell the Securities for the Company's account and will receive commissions from the Company as set forth in the applicable Prospectus Supplement.

Securities purchased in accordance with a redemption or repayment pursuant to their terms may also be offered and sold, if so indicated in the applicable Prospectus Supplement, in connection with a remarketing by one or more firms ("remarketing firms") acting as principals for their own accounts or as agents for the Company. Any remarketing firm will be identified and the terms of its agreement, if any, with the Company and its compensation will be described in the Prospectus Supplement. Remarketing firms may be deemed to be underwriters in connection with the Securities remarketed by them.

If so indicated in the applicable Prospectus Supplement, the Company will authorize agents, underwriters or dealers to solicit offers by certain specified institutions to purchase Securities at the public offering price set forth in the Prospectus Supplement pursuant to delayed delivery contracts providing for payment and delivery on a future date specified in the Prospectus Supplement. These contracts will be subject only to those conditions set forth in the applicable Prospectus Supplement and the Prospectus Supplement will set forth the commissions payable for solicitation of these contracts.

Underwriters and agents participating in any distribution of Securities may be deemed "underwriters" within the meaning of the

Securities Act and any discounts or commissions they receive in connection therewith may be deemed to be underwriting compensation for the purposes of the Securities Act. Those underwriters and agents may be entitled, under their agreements with the Company, to indemnification by the Company against certain civil liabilities, including liabilities under the Securities Act, or to contribution by the Company to payments that they may be required to make in respect of those civil liabilities. Various of those underwriters or agents may be customers of, engage in transactions with or perform services for the Company or its affiliates in the ordinary course of business.

Following the initial distribution of any series of Securities, Bear Stearns may offer and sell previously issued Securities of that series from time to time in the course of its business as a broker-dealer. Bear Stearns may act as principal or agent in those transactions. This Prospectus and the Prospectus Supplement applicable to those Securities will be used by Bear Stearns in connection with those transactions. Sales will be made at prices related to prevailing prices at the time of sale.

Each distribution of Securities will conform to the requirements set forth in the applicable sections of Schedule E to the By-laws of the NASD.

#### ERISA CONSIDERATIONS

Section 4975 of the Internal Revenue Code of 1986, as amended (the "Code"), prohibits the borrowing of money, the sale of property and certain other transactions involving the assets of plans that are qualified under the Code ("Qualified Plans") or individual retirement accounts ("IRAs") and persons who have certain specified relationships to them. Section 406 of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), prohibits similar transactions involving employee benefit plans that are subject to ERISA ("ERISA Plans"). Qualified Plans, IRAs and ERISA Plans are hereinafter collectively referred to as "Plans."

Persons who have such specified relationships are referred to as "parties in interest" under ERISA and as "disqualified persons" under the Code. "Parties in interest" and "disqualified persons" encompass a wide range of persons, including any fiduciary (e.g., investment manager, trustee or custodian), any person providing services (e.g., a broker), the Plan sponsor, an employee organization any of whose members are covered by the Plan, and certain persons related to or affiliated with any of the foregoing.

The Company, Bear Stearns and/or BSSC each is considered a "party in interest" or "disqualified person" with respect to many Plans, including IRAs established with any of them. The purchase and/or holding of Securities by a Plan with respect to which the Company, Bear Stearns and/or BSSC is a fiduciary and/or a service provider (or otherwise is a "party in interest" or "disqualified person") would constitute or result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, unless such Securities are acquired or held pursuant to and in accordance with an applicable statutory or administrative exemption. An IRA that engages in a non-exempt prohibited transaction could forfeit its tax-exempt status under Section 408 of the Code.

Applicable exemptions may include the exemption for services under Section 408(b)(2) of ERISA and certain prohibited transaction class exemptions (e.g., Prohibited Transaction Class Exemption 84-14

-----  
relating to qualified professional asset managers and Prohibited  
Transaction Class Exemptions 75-1 and 86-128 relating to securities  
transactions involving employee benefit plans and broker-dealers).

In accordance with ERISA's general fiduciary requirement, a  
fiduciary with respect to any ERISA Plan who is considering the  
purchase of Securities on behalf of such plan should determine whether  
such purchase is permitted under the governing plan document and is  
prudent and appropriate for the ERISA Plan in view of its overall  
investment policy and the composition and diversification of its  
portfolio. No IRA established with, or for which services are  
provided by, the Company, Bear Stearns, and/or BSSC should acquire any  
Securities and other Plans established with, or for which services are  
provided by, the Company, Bear Stearns and/or BSSC should consult with  
counsel prior to making any such acquisition.

#### EXPERTS

The consolidated financial statements and the related financial  
statement schedules incorporated by reference from the Company's 1993  
Form 10-K have been audited by Deloitte & Touche, independent  
auditors, as stated in their reports, which are incorporated herein by  
reference, and have been so incorporated in reliance upon the reports  
of such firm given upon their authority as experts in accounting and  
auditing.

#### VALIDITY OF THE SECURITIES

The validity of the Debt Securities and the Warrants will be  
passed upon for the Company by Weil, Gotshal & Manges (a partnership  
including professional corporations), New York, New York.

PART II  
INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The following table sets forth all expenses in connection with the issuance and distribution of the securities being registered. All amounts shown are estimated, except the SEC registration fee and the NASD filing fee.

<TABLE>  
<CAPTION>

<u>&lt;S&gt;</u>	<u>&lt;C&gt;</u>
SEC registration fee . . . . .	\$862,069
Trustee's fees and expenses . . . . .	10,000
Accounting fees . . . . .	10,000
Legal fees and expenses . . . . .	200,000
Blue Sky fees and expenses (including legal fees) . . . . .	10,000
Printing and engraving fees . . . . .	20,000
NASD filing fee . . . . .	30,500
Miscellaneous . . . . .	32,431
	-----
Total	\$1,175,000
	=====

</TABLE>

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Reference is made to section 145 of the Delaware General Corporation Law which provides for indemnification of directors and officers in certain circumstances.

Article VIII of the registrant's Restated Certificate of Incorporation provides for indemnification of directors and officers of the registrant against certain liabilities incurred as a result of their duties as such and also provides for the elimination of the monetary liability of directors for certain actions as such. The registrants Restated Certificate of Incorporation, as amended, is filed as Exhibit 4(a) to the Registration Statement on Form S-8 (No. 33-49979) filed August 13, 1993.

The registrant has in effect reimbursement insurance for

directors' and officers' liability claims and directors' and officers' liability insurance indemnifying, respectively, the registrant and its directors and officers within specific limits for certain liabilities incurred by them, subject to the conditions and exclusions and deductible provisions of the policies.

For the undertaking with respect to indemnification, see Item 17 herein.

ITEM 16. EXHIBITS.

