FORM S-3

Registration statement for specified transactions by certain issuers

Filing Date: **1994-04-11**
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FILER

ARVIN INDUSTRIES INC

CIK:**7636**| IRS No.: **350550190** | State of Incorp.:**IN** | Fiscal Year End: **1231**
Type: **S-3** | Act: **33** | File No.: **033-53087** | Film No.: **94522179**
SIC: **3714** Motor vehicle parts & accessories

Business Address
ONE NOBLITT PLZ
P O BOX 3000
COLUMBUS IN 47202-3000
8123793000

Registration No. 33-_____

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-3
REGISTRATION STATEMENT
Under
The Securities Act of 1933

ARVIN INDUSTRIES, INC.
(Exact name of Registrant as specified in its charter)

Indiana	35-0550190
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

One Noblitt Plaza
Box 3000
Columbus, Indiana 47202-3000
(812) 379-3000

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

Ronald R. Snyder
Vice President, General Counsel and Secretary
Arvin Industries, Inc.
One Noblitt Plaza
Box 3000
Columbus, Indiana 47202-3000
(812) 379-3000

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

Copies to:

Frederick L. Hartmann	Paul W. Theiss
Schiff Hardin & Waite	Mayer, Brown & Platt
7200 Sears Tower	190 South LaSalle Street
Chicago, Illinois 60606	Chicago, Illinois 60603

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this Registration Statement as determined in light of market conditions and other factors.

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. /X/

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CALCULATION OF REGISTRATION FEE

<TABLE>
<CAPTION>

Title of Each Class of Securities to be Registered	Amount to be Registered <F1>	Proposed Maximum Offering Price Per Unit <F2>	Proposed Maximum Aggregate Offering Price <F2>	Amount of Registration Fee
<S>	<C>	<C>	<C>	<C>
Debt Securities <F4> . .				
Preferred Shares, without par value <F5><F6> . . .				
Depositary Shares <F6> .	<F3>	<F3>	<F3>	
Common Shares, $2.50 par value, and related Preferred Share Purchase Rights <F7>				
Warrants <F8>				
Total	$225,000,000<F1>	_____	$225,000,000 <F2>	$77,586.75

<F1> In no event will the approximate initial offering price of all securities issued from time to time pursuant to this Registration Statement exceed $225,000,000 (or the equivalent, based on the applicable exchange rate at the time of sale, thereof in other currency or currency units if any securities are denominated in, or sold for, other than U.S. dollars). Any securities registered hereunder may be sold separately or as units with other securities registered hereunder.

<F2> Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o).

<F3> Not applicable pursuant to Form S-3, General Instruction II.D.

<F4> Subject to note (1), there are being registered hereunder an indeterminate principal amount of Debt Securities. See "Description of Debt Securities." If any Debt Securities are being issued at an original issue discount, then the offering price shall be in such greater principal amount as shall result in an approximate initial offering price not to exceed $225,000,000, less the amount of any securities previously issued hereunder. There are also being registered hereunder an indeterminate number of Debt Securities as shall be issuable upon conversion of subordinated Debt Securities or Preferred Shares registered hereby.

<F5> Subject to note (1), there are being registered hereunder an indeterminate number of Preferred Shares as may be sold, from time to time, by the Registrant. See "Description of Capital Shares -- Preferred Shares." There are also being registered hereunder an indeterminate number of Preferred Shares as shall be issuable upon conversion of subordinated Debt Securities or Preferred Shares registered hereby.

<F6> Subject to note (1), there are being registered hereunder an indeterminate number of Depositary Shares to be evidenced by Depositary Receipts issued pursuant to a Deposit Agreement. See "Description of Depositary Shares." In the event the Registrant elects to offer to the public fractional interests in Preferred Shares registered hereunder, the Preferred Shares may be issued to the depositary under a Deposit Agreement, and Depositary Receipts will be issued by the depositary.

<F7> Subject to note (1), there are being registered hereunder an indeterminate number of Common Shares and related Preferred Share Purchase Rights as may be sold, from time to time, by the Registrant. Prior to the occurrence of certain events, the Rights will not be exercisable or evidenced separately from the Common Shares. See "Description of Capital Shares -- Common Shares" and "-- Preferred Share Purchase Rights." There are also being registered hereunder an indeterminate number of Common Shares and related Preferred Share Purchase Rights as shall be issuable upon conversion of subordinated Debt Securities or Preferred Shares registered hereby.