- 1(a) --Form of Underwriting Agreement.(1)
- 1(b) --Form of Distribution Agreement.(1)
- 1(c) --Distribution Agreement, including form of Terms Agreement, dated November 8, 1991, for Medium-Term Notes ("MTN Distribution Agreement").(2)
- 1(d) --Amendment No. 1, dated December 4, 1991, to the MTN Distribution Agreement.(3)
  
- 1(e) --Form of Amendment No. 2 to the MTN Distribution Agreement.(3)
- 4(a) --Indenture, dated as of May 31, 1991, between The Bear Stearns Companies Inc. and Chemical Bank (formerly Manufacturers Hanover Trust Company).(4)
- 4(b)(1) --Form of Fixed Rate Senior Note.(5)
- 4(b)(2) --Form of Medium-Term Note, Series B (Fixed Rate).(5)
- 4(b)(3) --Form of Medium-Term Note, Series B (Floating Rate).(3)
- 4(b)(4) --Form of Medium-Term Note, Series B (Floating Rate Extendible).(3)
- 4(b)(5) --Form of Floating Rate Note (LIBOR).(6)
- 4(b)(6) --Form of Floating Rate Note (CMT).\*
- 4(b)(7) --Form of Note (Common - Linked Higher Income Participation Securities).\*
- 4(c)(1) --Form of Warrant Agreement, including form of Warrant Certificate, for Warrants to purchase Debt Securities.(1)
- 4(c)(2) --Form of Warrant Agreement, including form of Warrant Certificate (for Warrants to be sold separately from Debt Securities), for Warrants to purchase Debt Securities.(1)
- 4(c)(3) --Form of Warrant Agreement for Warrants to purchase other securities, currencies or units.(3)
- 4(c)(4) --Form of Warrant Agreement relating to AMEX Hong Kong 30 Index Call Warrants.(7)
- 4(c)(5) --Form of Warrant Agreement relating to AMEX Hong Kong 30 Index Put Warrants.(8)
- 5 --Opinion of Weil, Gotshal & Manges.\*
- 12 --Computation of Ratio of Earnings to Fixed Charges.\*
- 23(a) --Consent of Deloitte & Touche.\*
- 23(b) --Consent of Weil, Gotshal & Manges (included in Exhibit 5).\*
- 24 --Power of attorney (included in the signature pages to the Registration Statement).\*
- 25 --Form T-1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939 of Chemical Bank (separately bound).\*

\* Filed herewith.

- (1) Incorporated by reference to similarly numbered exhibits to the registrant's Registration Statement No. 33-44521 on Form S-3.
- (2) Incorporated by reference to Exhibit 1(a) to the registrant's Registration Statement No. 33-43482 on Form S-3.
- (3) Incorporated by reference to the similarly numbered exhibit to the registrant's Registration Statement No. 33-48829 on Form S-3.
- (4) Incorporated by reference to the similarly numbered exhibit

- to the registrant's Registration Statement No. 33-40933 on Form S-3.
- (5) Incorporated by reference to the similarly numbered exhibit to the registrant's Registration Statement No. 33-57824 on Form S-3.
  - (6) Incorporated by reference to the similarly numbered exhibit to the registrant's Registration Statement No. 33-50393 on Form S-3.
  - (7) Incorporated by reference to Exhibit 1.1 to the registrant's Registration Statement on Form 8-A filed with the Securities and Exchange Commission on December 6, 1993.
  - (8) Incorporated by reference to Exhibit 1.2 to the registrant's Registration Statement on Form 8-A filed with the Securities and Exchange Commission on December 6, 1993.

II-

ITEM 17. UNDERTAKINGS.

The undersigned registrant hereby undertakes:

(a) To file, during any period in which offers or sales 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, as amended (the "Securities Act");

(ii) to reflect in the Prospectus any facts or events arising after the effective date of this 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 this Registration Statement;

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

provided, however, that the undertakings set forth in paragraphs (i) and (ii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the Registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act") that are incorporated by reference in this Registration Statement.

(b) That, for the purpose of determining any liability under the Securities Act, 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.

(c) To remove from registration by means of a post-effective amendment any of the Securities being registered hereby which remain unsold at the termination of the offering.

(d) That, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Exchange Act of 1934, as amended, that is incorporated by reference in this registration statement shall be deemed to be a new registration statement relating to the securities offered herein and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(e) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions referred to in Item 15 of this registration statement, 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 such 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 hereby, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court

II-

of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in such 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 hereby 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 the City of New York, State of New York, on the 15 day of March, 1994.

THE BEAR STEARNS COMPANIES INC.

By: /s/ William J. Montgoris

-----  
William J. Montgoris  
Chief Operating Officer and  
Chief Financial Officer

We, the undersigned officers and directors of The Bear Stearns Companies Inc., hereby severally constitute Alan C. Greenberg, James E. Cayne and William J. Montgoris, and any of them singly, our true and lawful attorneys with full power to them, and each of them singly, to sign for us and in our name in the capacities indicated below, any and all amendments to this registration statement on Form S-3 filed by The Bear Stearns Companies Inc. with the Securities and Exchange Commission, and generally to do all such things in our name and behalf in such capacities to enable The Bear Stearns Companies Inc. to comply with the provisions of the Securities Act of 1933, as amended, and all requirements of the Securities and Exchange Commission, and we hereby ratify and confirm our signatures as they may be signed by our said attorneys, or any of them, to any and all such amendments.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE -----	TITLE -----	DATE ----
/s/ Alan C. Greenberg ----- Alan C. Greenberg	Chairman of the Board and Director	March 15, 1994
/s/ James E. Cayne ----- James E. Cayne	President and Chief Executive Officer (Principal Executive Officer); Director	March 15, 1994
/s/ Michael L. Tarnopol ----- Michael L. Tarnopol	Executive Vice President; Director	March 15, 1994

/s/ Vincent J. Mattone ----- Vincent J. Mattone	Executive Vice President; Director	March 15, 1994
---	---------------------------------------	----------------

II-

SIGNATURE -----	TITLE -----	DATE ----
/s/ Alan D. Schwartz ----- Alan D. Schwartz	Executive Vice President; Director	March 15, 1994
/s/ John C. Sites, Jr. ----- John C. Sites, Jr.	Executive Vice President; Director	March 15, 1994
----- Warren J. Spector	Executive Vice President; Director	March __, 1994
/s/ William J. Montgoris ----- William J. Montgoris	Chief Operating Officer and Chief Financial Officer (Principal Financial Officer); Director	March 15, 1994
/s/ Michael Minikes ----- Michael Minikes	Treasurer; Director	March 15, 1994
/s/ E. Garrett Bewkes, III ----- E. Garrett Bewkes, III	Director	March 15, 1994
/s/ Denis A. Bovin ----- Denis A. Bovin	Director	March 15, 1994
/s/ Peter Cherasia ----- Peter Cherasia	Director	March 15, 1994
/s/ Michael R. Dabney ----- Michael R. Dabney	Director	March 15, 1994
----- Kevin Finnerty	Director	March __, 1994

II-

SIGNATURE	TITLE	DATE
-----------	-------	------

----- /s/ Grace J. Fippinger ----- Grace J. Fippinger	Director	March 15, 1994
----- /s/ Carl D. Glickman ----- Carl D. Glickman	Director	March 15, 1994
----- /s/ Thomas R. Green ----- Thomas R. Green	Director	March 15, 1994
----- /s/ Donald J. Harrington ----- Rev. Donald J. Harrington, C.M.	Director	March 15, 1994
----- /s/ Richard Harriton ----- Richard Harriton	Director	March 15, 1994
----- /s/ Nancy E. Havens-Hasty ----- Nancy E. Havens-Hasty	Director	March 15, 1994
----- /s/ Jonathan Ilany ----- Jonathan Ilany	Director	March 15, 1994
----- /s/ Daniel L. Keating ----- Daniel L. Keating	Director	March 15, 1994
----- John W. Kluge	Director	March __, 1994
----- /s/ David A. Liebowitz ----- David A. Liebowitz	Director	March 15, 1994

II-

SIGNATURE -----	TITLE -----	DATE -----
/s/ Bruce M. Lisman ----- Bruce M. Lisman	Director	March 15, 1994
----- Matthew J. Mancuso	Director	March __, 1994
/s/ Donald Mullen ----- Donald Mullen	Director	March 15, 1994

/s/ Frank T. Nickell                      Director                      March 15, 1994

-----  
Frank T. Nickell

/s/ R. Blaine Roberts                      Director                      March 15, 1994

-----  
R. Blaine Roberts

/s/ E. John Rosenwald, Jr.                      Director                      March 15, 1994

-----  
E. John Rosenwald, Jr.

Director                      March \_\_, 1994

-----  
Frederic V. Salerno

/s/ Robert M. Steinberg                      Director                      March 15, 1994

-----  
Robert M. Steinberg

Director                      March \_\_, 1994

-----  
Fred Wilpon

/s/ Uzi Zucker                      Director                      March 15, 1994

-----  
Uzi Zucker

II-

SIGNATURE

TITLE

DATE

-----

-----

-----

/s/ Michael J. Abatemarco                      Controller                      March 15, 1994

-----  
Michael J. Abatemarco

/s/ Samuel L. Molinaro, Jr.                      Senior Vice President-                      March 15, 1994

-----  
Samuel L. Molinaro, Jr.                      Finance (Principal  
Accounting Officer)

II-

EXHIBIT INDEX

EXHIBIT NO. -----	DESCRIPTION -----
1(a)	--Form of Underwriting Agreement.(1)
1(b)	--Form of Distribution Agreement.(1)
1(c)	--Distribution Agreement, including form of Terms Agreement, dated November 8, 1991, for Medium-Term Notes ("MTN Distribution Agreement").(2)
1(d)	--Amendment No. 1, dated December 4, 1991, to the MTN Distribution Agreement.(3)
1(e)	--Form of Amendment No. 2 to the MTN Distribution Agreement.(3)
4(a)	--Indenture, dated as of May 31, 1991, between The Bear Stearns Companies Inc. and Chemical Bank (formerly Manufacturers Hanover Trust Company).(4)
4(b)(1)	--Form of Fixed Rate Senior Note.(5)
4(b)(2)	--Form of Medium-Term Note, Series B (Fixed Rate).(5)
4(b)(3)	--Form of Medium-Term Note, Series B (Floating Rate).(3)
4(b)(4)	--Form of Medium-Term Note, Series B (Floating Rate Extendible).(3)
4(b)(5)	--Form of Floating Rate Note (LIBOR).(6)
4(b)(6)	--Form of Floating Rate Note (CMT).*
4(b)(7)	--Form of Note (Common - Linked Higher Income Participation Securities).*
4(c)(1)	--Form of Warrant Agreement, including form of Warrant Certificate, for Warrants to purchase Debt Securities.(1)
4(c)(2)	--Form of Warrant Agreement, including form of Warrant Certificate (for Warrants to be sold separately from Debt Securities), for Warrants to purchase Debt Securities.(1)
4(c)(3)	--Form of Warrant Agreement for Warrants to purchase other securities, currencies or units.(3)
4(c)(4)	--Form of Warrant Agreement relating to AMEX Hong Kong 30 Index Call Warrants.(7)
4(c)(5)	--Form of Warrant Agreement relating to AMEX Hong Kong 30 Index Put Warrants.(8)
5	--Opinion of Weil, Gotshal & Manges.*
12	--Computation of Ratio of Earnings to Fixed Charges.*

- 23(a) --Consent of Deloitte & Touche.\*  
23(b) --Consent of Weil, Gotshal & Manges (included in Exhibit 5).\*  
24 --Power of attorney (included in the signature pages to the  
Registration Statement).\*  
25 --Form T-1 Statement of Eligibility and Qualification under  
the Trust Indenture Act of 1939 of Chemical Bank (separately  
bound).\*

---

\* Filed herewith.

- (1) Incorporated by reference to similarly numbered exhibits to the registrant's Registration Statement No. 33-44521 on Form S-3.
- (2) Incorporated by reference to Exhibit 1(a) to the registrant's Registration Statement No. 33-43482 on Form S-3.
- (3) Incorporated by reference to the similarly numbered exhibit to the registrant's Registration Statement No. 33-48829 on Form S-3.
- (4) Incorporated by reference to the similarly numbered exhibit to the registrant's Registration Statement No. 33-40933 on Form S-3.
- (5) Incorporated by reference to the similarly numbered exhibit to the registrant's Registration Statement No. 33-57824 on Form S-3.
- (6) Incorporated by reference to the similarly numbered exhibit to the registrant's Registration Statement No. 33-50393 on Form S-3.
- (7) Incorporated by reference to Exhibit 1.1 to the registrant's Registration Statement on Form 8-A filed with the Securities and Exchange Commission on December 6, 1993.
- (8) Incorporated by reference to Exhibit 1.2 to the registrant's Registration Statement on Form 8-A filed with the Securities and Exchange Commission on December 6, 1993.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN CERTIFICATED FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO THE NOMINEE OF THE DEPOSITARY, TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY, A NEW YORK CORPORATION, TO THE 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 DEPOSITARY TRUST COMPANY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY), 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.

REGISTERED

§

-----

No.

CUSIP #073902 AN8

-----

THE BEAR STEARNS COMPANIES INC.

CMT FLOATING RATE NOTE DUE 1999

The Bear Stearns Companies Inc., a Delaware corporation (the "Company"), for value received, hereby promises to pay to \_\_\_\_\_, or registered assigns, the principal amount stated above on March 9, 1999 (the "Maturity Date") and to pay interest thereon at a rate per annum (the "Interest Rate") equal to the two-year Constant Maturity Treasury rate (the "CMT"), determined and reset quarterly in accordance with the provisions set forth on the reverse hereof, until the principal hereof is fully paid or duly made available for payment. The Company will pay interest on this Note quarterly in arrears on the ninth day of March, June, September and December of each year (each an "Interest Payment Date") commencing June 9, 1994. Interest on this Note will accrue from and including the most recent Interest Payment Date to which interest has been paid or duly provided for or, if no

interest has been paid, from and including the date hereof, until the principal hereof has been paid or made available for payment. The interest so payable, and punctually paid or duly provided for, on the Interest Payment Dates, will, as provided in the Indenture referred to below, be paid to the Person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the date, whether or not a Business Day, fifteen calendar days immediately preceding such Interest Payment Date; provided, however, that

-----

interest payable on the Maturity Date will be payable to the Person to whom the principal hereof shall be payable; and provided, further,

-----

however, that if such Interest Payment Date would fall on a day that

-----  
is not a Business Day, such Interest Payment Date shall be the following day that is a Business Day. Any such interest that is payable, but is not punctually paid or duly provided for, on any Interest Payment Date shall forthwith cease to be payable to the Holder on such Regular Record Date, and may be paid to the Person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to the Holder of this Note not less than ten days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Notes may be listed and upon such notice as may be required by such exchange, all as more fully provided in the Indenture.