<F8> Subject to note (1), there are being registered hereunder an indeterminate amount and number of Warrants, representing rights to purchase Preferred Shares, Common Shares or Debt Securities registered hereby.

</TABLE>

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH

DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THIS REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.

[END OF COVER PAGE]

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 APRIL 11, 1994

PROSPECTUS

[LOGO] ARVIN INDUSTRIES, INC.

$225,000,000

DEBT SECURITIES
PREFERRED SHARES
DEPOSITARY SHARES
COMMON SHARES
WARRANTS

Arvin Industries, Inc. ("Arvin" or the "Company") may offer from time to time, together or separately, its (i) unsecured debt securities ("Debt Securities"), which may be either senior ("Senior Debt Securities") or subordinated ("Subordinated Debt Securities"), consisting of debentures, notes or other unsecured evidences of indebtedness in one or more series; (ii) Preferred Shares, no par value, in one or more series ("Preferred Shares"), which may be issued in the form of Depositary Shares evidenced by Depositary Receipts; (iii) Common Shares, $2.50 par value ("Common Shares"), and related preferred share purchase rights; and (iv) warrants ("Warrants") to purchase securities designated by the Company at the time of the offering of any Warrants. Subordinated Debt Securities and Preferred Shares may be convertible into other securities of the Company. The Debt Securities, Preferred Shares, Depositary Shares, Common Shares and Warrants are collectively referred to as the "Securities."

The Securities offered pursuant to this Prospectus may be issued in one or more series or issuances at an aggregate initial offering price not to exceed $225,000,000 (or its equivalent in foreign currency or currency units) in amounts, at prices and on terms to be determined at or prior to the time of sale and set forth in one or more supplements to this Prospectus (each, a "Prospectus Supplement").

Certain specific terms of the particular Securities in respect of which this Prospectus is being delivered will be set forth in the accompanying Prospectus Supplement, including, where applicable, the initial public offering price of the Securities, the net proceeds thereof to the Company, any listing of such Securities on a securities exchange and any other special terms. The Prospectus Supplement will

set forth with regard to Securities being offered, without limitation,

the following: (i) in the case of Debt Securities (and, if Warrants to purchase Debt Securities are being offered, similar information with respect to the Debt Securities that may be purchased upon exercise of each such Warrant), the specific designation, aggregate principal amount, whether such Debt Securities will be Senior Debt Securities or Subordinated Debt Securities, authorized denominations, maturity, any interest rate (which may be fixed or variable) or method of calculation of interest and date of payment of any interest, any premium, the place or places where principal of, premium, if any, and any interest on such Debt Securities will be payable, any terms of redemption at the option of the Company or the holder, any terms for sinking fund payments, any currency or currency units of denomination and payment, if other than U.S. dollars, and any other terms (including in the case of Subordinated Debt Securities, any terms for conversion into other securities of the Company) in connection with the offering and sale of the Debt Securities in respect of which this Prospectus is delivered; (ii) in the case of Preferred Shares (and, if Warrants to purchase Preferred Shares are being offered, similar information with respect to the Preferred Shares that may be purchased upon exercise of each such Warrant), the specific designation and stated value, number of shares, any dividend (including the method of calculating payment of dividends and the timing thereof), redemption, liquidation, voting and other rights, any sinking fund provisions, any terms for conversion into other securities of the Company and any other terms, including whether the Company has elected to offer the Preferred Shares in the form of Depositary Shares and, if so, the terms of such Depositary Shares, including the fraction of a Preferred Share represented by each Depositary Share; (iii) in the case of Common Shares, the number of shares and the terms of offering thereof; and (iv) in the case of Warrants, the designation and number, the Securities to be purchased upon exercise, the exercise price, manner of exercise, detachability, expiration date and any other terms in connection with the offering, sale and exercise of the Warrants. If so specified in the applicable Prospectus Supplement, Securities may be issued in whole or in part in the form of one or more temporary or global securities.

The Prospectus Supplement will also contain information, where applicable, about certain United States federal income tax considerations relating to the Securities covered by the Prospectus Supplement.

The Common Shares are listed on the New York Stock Exchange and the Chicago Stock Exchange under the symbol "ARV." Any Common Shares sold pursuant to a Prospectus Supplement will be approved for listing on such exchanges, upon notice of issuance.

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. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Company may sell the Securities to or through underwriters or dealers and may also sell Securities directly to other purchasers or through agents. See "Plan of Distribution." The Prospectus Supplement will set forth the names of any underwriters, dealers or agents involved in the sale of the Securities in respect of which this Prospectus is being delivered and any applicable fee, commission and discount arrangements with them. See "Plan of Distribution" for a description of any indemnification arrangements between the Company and any underwriters, dealers or agents.

This Prospectus may not be used to consummate sales of Securities unless accompanied by a Prospectus Supplement.

The date of this Prospectus is _____, 1994.

[END OF PROSPECTUS COVER PAGE]

IN CONNECTION WITH ANY UNDERWRITTEN OFFERING, THE UNDERWRITERS OF SUCH OFFERING MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SECURITIES OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

AVAILABLE INFORMATION

Arvin has filed with the Securities and Exchange Commission (the "Commission") a Registration Statement on Form S-3 (including any amendments thereto, the "Registration Statement") under the Securities Act of 1933, as amended (the "Securities Act") with respect to the Securities offered hereby. This Prospectus does not contain all of the information set forth in the Registration Statement and the exhibits and schedules thereto, certain portions of which have been omitted pursuant to the rules of the Commission. Statements made in this Prospectus as to the contents of any contract, agreement or other document are not necessarily complete. With respect to each such contract, agreement or other document filed or incorporated by reference as an exhibit to the Registration Statement, reference is made to such exhibit for a more complete description of the matter involved, and each such statement is qualified in its entirety by such reference.

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 materials and other information with the Commission. Such reports, proxy materials and other information filed by the Company can be inspected and copied at the public reference facilities maintained by the Commission at Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549, and at the following Regional Offices of the Commission: Chicago Regional Office, 500 West Madison Street, Chicago, Illinois 60661 and New York Regional Office, 13th Floor, Seven World Trade Center, New York, New York 10048. 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. Such reports, proxy materials and other information may also be inspected and copied at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005 and the Chicago Stock Exchange, 440 South LaSalle Street, Chicago, Illinois 60604.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents filed by the Company with the Commission pursuant to the Exchange Act are hereby incorporated by reference into this Prospectus:

1. The Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1994;

2. The Company's Current Report on Form 8-K dated February 3, 1994; and

3. The description of the Common Shares contained in the Company's Registration Statement on Form 8-A, filed June 19, 1950, supplementing its Registration Statement on Form 10, filed October 25, 1939, and the description of the associated Preferred Share Purchase Rights contained in the Company's Registration Statement on Form 8-A, dated June 10, 1986, as amended February 28, 1989, in each case as filed under Section 12 of the Exchange Act.

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 made hereby 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 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 other subsequently filed document that 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 (NOT INCLUDING EXHIBITS TO SUCH DOCUMENTS UNLESS SUCH EXHIBITS ARE SPECIFICALLY INCORPORATED BY REFERENCE INTO SUCH DOCUMENTS). REQUESTS FOR SUCH COPIES SHOULD BE DIRECTED TO SHAREHOLDER RELATIONS, ARVIN INDUSTRIES, INC., ONE NOBLITT PLAZA, BOX 3000, COLUMBUS, INDIANA 47202-3000; TELEPHONE (812) 379-3000.

THE COMPANY

Arvin is a diversified international manufacturing company supplying automotive parts and a variety of other products and services through ten operating entities in the U.S. and numerous other parts of the world. Since its founding in 1919, Arvin has grown through internal development, acquisitions and joint ventures. In recent years, Arvin's strategy has been to strengthen its automotive parts businesses by achieving a balance between sales to both original equipment manufacturers and replacement parts suppliers on a global basis.

The Company was incorporated in Indiana in 1921. Its principal executive offices are located at One Noblitt Plaza, Box 3000, Columbus, Indiana 47202-3000, and its telephone number is (812) 379-3000. Arvin's Common Shares are listed on the New York Stock Exchange and the Chicago Stock Exchange under the symbol "ARV."