Payment of the principal of and interest on this Note shall be made at the office or agency of the Trustee maintained for that purpose in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of

payment is legal tender for the payment of public and private debt;  
provided, however, that payment of interest on any Interest Payment  
-----

Date (other than the Maturity Date) may be made at the option of the Company by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register, or by wire transfer of immediately available funds, if the registered holder of at least \$10,000,000 in principal amount of Notes entitled to such interest has so requested by a notice in writing delivered to the Trustee not less than 16 days prior to the Interest Payment Date on which such payment is due, which notice shall provide appropriate instructions for such transfer.

The principal hereof and interest due at maturity will be paid upon maturity in immediately available funds against presentation of this Note at the office or agency of the Trustee maintained for that purpose in the Borough of Manhattan, The City of New York.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS NOTE SET FORTH ON THE REVERSE HEREOF, WHICH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH ON THE FACE HEREOF.

This Note shall be governed by and construed in accordance with the laws of the State of New York.

This Note is one of a series of Securities of the Company designated as CMT Floating Rate Notes Due 1999.

Unless the certificate of authentication hereon has been executed by Chemical Bank (formerly Manufacturers Hanover Trust Company), the Trustee under the Indenture, or its successor thereunder, by the manual signature of one of its authorized signatories, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed under its corporate seal.

Dated: \_\_\_\_\_

THE BEAR STEARNS COMPANIES INC.

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

ATTEST:

\_\_\_\_\_  
Secretary

[Corporate Seal]

CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

CHEMICAL BANK,  
as Trustee

By: \_\_\_\_\_  
Authorized Signatory

[Reverse of Note]

THE BEAR STEARNS COMPANIES INC.

CMT FLOATING RATE NOTE DUE 1999

This Note is one of a duly authorized issue of debentures, notes or other evidences of indebtedness (hereinafter called the "Securities") of the Company of the series hereinafter specified, all such Securities issued and to be issued under the Indenture dated as of May 31, 1991 (herein called the "Indenture") between the Company and Chemical Bank (formerly Manufacturers Hanover Trust Company), as Trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights and limitations of rights thereunder of the Company, the Trustee and the Holders of the Securities, and the terms upon which the Securities are, and are to be, authenticated and delivered. As provided in the Indenture, 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 repayment provisions, if any, may be subject to different sinking, purchase or analogous funds, if any, may be subject to different covenants and Events of Default and may otherwise vary as in the Indenture provided or permitted. This Note is one of a series of the Securities designated as CMT Floating Rate Notes Due 1999 (the "Notes"). The Notes are unsecured and rank pari passu with all other unsecured and unsubordinated indebtedness of the Company. The Notes are not subject to a sinking fund, are not redeemable prior to maturity, and are not subject to repayment at the option of the Holder.

The period beginning on and including the Original Issue Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is herein called an "Interest Period." For the Interest Period beginning on the Original Issue Date and ending on but excluding the first Interest Payment Date, the Notes will bear interest at the rate of 4.80% per annum. For each Interest Period thereafter, the Notes will bear interest at a rate per annum equal to the two-year CMT, which will be determined by Chemical Bank, as calculation agent (the "Calculation Agent"), for each applicable Interest Period in accordance with the following provisions:

(i) For each applicable Interest Period, the two-year CMT will be determined on the applicable Interest Determination Date (as defined below) on the basis of the latest rate displayed at the close of business on that Interest Determination Date on Telerate page 7055 for "Yields on Treasury Constant Maturities ... Federal Reserve Board Statistical Release H.15(519) ... Mondays approximately 3:45 pm EST" (or "EDT" as the case may be) under the heading "2YR", or such page as may replace page 7055, as provided by the Telerate News Service, for the purpose of displaying rates or prices that are comparable, as determined by the Calculation Agent (after consultation with the Company), to the two-year Constant Maturity Treasury rates formerly displayed on Telerate page 7055; or

(ii) if the information specified in subparagraph (i) above is not available at any Interest Determination Date, then the two-year CMT for the applicable Interest Period shall be determined on the basis of the two-year Treasury Constant Maturity rate (or other two-year United States Treasury rate) published as of such Interest Determination Date by either the Board of Governors of the Federal Reserve System or the United States Department of the Treasury that the Calculation Agent (after consultation with the Company) determines to be comparable to the rate formerly displayed on Telerate page 7055 and published in the Federal Reserve Board Statistical Release H.15(519); or

(iii) if the information specified in subparagraphs (i) and (ii) is not available at any Interest Determination Date, then the two-year CMT for the applicable Interest Period shall be the yield to maturity of the then most recently issued direct non-callable fixed rate United States Treasury Note with an original maturity of approximately two years and a remaining term to maturity of at least one year (the "Reference Treasury Note"), as calculated by the Calculation Agent on the basis of the arithmetic mean of the secondary market bid side prices for such Reference Treasury Note quoted as of 3:00 pm, New York City time (or the closing of the market, if earlier), on such Interest Determination Date, by (and appearing in the written records of) three leading primary United States government securities dealers in New York City selected by the Calculation Agent; or

(iv) if the information specified in subparagraphs (i) and (ii) above is not available at any Interest Determination Date and at least three price quotations for the Reference Treasury Note are not available at that Interest Determination Date from leading primary dealers in

New York City as provided in subparagraph (iii) above, then the two-year CMT for the applicable Interest Period shall be the yield to maturity of the Reference Treasury Note, as calculated by the Calculation Agent on the basis of the arithmetic mean of the secondary market bid side prices for such Reference Treasury Note quoted as of 3:00 pm, New York City time (or the closing of the market, if earlier), on such Interest Determination Date, by (and appearing in the written records of) any three primary United States government securities dealers selected by the Calculation Agent (irrespective of where such dealers may be located); or

(v) if the information specified in subparagraphs (i) and (ii) above is not available at any Interest Determination Date and the Calculation Agent is unable to obtain the requisite quotations specified in either subparagraph (iii) above or subparagraph (iv) above, then the interest rate on the Notes for the applicable Interest Period shall be the same as the interest rate on the Notes in effect at that Interest Determination Date.

As used herein, the following terms shall have the following meanings:

"Business Day" means any date that is not a Saturday or Sunday and that, in New York City, is not a day on which banking institutions generally are authorized or required by law or executive order to close.

"Interest Determination Date" for any Interest Period shall mean the second London Business Day preceding the Interest Payment Date commencing such Interest Period.

Each interest payment on a Note will include interest accrued to but excluding the applicable Interest Payment Date. Interest will be calculated on the basis of twelve 30-day months and a 360-day year. All percentages resulting from any calculation on the Notes will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with five one-millionths of a percentage point being rounded upward (e.g. 4.876545% (or .04876545) being rounded to 4.87655% (or .0487655)), and all dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one-half cent being rounded upward).

The Calculation Agent shall calculate the interest rate hereon in accordance with the foregoing and will confirm in writing such calculation to the Trustee and any Paying Agent immediately after each determination. Neither the Trustee nor

any Paying Agent shall be responsible for any such calculation. All determinations made by the Calculation Agent shall be, in the absence of manifest error, conclusive for all purposes and binding on the Company and Holders of the Notes. At the request of any Holder, the Calculation Agent will provide to the Holder the interest rate hereon then in effect.

If any Event of Default (as defined in the Indenture) with respect to the Notes shall occur and be continuing, the Trustee or the Holders of not less than 25% in principal amount of the Outstanding Notes may declare the principal of all the Notes due and payable in the manner and with the effect 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 each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of 66-2/3% in aggregate principal amount of the Securities at the time Outstanding of each series affected thereby. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of each series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon future Holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof whether or not notation of such consent or waiver is made upon this Note.

Holders of Securities may not enforce their rights pursuant to the Indenture or the Securities except as provided in the Indenture. No reference herein to the Indenture and no provision of this Note or 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 times, places, and rates, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note may be registered on the Security Register of the Company, upon surrender of this Note for registration of transfer at the office or agency of the Company in the Borough of Manhattan, The City of New York, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company, and

this Note duly executed by, the Holder hereof or by his attorney duly authorized in writing and thereupon one or more new Notes, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Notes are issuable only in registered form without coupons in denominations of \$1,000 and integral multiples thereof. As provided in the Indenture and subject to certain limitations therein set forth, this Note is exchangeable for a like aggregate principal amount of Notes of different authorized denominations as requested by the Holder surrendering the same.

No service charge will be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to the due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall

be affected by notice of the contrary.



PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE  
OF ASSIGNEE

-----  
the within Note and all rights thereunder, hereby irrevocably consti-  
tuting and appointing

-----  
-----  
-----  
Attorney

-----  
to transfer said Note on the books of the Company, with full power of  
substitution in the premises.

Dated: \_\_\_\_\_

-----  
(Signature Guarantee)



REGISTERED

CHIPS:

No:

CUSIP# 073902 15 7

THE BEAR STEARNS COMPANIES INC.

\_\_\_\_\_% COMMON-LINKED HIGHER  
INCOME PARTICIPATION SECURITIESsm  
(CHIPSSm) DUE \_\_\_\_\_

THE BEAR STEARNS COMPANIES INC., a corporation duly organized and existing under the laws of the State of Delaware (the "Company", which term includes any successor corporation under the indenture referred to herein), for value received, hereby promises to pay \_\_\_\_\_, or registered assigns, \_\_\_\_\_ on \_\_\_\_\_, subject to extension as provided on the reverse hereof, for each of the \_\_\_\_\_% Common-Linked Higher Income Participation Securitiessm (CHIPSSm) Due \_\_\_\_\_ represented hereby, a principal amount at Maturity equal to the lesser of (A) \_\_\_\_\_% of \$\_\_\_\_\_ (the Closing Price of Selected Corporation Common Stock on \_\_\_\_\_, being hereinafter referred to as the "Issue Price") or (B) the average Closing Price per share of Selected Corporation Common Stock, subject to adjustment as a result of certain dilution events as provided on the reverse hereof, for the 10 Trading Days immediately prior to Maturity, and interest thereon quarterly in arrears on each February \_\_, May \_\_, August \_\_ and November \_\_ (each an "Interest Payment Date"), beginning May \_\_, \_\_\_\_, and at Maturity, from February \_\_, \_\_\_\_ or from the most recent Interest Payment Date to which interest has been paid or duly provided for, at the rate of \_\_\_\_\_% of the Issue Price per annum (or \$\_\_\_\_\_ per annum) until the principal amount hereof becomes due and payable, and at such rate on any overdue principal and (to the extent that the payment of such interest shall be legally enforceable) on any overdue installment of interest. The interest to be paid on \_\_\_\_\_, \_\_\_\_\_, will be \$\_\_\_\_\_ per CHIPS.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will be paid to the person in whose name this Certificate (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date, or at 5:00 P.M., New York City time, on the Regular Record Date, if such Regular Record Date is not a Business Day. The Regular Record Date for any interest payment is the fifteenth day of the calendar month, whether or not a Business Day, immediately preceding the Interest

Payment Date on which such interest is payable. Any such interest not so punctually paid or

duly provided for shall forthwith cease to be payable to the registered Holder on such Regular Record Date by virtue of such Person having been such Holder, and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date to be fixed by the Trustee for the payment of such Defaulted Interest, notice of which having been given to each Holder of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange all as more fully provided in the Indenture. The principal of and interest on this Certificate are payable at the office or agency of the Company in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts; PROVIDED that interest may be payable, at the option of the Company, by check mailed to the address of the person entitled thereto as such address shall appear in the Security Register.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS CHIPS SET FORTH ON THE REVERSE HEREOF, AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH IN THIS PLACE.

Unless the certificate of authentication hereon has been duly executed by the Trustee by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purposes.

IN WITNESS WHEREOF, the Company has caused this Certificate to be duly executed under its corporate seal.

Dated:

THE BEAR STEARNS COMPANIES INC.

By: \_\_\_\_\_  
Chairman of the Board

ATTEST:

By: \_\_\_\_\_  
Secretary  
[Corporate Seal]

CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

CHEMICAL BANK,  
as Trustee

By:

-----

Authorized Signatory

[Reverse Of Note]

THE BEAR STEARNS COMPANIES INC.

\_\_\_\_\_% COMMON-LINKED HIGHER INCOME

This Certificate is one of the duly authorized issue of securities of the Company (the "Securities") issued or to be issued in one or more series under an indenture (the "Indenture"), dated as of May 31, 1991 between the Company and Manufacturers Hanover Trust Company, as trustee (the "Trustee", which term includes any successor Trustee under the Indenture), to which the Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and each of the Holders of Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. The aggregate number of CHIPS of the series is limited to \_\_\_\_\_, and if the overallotment option is exercised, \_\_\_\_\_ (for an aggregate Issue Price of \$\_\_\_\_\_ ) (\$\_\_\_\_\_, if the underwriters' overallotment option is exercised in full), and the CHIPS are issuable as registered Securities without coupons. The maximum aggregate principal amount payable at Maturity of the CHIPS is \$\_\_\_\_\_ (\$\_\_\_\_\_, if the underwriters' overallotment option is exercised in full). This Certificate may represent any whole number of CHIPS.

1. DEFINITIONS. Capitalized terms used in this Certificate which are defined in the Indenture shall, unless otherwise defined herein, have the meanings assigned to them in the Indenture. As used herein, the following terms shall have the meanings assigned to them below:

"Business Day" means any day that is not a Saturday, a Sunday or a day on which the New York Stock Exchange (the "NYSE"), the American Stock Exchange, banking institutions or trust companies in The City of New York are required or authorized by law or executive order to close.