USE OF PROCEEDS

Unless otherwise specified in the applicable Prospectus Supplement, the net proceeds from the sale of the Securities will be used for general corporate purposes, which may include the repayment of indebtedness, working capital expenditures and investments in, or acquisitions of, businesses and assets. Pending application of such net proceeds for specific purposes, such proceeds may be invested in short-term or marketable securities. Specific allocations of proceeds to a particular purpose that have been made at the date of any Prospectus Supplement will be described therein.

<TABLE>
<CAPTION>

RATIOS OF EARNINGS TO FIXED CHARGES AND
EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED DIVIDENDS

	Fiscal Year Ended				
	Dec. 31, 1989	Dec. 30, 1990	Dec. 29, 1991	Jan. 3, 1993	Jan. 2, 1994
<S>	<C>	<C>	<C>	<C>	<C>
Ratio of Earnings to Fixed Charges	1.75	2.07	1.73	2.26	1.85
Ratio of Earnings to Combined Fixed Charges and Preferred Dividends	1.33	1.56	1.32	1.78	1.85

</TABLE>

For purposes of calculating the ratios of earnings to fixed charges and earnings to combined fixed charges and preferred dividends, "earnings" consist of earnings from continuing operations before income taxes, adjusted for the portion of fixed charges

deducted from such earnings, for undistributed earnings of less-than-fifty-percent-owned affiliates and for minority interests in income of majority-owned subsidiaries that have fixed charges. "Fixed charges" consist of interest on all indebtedness (including capital lease obligations), amortization of debt expense and the percentage of rental expense on operating leases deemed representative of the interest factor. "Preferred dividends" represent dividends paid on all Preferred Shares outstanding during the periods. Such Preferred Shares were comprised of the Company's Remarketed Preferred Shares, which were redeemed during the third quarter of 1989, and the Company's $3.75 Convertible Exchangeable Preferred Shares, which were issued in July 1989 and were redeemable by the holder in certain remote circumstances. All outstanding Convertible Exchangeable Preferred Shares were redeemed by the Company in September 1992. Preferred dividends used to compute the ratio of earnings to combined fixed charges and preferred dividends have been increased to an amount representing the pre-tax earnings that would be required to cover preferred dividend payments.

DESCRIPTION OF DEBT SECURITIES

The following description of the Debt Securities sets forth certain general terms and provisions of the Debt Securities to which any Prospectus Supplement may relate. The particular terms of the Debt Securities offered by any Prospectus Supplement and the extent, if any, to which such general provisions are not applicable will be described in a Prospectus Supplement relating to such Debt Securities.

The Debt Securities will be general unsecured obligations of Arvin and will constitute either senior debt securities or subordinated debt securities. Those Debt Securities that will be senior debt securities ("Senior Debt Securities") will be issued under an Indenture dated as of July 3, 1990 (the "Senior Indenture") between the Company and Harris Trust and Savings Bank, as trustee under the Senior Indenture. In the case of Debt Securities that will be subordinated debt securities ("Subordinated Debt Securities"), the Debt Securities will be issued under an Indenture dated as of _____, 1994 (the "Subordinated Indenture") to be entered into between Arvin and NBD Bank, N.A., as trustee under the Subordinated Indenture. The Senior Indenture and the Subordinated Indenture are sometimes referred to individually as an "Indenture" and collectively as the "Indentures." Copies of the Senior Indenture and the form of Subordinated Indenture have been filed as exhibits to the Registration Statement. The trustees under the Senior Indenture and the Subordinated Indenture are sometimes referred to collectively as the "Trustees."

The following summaries of certain provisions of the Senior Debt Securities, the Subordinated Debt Securities and the Indentures do not purport to be complete and are qualified in their entirety by reference to all the provisions of the Indenture applicable to a particular series of Debt Securities, including the definitions therein of certain terms. Wherever particular Sections, Articles or defined terms of the Indentures are referred to, it is intended that such Sections, Articles or defined terms shall be incorporated by reference herein. Capitalized terms not otherwise defined herein shall have the meanings given to them in the applicable Indenture.