"Closing Price" of any security on any date of determination means the closing sale price or last reported sale price of such security on the NYSE on such date or, if such security is not listed for trading on the NYSE on any such date, on such other

national securities exchange or association that is the primary market for the trading of such security.

"Non-Trading Day" means a Business Day that is not a Trading Day.

"Selected Corporation" means \_\_\_\_\_.

"Selected Corporation Survivor" means any surviving entity or subsequent surviving entity of the Selected Corporation.

"Selected Corporation Common Stock" means the common stock of the Selection Corporation.

"Trading Day" means a Business Day on which the security the Closing Price of which is being determined (A) is not suspended from trading on any national securities exchange or association at the close of business and (B) has traded at least once on the national securities exchange or association that is the primary market for the trading of such security.

2. EXTENSION OF MATURITY. In the event that any of the 10 Business Days immediately prior to \_\_\_\_\_ is a Non-Trading Day, the CHIPS will not mature on \_\_\_\_\_ but the Maturity of the CHIPS will be extended one Trading Day for each Non-Trading Day, PROVIDED, HOWEVER, that in no event the CHIPS mature later than \_\_\_\_\_. The CHIPS will continue to accrue interest until the principal amount of the CHIPS is paid at Maturity. If the Maturity of the CHIPS is extended, interest hereon payable at Maturity will be payable to Holders on the date of such extended Maturity.

3. ANTI-DILUTION ADJUSTMENTS. The Closing Price of Selected Corporation Common Stock on any of the 10 Trading Days used to calculate the principal amount of the CHIPS payable at Maturity shall be subject to adjustment as described below to the extent that any of the events requiring such adjustment occur during the period commencing on February 4, 1994 and ending at Maturity of the CHIPS:

(i) In the event that a dividend or other distribution is declared (a) on any class of the Selected Corporation's capital stock (or on the capital stock of any Selected Corporation Survivor) payable in shares of Selected Corporation Common Stock (or the common stock of any Selected Corporation Survivor) or (b) on Selected Corporation Common Stock payable in cash in an amount greater than 10% of the Closing Price of Selected Corporation Common Stock on the date fixed for the determination of the shareholders of the Selected Corporation entitled to receive such

cash dividend (an "Extraordinary Cash Dividend"), the Closing Price of Selected Corporation Common Stock (or the common stock of any Selected Corporation Survivor) used to calculate the principal amount of the CHIPS payable at Maturity of the CHIPS at the close of business on any Trading Day following the date (the "Selected Corporation Record Date") fixed for the determination of the shareholders of the Selected Corporation (or any Selected Corporation Survivor) entitled to receive such dividend or distribution shall be increased by multiplying such Closing Price by a fraction of which the numerator shall be the number of shares of Selected Corporation Common Stock (or the common stock of any Selected Corporation Survivor) outstanding on the Selected Corporation Record Date plus the number of shares constituting such dividend or distribution or, in the case of an Extraordinary Cash Dividend, plus the number of shares of Selected Corporation Common Stock that could be purchased with the amount of such Extraordinary Cash Dividend at a price equal to the Closing Price of Selected Corporation Common Stock on the Trading Day immediately subsequent to such Selected Corporation Record Date, and the denominator shall be the number of shares of Selected Corporation Common Stock (or the common stock of any Selected Corporation Survivor) outstanding on the Selected Corporation Record Date.

(ii) In the event that the outstanding shares of Selected Corporation Common Stock (or the common stock of any Selected Corporation Survivor) are subdivided into a greater number of shares, the Closing Price of Selected Corporation Common Stock (or the common stock of any Selected Corporation Survivor) used to calculate the principal amount of the CHIPS payable at Maturity on any Trading Day following the date on which such subdivision becomes effective will be proportionately increased, and conversely, in the event that the outstanding shares of Selected Corporation Common Stock (or the common stock of any Selected

Corporation Survivor) are combined into a smaller number of shares, such Closing Price will be proportionately reduced.

(iii) In the event that Selected Corporation Common Stock (or the common stock of any Selected Corporation Survivor) is changed into the same or a different number of shares of any class or classes of stock, whether by capital reorganization, reclassification or otherwise (except to the extent otherwise provided in (i) or (ii) above or pursuant to a consolidation, merger, sale, transfer, lease or conveyance, liquidation, dissolution or winding up, as described in (iv) below) the principal amount of the CHIPS payable at Maturity shall be calculated by using the Closing Prices of the shares of stock into which a share of Selected Corporation Common Stock (or the

common stock of any Selected Corporation Survivor) was changed on any Trading Day following the effectiveness of such change.

(iv) In the event of any (A) consolidation or merger of the Selected Corporation, or any Selected Corporation Survivor with or into another entity (other than a consolidation or merger in which the Selected Corporation is the surviving entity), (B) sale, transfer, lease or conveyance of all or substantially all of the assets of the Selected

Corporation or any Selected Corporation Survivor, (C) liquidation, dissolution or winding up of the Selected Corporation or any Selected Corporation Survivor or (D) any declaration of a distribution on Selected Corporation Common Stock of the common stock of any subsidiary of the Selected Corporation (a "Selected Corporation Spin-Off") (any of the events described in (A), (B), (C) or (D), a "Reorganization Event"), for purposes of determining the principal amount of each CHIPS payable at Maturity, the Closing Price of Selected Corporation Common Stock on any Trading Day subsequent to the effective time of the Reorganization Event will be deemed to be the value of the cash and other property (including securities) received by a holder of a share of Selected Corporation Common Stock in any such Reorganization Event, plus, in the case of a Selected Corporation Spin-Off, the value of a share of Selected Corporation Common Stock, or, to the extent that such holder obtains securities in any Reorganization Event, the value of the cash and other property received by the holder of such securities in any subsequent Reorganizing Event. For purposes of determining any such Closing Prices, the value of (A) any cash and other property (other than securities) received in any such Reorganization Event will be an amount equal to the value of such cash and other property at the effective time of such Reorganization Event and (B) any securities received in any such Reorganization Event will be an amount equal to the Closing Prices of such securities.

Notwithstanding the foregoing, the principal amount of each CHIPS payable at Maturity will not, under any circumstances, exceed \_\_\_% of the Issue Price (or \$\_\_\_\_\_ per CHIPS).

4. TRANSFER, EXCHANGE AND REPLACEMENT. This Certificate may be transferred by the Holder hereof upon surrender of the Certificate to the Trustee at its Corporate Trust Office, duly endorsed by, or accompanied by a written instrument or instruments of transfer in a form satisfactory to the Trustee duly executed by the Holder hereof, a duly appointed legal representative or a duly authorized attorney. Such signature must be guaranteed. A new Certificate shall be issued to the transferee upon registration of any such transfer.

This Certificate may be exchanged by the Holder hereof for other Certificates representing the same principal amount of CHIPS upon surrender of this Certificate to the Trustee at the Corporate Trust Office and, in such case, new Certificates representing the same principal amount of CHIPS shall thereupon be issued.

If this Certificate is mutilated, lost, stolen or destroyed, a new Certificate representing the same principal amount of CHIPS shall be issued in exchange for such mutilated Certificate or in lieu of such lost, stolen or destroyed Certificate, but, in the case of the loss, theft or destruction of this Certificate only upon receipt of evidence satisfactory to the Company and to the Trustee of such loss, theft, or destruction and, if requested, upon receipt also of security or indemnity satisfactory to each of them.

No service charge shall be made for any registration, transfer or exchange of certificates but the Company may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of Certificates other than those expressly provided in the Indenture to be made at the Company's own expense without charge to the holders of Certificates. In the case of the replacement of mutilated, lost, stolen or destroyed Certificates, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in respect thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

5. MISCELLANEOUS. Interest on the CHIPS will be computed on the basis of a 360-day year of twelve 30-day months. Each payment of interest in respect of an interest Payment Date will include interest accrued through the day before such Interest Payment Date. If an Interest Payment Date falls on a day that is not a Business Day, the interest payment to be made on such Interest Payment Date will be made on the next succeeding Business Day with the same force and effect as if made on such Interest Payment Date and no additional interest will accrue as a result of such delayed payment.

The CHIPS are not subject to redemption prior to \_\_\_\_\_.

The defeasance provisions set forth in the Indenture shall not be applicable to the CHIPS.

If an Event of Default with respect to the CHIPS shall have occurred and be continuing, the principal of all the CHIPS may be

declared due and payable in the manner and with the effect 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 each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of 66 2/3% in aggregate principal amount of the Securities at the time Outstanding. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all the Securities of each series, to waive compliance by the Company with certain provisions of the Indenture and certain past

defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Certificate shall be conclusive and binding upon such Holder and upon future Holders of this Certificate and of any Certificate issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof whether or not a notation of such consent or waiver is made upon this Certificate.

Holders of Securities may not enforce their rights pursuant to the Indenture or the Securities except as provided in the Indenture. No reference herein to the Indenture and no provision of this Certificate or the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional to pay the principal amount and interest on this Certificate at the time, place and rate, and in the coin or currency herein prescribed.

Prior to the due presentment of this Certificate for registration or transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Certificate is registered as the owner hereof for all purposes, whether or not this Certificate be overdue, and neither the Company, the Trustee, nor any such agent shall be affected by notice to the contrary.

This Certificate shall be deemed to be a contract made and to be performed solely in the State of New York, and for all purposes shall be governed by, and construed in accordance with, the laws of said State without regard to the conflict of law rules of said State.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Certificate, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM	-- as tenants in common	UNIF GIFT MIN ACT -	_____ Custodian _____
TEN ENT	-- as tenants by the entireties		(Cust) (Minor)
JT TEN	-- as joint tenants with right of survivorship and not as tenants in common	Under Uniform Gifts to Minors Acts	
		_____	(State)

Additional abbreviations may also be used though not in the above list.

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

-----

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE

-----

the within Certificate and all rights thereunder, hereby irrevocably constituting and appointing

-----  
to transfer such Certificate on the books of The Bear Stearns Companies Inc.  
with full power of substitution in the premises.

Dated: \_\_\_\_\_

-----  
Signature

NOTICE: The signature to this  
assignment must correspond with the  
name as it appears upon the face of  
this Certificate in every particular,  
without alteration or enlargement or any  
change whatsoever.

WEIL, GOTSHAL & MANGES  
A Partnership Including Professional Corporations  
767 Fifth Avenue New York, NY 10153-0119  
(212) 310-8000  
Fax: (212) 310-8007

March 15, 1994

The Board of Directors  
The Bear Stearns Companies Inc.  
245 Park Avenue  
New York, New York 10167

Gentlemen:

We have acted as counsel to the Company in connection with the preparation and filing by the Company with the Securities and Exchange Commission of a Registration Statement on Form S-3 (the "Registration Statement") under the Securities Act of 1933, as amended, with respect to debt securities (the "Debt Securities") and warrants (the "Warrants") with an aggregate initial public offering price of up to \$2,500,000,000. The Debt Securities will be issued by the Company, substantially in the forms of the drafts filed or incorporated by reference as Exhibits 4(b)(1) through 4(b)(7) to the Registration Statement, pursuant to the terms of the Indenture, dated as of May 31, 1991 (the "Indenture"), between the Company and Chemical Bank (formerly Manufacturers Hanover Trust Company), as trustee (the "Trustee"), incorporated by reference as Exhibit 4(a) to the Registration Statement. The Warrants will be issued by the Company under Warrant Agreements substantially in the forms of the drafts incorporated by reference as Exhibits 4(c)(1) through 4(c)(5) to the Registration Statement (collectively, the "Warrant Agreements"). The Debt Securities and the Warrants will be sold by the Company either (i) directly on its own behalf, (ii) pursuant to an Underwriting Agreement substantially in the form of the draft incorporated by reference as Exhibit 1(a) to the Registration Statement (the "Underwriting Agreement") or (iii) pursuant to one or more Distribution Agreements substantially in the forms of the drafts incorporated by reference as Exhibits 1(b), 1(c), 1(d) and 1(e) to the Registration Statement (the "Distribution Agreements").

In so acting, we have examined originals or copies, certified or otherwise identified to our satisfaction, of the

The Board of Directors  
The Bear Stearns Companies Inc.  
March 15, 1994  
Page 2

Registration Statement, the Prospectus that is a part of the Registration Statement (the "Prospectus"), the forms of Debt Securities constituting Exhibits 4(b)(1) through 4(b)(7) to the Registration Statement, the forms of Warrant Agreements constituting Exhibits 4(c)(1) through 4(c)(5) to the Registration Statement, the form of Warrant Certificate attached as Exhibit A to the Warrant Agreements, the Underwriting Agreement, the form of Distribution Agreement, and such corporate records, agreements, documents and other instruments, and such certificates or comparable documents of officers and representatives of the Company, and have made such inquiries of such officers and representatives, as we have deemed relevant and necessary as a basis for the opinions hereinafter set forth.

In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as

originals, the conformity to original documents of documents submitted to us as certified or photostatic copies and the authenticity of the originals of such latter documents. We have further assumed that all documents examined by us in the form of drafts will, when executed by the requisite signatories thereto, conform in substance and form in all material respects to the drafts that we have examined. As to all questions of fact material to this opinion that have not been independently established, we have relied upon certificates of officers and representatives of the Company.

Based on the foregoing, we are of the opinion that (i) the Debt Securities, when duly authorized and executed by the Company, authenticated by the Trustee pursuant to the terms of the Indenture and sold and delivered by the Company as contemplated by the Prospectus, as the same may be supplemented from time to time, will be legally issued and will constitute binding obligations of the Company entitled to the benefits of the Indenture in accordance with their terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity); and (ii) the Warrants, when duly authorized and executed by the Company, authenticated by the Warrant Agent (as defined in the Prospectus) pursuant to the terms of the Warrant Agreements and sold and delivered by the Company as

The Board of Directors  
The Bear Stearns Companies Inc.  
March 15, 1994  
Page 3

contemplated by the Prospectus, as the same may be supplemented from time to time, will be legally issued and will constitute binding obligations of the Company entitled to the benefits of the Warrant Agreements in accordance with their terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

This opinion is limited in all respects to the laws of the State of New York, the corporate laws of the State of Delaware and the federal laws of the United States, and we express no opinion as to the effect on the matters covered by this opinion of the laws of any other jurisdiction.