PROVISIONS APPLICABLE TO BOTH SENIOR AND SUBORDINATED DEBT SECURITIES

GENERAL

The Indentures do not limit the aggregate principal amount of Debt Securities that can be issued thereunder and provide that Debt Securities may be issued from time to time thereunder in one or more series, each in an aggregate principal amount authorized by the Company prior to issuance. The Indentures do not limit the amount of other unsecured indebtedness or securities that may be issued by the Company.

The holders of Debt Securities will not benefit from any covenant or other provision that would afford such holders special protection

in the event of a highly leveraged transaction involving Arvin. At the date of this Prospectus, the Company does not intend to include any covenants or other provisions affording such protection in any series of the Debt Securities. If the Company determines in the future that it is desirable to include any such covenants or other provisions in any series of Debt Securities, they will be described in the Prospectus Supplement for that series. Certain other covenants under the Senior Indenture are described below under "Provisions Applicable Solely to Senior Debt Securities -- Certain Covenants."

Each Indenture provides that Debt Securities may be issued thereunder by the Company from time to time upon satisfaction of certain conditions precedent, including the delivery to the Trustee of a resolution of the board of directors, or a committee thereof, of the Company that fixes or provides for the establishment of terms of such Debt Securities, including: (1) the specific designation of the Debt Securities and the series of which such Debt Securities shall be a part; (2) the aggregate principal amount and denominations of such Debt Securities; (3) the date or dates on which such Debt Securities will mature; (4) the rate or rates per annum (which may be fixed or floating) at which such Debt Securities will bear interest, if any, (5) the dates on which such interest, if any, will be payable, the record dates with respect to such interest payment dates and the date from which such interest, if any, will accrue; (6) the premium, if any, and conditions thereof; (7) the provisions, if any, for redemption of such Debt Securities prior to stated maturity at the option of the Company, the redemption price and any remarketing arrangements relating thereto; (8) the provisions, if any, for repayment of such Debt Securities prior to stated maturity at the option of the Holders thereof; (9) the place or places where the principal, premium, if any, and interest on the Debt Securities will be payable; (10) any currency or currency units of denomination and payment, if other than U.S. dollars; (11) the ranking of the Debt Securities as Senior or Subordinated; (12) in the case of Subordinated Debt Securities, any terms for conversion into other securities of the Company; (13) any additional information with respect to book-entry procedures, if applicable; and (14) any other provisions permitted by the applicable Indenture. Reference is made to the Prospectus Supplement for the terms of the Debt Securities being offered hereby.

The Debt Securities will be issued in fully registered form without coupons, unless provisions relating to bearer securities are set forth in the Prospectus Supplement for the Debt Securities being offered. No service charge will be made for any registration of transfer of Debt Securities or exchange of Debt Securities, but the Company may require payment of a sum sufficient to cover any tax or other governmental charges that may be imposed in connection therewith.

The provisions of each Indenture provide the Company with the ability, in addition to the ability to issue Debt Securities with terms different from 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.

Principal, premium, if any, and interest, if any, on Debt Securities will be payable in the manner, at the places and subject to the restrictions set forth in the applicable Indenture, the Debt Securities and the Prospectus Supplement relating thereto, provided that (unless otherwise provided in the applicable Prospectus Supplement) payment of any interest may be made at the option of the Company by check mailed to the Holders of registered Debt Securities at their registered addresses.

Debt Securities may be presented for exchange or transfer in the manner, at the places and subject to the restrictions set forth in the

applicable Indenture, the Debt Securities and the Prospectus Supplement relating thereto.

CONSOLIDATION, MERGER AND SALE OF ASSETS

Arvin may not consolidate with, or sell, lease or convey all or substantially all of its assets to, or merge with or into, any other corporation, unless (i) if Arvin is not the continuing corporation, the successor corporation shall be a corporation organized and existing under the laws of the United States of America or a State thereof; (ii) the successor corporation shall expressly assume by a supplemental indenture, executed and delivered to the Trustee in form satisfactory to the Trustee, the due and punctual payment of the principal, premium, if any, and interest on, the Debt Securities, according to their tenor and the due and punctual performance and observance of all covenants and conditions of the applicable Indenture to be performed by the Company; and (iii) the Company or such successor corporation, as the case may be, shall not immediately after such merger or consolidation, or such sale, lease or conveyance, be in default in the performance of any such covenant or condition.

MODIFICATION AND WAIVER

Modification and amendment of either Indenture may be effected by the Company and the Trustee with the consent of the Holders of not less than a majority in aggregate 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 of the principal of, or any installment of interest on, any Debt Security or reduce the principal amount thereof or the rate of interest thereon or any premium payable upon the redemption thereof, or reduce the amount of the principal of an Original Issue Discount Debt Security that would be due and payable upon a declaration of acceleration of the Maturity thereof, or change the currency in which any Debt Security or any premium or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption or repayment, on or after the Redemption Date or Repayment Date), or, in the case of Subordinated Debt Securities, modify any provision relating to their subordination in a manner adverse to the holders thereof, or (b) reduce the percentage in principal amount of the Outstanding Debt Securities of any series, the consent of whose Holders is required for any such amendment, or the consent of whose Holders is required for any waiver provided for in the Indenture, or (c) modify any of the provisions set forth in this paragraph, except to increase any such percentage or to provide that certain other provisions of the Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Debt Security affected thereby. Except with respect to such matters, the Holders of at least a majority in principal amount of Outstanding Debt Securities of any series may, with respect to such series, waive past defaults under the applicable Indenture (other than a default in payment of principal, premium, if any, or interest) and waive compliance by the Company with certain provisions of the Indenture.

SATISFACTION AND DISCHARGE OF AN INDENTURE

If the Company deposits or causes to be deposited with the Trustee cash or direct obligations of the United States of America or obligations the payment of principal and interest on which is guaranteed by the United States of America (and which are not callable at will by the issuer thereof) as will together with the income to accrue thereon, be sufficient to pay and discharge the entire indebtedness on all Outstanding Debt Securities of any series when due, and complies with certain other conditions, then, at the direction of the Company, the Company shall be deemed to have paid and discharged the entire Indebtedness with respect to such series of Outstanding Debt Securities (except for certain surviving obligations including, among other things, the rights of the Holders thereof to receive from such deposits payment of principal, premium, if any, and interest with respect to such Outstanding Debt Securities when such

payments are due).

If the Company deposits with the Trustee cash or securities as described above and either (A) all Debt Securities theretofore authenticated and delivered under the applicable Indenture have been delivered for cancellation (other than (i) Debt Securities (or coupons in the case of bearer securities) that have been destroyed, lost or stolen and which have been paid or replaced, (ii) coupons pertaining to bearer securities whose surrender is not required or has been waived under certain circumstances and (iii) Debt Securities (or coupons in the case of bearer securities) the payment for which has been previously deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust) or (B) all such Debt Securities have become due and payable or will become due and payable at their Stated Maturity within one year or, if redeemable at the option of the Company, are to be called for redemption within one year, and the Company complies with certain other conditions, then, at the direction of the Company, such Indenture shall cease to be of further effect, except as to certain rights of transfer or exchange.

EVENTS OF DEFAULT

Each Indenture defines an Event of Default with respect to any series of Debt Securities issued thereunder as being any one of the following events: (i) default for 30 days in any payment of interest on any Debt Security of such series; (ii) default in the payment of principal of, or premium, if any, on, any Debt Security of such series when due; (iii) default in the deposit of any sinking fund payment with respect to any Debt Security of such series when due; (iv) default, for 90 days after appropriate notice, in performance of any other covenant or warranty in such Indenture (other than a covenant or warranty included in such Indenture solely for the benefit of one or more series of Debt Securities other than that series); (v) the failure to pay principal of or interest on any other obligation for borrowed money of the Company (including default under any other series of Debt Securities and in the case of the Senior Debt Securities, including default on any guaranty of an obligation for borrowed money of a Restricted Subsidiary) beyond any period of grace with respect thereto if (x) the aggregate principal amount of any such obligation is in excess of $10,000,000 (or in the case of any such obligation in which the amount payable upon acceleration is less than the amount payable at stated maturity, the amount then payable upon acceleration exceeds $10,000,000), (y) the default in such payment is not being contested by the Company in and by appropriate proceedings, and (z) the default in such payment has not been cured or waived prior to the notice in writing to the Company as provided in such Indenture; (vi) certain events of bankruptcy, insolvency or reorganization; or (vii) any other Event of Default provided with respect to Debt Securities of that series. In case an Event of Default specified in (vi) above occurs, all unpaid principal of, premium, if any, and accrued interest on Outstanding Debt Securities of any series shall ipso facto become and shall be immediately due and payable without any declaration or other act on the part of the applicable Trustee or any Holder, and if any other Event of Default shall occur and be continuing with respect to any series of Debt Securities, the Trustee with respect thereto or the Holders of not less than 25% in aggregate principal amount of the Outstanding Debt Securities of that series may declare the principal of such series (or, as in the case of Original Issue Discount Securities, such portion of the principal as may be specified in the terms of that series) to be due and payable immediately. However, at any time after such a declaration of acceleration with respect to Debt Securities of any series has been made, but before a judgment or decree based on such acceleration has been obtained, the Holders of a majority in aggregate principal amount of Outstanding Debt Securities of that series may, under certain circumstances, rescind and annul such acceleration if all Events of Default other than the non-payment of accelerated principal, with respect to Debt Securities of that series, have been cured or waived as provided in such Indenture.