We consent to the use of this opinion as an exhibit to the Registration Statement and to any and all references to our firm in the Prospectus.

We further consent to the use of this opinion as an exhibit to applications to the securities commissioners of various states of the United States for registration or qualification of the Debt Securities and the Warrants under the securities laws of such states.

This opinion is rendered solely for your benefit in connection with the transactions described above. This opinion may not be used or relied upon by any other person and may not be disclosed, quoted, filed with a governmental agency or otherwise referred to without our prior written consent except as noted above.

Very truly yours,

WEIL, GOTSHAL & MANGES



EXHIBIT 12

THE BEAR STEARNS COMPANIES INC.  
 STATEMENT RE COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES  
 (In thousands, except for ratio)

<TABLE>  
 <CAPTION>

	Six Months Ended		Fiscal Year Ended				
	December 31, 1993	December 31, 1992	June 30, 1993	June 30, 1992	June 30, 1991	June 30, 1990	June 30, 1989
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Earnings before provision for income taxes	\$ 409,906	\$ 219,397	\$ 614,398	\$ 507,625	\$ 229,501	\$ 192,532	\$ 287,383
Add Fixed Charges:							
Interest	434,458	343,058	710,086	834,859	1,141,029	1,217,212	1,089,879
Interest factor in rent	10,624	10,066	20,084	20,874	18,715	18,999	18,798
Total Fixed Charges	445,082	353,124	730,170	855,733	1,159,744	1,236,211	1,108,677
Earnings before fixed charges and provision for income taxes	\$ 854,988	\$ 572,521	\$ 1,344,568	\$ 1,363,358	\$ 1,389,245	\$ 1,428,743	\$ 1,396,060
Ratio of Earnings to Fixed Charges	1.9	1.6	1.8	1.6	1.2	1.2	1.3

</TABLE>

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Registration Statement of The Bear Stearns Companies Inc. on Form S-3 of our reports dated August 13, 1993, appearing in the Annual Report on Form 10-K of The Bear Stearns Companies Inc. and Subsidiaries for the year ended June 30, 1993, and to the reference to us under the heading "Experts" in the Prospectus, which is part of this Registration Statement.

DELOITTE & TOUCHE  
New York, New York  
March 16, 1994

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

-----

FORM T-1  
STATEMENT OF ELIGIBILITY AND QUALIFICATION UNDER THE  
TRUST INDENTURE ACT OF 1939 OF A CORPORATION  
DESIGNATED TO ACT AS TRUSTEE

-----

CHEMICAL BANK

-----  
(Exact name of trustee as specified in its charter)

New York

13-4994650

-----  
(State of incorporation if not a national  
bank)

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

270 Park Avenue  
New York, New York

10017

-----  
(Address and telephone number of principal  
executive offices)

-----  
(Zip Code)

The Bear Stearns Companies, Inc.

-----  
(Exact name of obligor as specified in its charter)

Delaware

13-3286161

-----  
(State or other jurisdiction of incorporation  
or organization)

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

245 Park Avenue  
New York, New York

10167

-----  
(Address and telephone number of principal

-----  
(Zip Code)

Debt Securities

---

(Title of the indenture securities)

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 and 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.

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 and December 2, 1991 (see Exhibit 1 to Form T-1 filed in connection with Registration Statement No. 33-50010, 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).

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. 33-46892, which is incorporated by reference).

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).

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.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939 the Trustee, Chemical 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 10TH day of MARCH, 1994.

CHEMICAL BANK

By /s/ P.J. Gilkeson

-----

P.J. Gilkeson  
Vice President

Exhibit 7 to Form T-1

Bank Call Notice

RESERVE DISTRICT NO. 2  
CONSOLIDATED REPORT OF CONDITION OF

Chemical 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, 1993, published in  
accordance with a call made by the Federal Reserve Bank of this  
District pursuant to the provisions of the Federal Reserve Act.

<TABLE>

ASSETS	DOLLAR AMOUNTS IN MILLIONS
<S>	<C>
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin .....	\$ 4,371
Interest-bearing balances .....	5,829
Securities .....	21,834
Federal Funds sold and securities purchased under agreements to resell in domestic offices of the	

bank and of its Edge and Agreement subsidiaries, and in IBF's:	
Federal funds sold .....	2,125
Securities purchased under agreements to resell .....	900
Loans and lease financing receivables:	
Loans and leases, net of unearned income \$60,826	
Less: Allowance for loan and lease losses 2,326	
Less: Allocated transfer risk reserve ... 121	
	-----
Loans and leases, net of unearned income, allowance, and reserve .....	58,379
Assets held in trading accounts .....	8,556
Premises and fixed assets (including capitalized leases).....	1,238
Other real estate owned .....	713
Investments in unconsolidated subsidiaries and associated companies.....	112
Customer's liability to this bank on acceptance outstanding .....	1,063
Intangible assets .....	526
Other assets .....	9,864
	-----
TOTAL ASSETS .....	\$115,510
	=====

/TABLE

<TABLE>  
<CAPTION>

LIABILITIES

<S>	<C>	<C>
Deposits		
In domestic offices .....		\$51,611
Noninterest-bearing .....	\$19,050	
Interest-bearing .....	32,561	
	-----	
In foreign offices, Edge and Agreement subsidiaries, and IBF's.....		24,886
Noninterest-bearing .....	\$ 136	
Interest-bearing .....	24,750	
	-----	
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 .....		8,496
Securities sold under agreements to repurchase ...		514

Demand notes issued to the U.S. Treasury .....	1,501
Other Borrowed money .....	8,538
Mortgage indebtedness and obligations under capitalized leases .....	20
Bank's liability on acceptances executed and outstanding	1,084
Subordinated notes and debentures .....	3,500
Other liabilities .....	7,419
 TOTAL LIABILITIES .....	 107,569
	-----

EQUITY CAPITAL

Common stock .....	620
Surplus .....	4,501
Undivided profits and capital reserves .....	2,663
Less: Net unrealized loss on marketable equity securities.....	(159)
Cumulative foreign currency translation adjustments ....	(2)
 TOTAL EQUITY CAPITAL .....	 7,941
 TOTAL LIABILITIES, LIMITED-LIFE PREFERRED STOCK AND EQUITY CAPITAL .....	  \$115,510
	=====

</TABLE>

I, Joseph L. Sclafani, S.V.P. & Controller of the above-named bank, do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

JOSEPH L. SCLAFANI

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We 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 and is true and correct.

WALTER V. SHIPLEY	)
EDWARD D. MILLER	) DIRECTORS
WILLIAM B. HARRISON	)