Reference is made to the Prospectus Supplement relating to any

Debt Security that is an Original Issue Discount Security for the particular provisions relating to acceleration of the Maturity of a portion of the principal amount of such Original Issue Discount Security upon the occurrence of an Event of Default and the continuation thereof.

Each Indenture requires the Company to file annually with the Trustee an Officer's Certificate as to the absence of certain defaults under the terms of such Indenture. Each Indenture provides that the Trustee thereof shall, within 90 days after the occurrence of a default with respect to any such series for which there are Debt Securities outstanding which is continuing, give to the Holders of such Debt Securities notice of all uncured defaults known to it (the term default to include the events specified above without grace periods); provided that, except in the case of default in the payment of principal, premium, if any, or interest on any of the Debt Securities of any series or the payment of any sinking fund installment on the Debt Securities of any series, the Trustee shall be protected in withholding such notice if it in good faith determines that the withholding of such notice is in the interest of the Holders of Debt Securities.

Subject to the provisions of each Indenture relating to the duties of the Trustee thereof in case an Event of Default shall occur and be continuing, each Indenture provides that the Trustee shall be under no obligation to exercise any of its rights or powers under such Indenture at the request, order or direction of the Holders of the Debt Securities unless such Holders shall have offered to the Trustee reasonable indemnity. Subject to such provisions for indemnification and other rights of the Trustee, each Indenture provides that the Holders of a majority in aggregate principal amount of the Outstanding Debt Securities of any series affected shall have the right to 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 such series.

No Holder of any Debt Security of any series will have any right to institute any proceeding with respect to such Indenture or for any remedy thereunder unless (i) such Holder shall have previously given to the Trustee thereof written notice of a continuing Event of Default with respect to Debt Securities of that series, (ii) the Holders of at least 25% in aggregate principal amount of the Outstanding Debt Securities of that series shall have made written request to the Trustee to institute such proceeding as Trustee, (iii) such Holder or Holders shall have offered to the Trustee reasonable indemnity, (iv) the Trustee shall have failed to institute such proceeding within 60 days, and (v) the Trustee shall not have received from the Holders of a majority in aggregate principal amount of the Outstanding Debt Securities of that series a direction inconsistent with such request. However, the Holder of any Debt Security will have an absolute right to receive payment of the principal, premium, if any, and interest on such Debt Security on or after the due dates expressed in such Debt Security and to institute suit for the enforcement of any such payment.

BOOK-ENTRY DEBT SECURITIES

Debt Securities of a series may be issued in whole or in part in the form of one or more global securities ("Global Securities") that will be deposited with, or on behalf of, a depository identified in the Prospectus Supplement relating to such series. Payments of principal, premium, if any, and interest, if any, on Debt Securities of such series represented by a Global Security will be made to the Depository.

The Company anticipates that any Global Securities will be

deposited with, or on behalf of, The Depository Trust Company ("DTC"), New York, New York, that such Global Securities will be registered in the name of DTC's nominee, and that the following provisions will apply to the depository arrangements with respect to any such Global Securities. Additional or differing terms of the depository arrangement relating to Debt Securities of any series issued in the form of Global Securities will be described in the related Prospectus Supplement.

So long as DTC or its nominee is the registered owner of a Global Security, DTC or its nominee, as the case may be, will be considered the sole holder of the Debt Securities represented by such Global Security for all purposes under the applicable Indenture. Except as described below, owners of beneficial interests in a Global Security will not be entitled to have Debt Securities represented by such Global Security registered in their names, will not receive or be entitled to receive physical delivery of Debt Securities in certificated form and will not be considered the record owners or holders of Debt Securities under the applicable Indenture. The laws of some states require that certain purchasers of securities take physical delivery of such securities in certificated form; accordingly, such laws may limit the transferability of beneficial interests in a Global Security.

If DTC is at any time unwilling or unable to continue as depository with respect to any Debt Securities that are represented by a Global Security and a successor depository is not appointed by the Company within 60 days, the Company will issue individual Debt Securities in certificated form in exchange for the Global Securities. In addition, the Company may at any time determine not to have any Debt Securities of one or more series represented by Global Securities and, in such event, will issue individual Debt Securities of such series in certificated form in exchange for the relevant Global Securities. In any such instance, an owner of a beneficial interest in a Global Security will be entitled to physical delivery of individual Debt Securities in certificated form equal in principal amount to such beneficial interest and to have such Debt Securities in certificated form registered in its name.

The following information concerning DTC and DTC's book-entry system has been obtained from sources (including DTC) that the Company believes to be reliable, but the Company takes no responsibility for the accuracy thereof.

Any Debt Securities for which DTC will act as securities depository will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One fully registered Debt Security certificate will be issued with respect to up to $150 million of principal amount of the Debt Securities of a series, and an additional certificate will be issued with respect to any remaining principal amount of such series.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities that its participants ("Participants") deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations ("Direct Participants"). DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks

and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The rules applicable to DTC and its Participants are on file with the Commission.

Purchases of Debt Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Debt Securities on DTC's records. The ownership interest of each actual purchaser of each Debt Security ("Beneficial Owner") is in turn to be recorded on the Participants' records. A Beneficial Owner will not receive written confirmation from DTC of its purchase, but such Beneficial Owner is expected to receive a written confirmation providing details of the transaction, as well as periodic statements of its holdings, from the Participant through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in Debt Securities are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Debt Securities, except in the event that use of the book-entry system for the Debt Securities is discontinued.

The deposit of the Debt Securities with DTC and their registration in the name of Cede & Co. will effect no change in beneficial ownership. DTC will have no knowledge of the actual Beneficial Owners of the Debt Securities; DTC records will reflect only the identity of the Direct Participants to whose accounts Debt Securities are credited, which may or may not be the Beneficial owners. The Participants will remain responsible

for keeping account of their holdings on behalf of their customers.

Delivery of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. will consent or vote with respect to the Debt Securities. Under its usual procedures, DTC mails a proxy (an "Omnibus Proxy") to the Company as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Debt Securities are credited on the record date (identified on a list attached to the Omnibus Proxy).

Principal, premium and interest payments on the Debt Securities will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the payable date in accordance with their respective holdings as shown on DTC's records unless DTC has reason to believe that it will not receive payment on the payable date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is 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 Participant and not of DTC, the Trustee or any Paying Agent or the Company, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Company or the Trustee or any Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Debt Securities at any time by giving reasonable notice to the Company or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not appointed, Debt Security certificates are required to be printed and delivered.

The Company may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Debt Security certificates will be printed and delivered.

Unless stated otherwise in the applicable Prospectus Supplement, any underwriters, dealers or agents with respect to any Debt Securities issued as Global Securities will be Direct Participants in DTC.

None of the Company, any underwriter, dealer or agent, the applicable Trustee or any Paying Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial interests in a Global Security, or for maintaining, supervising or reviewing any records relating to such beneficial interests.

INFORMATION CONCERNING THE TRUSTEES

Harris Trust and Savings Bank is the trustee under the Senior Indenture, and NBD Bank, N.A. is the trustee under the Subordinated Indenture. Each Trustee may also serve as warrant agent with respect to any Debt Warrants to purchase underlying Debt Securities issued under the Indenture with respect to which it acts as trustee (see "Description of Warrants -- Debt Warrants"). The Company also maintains banking relationships in the ordinary course of business with each of the Trustees, and the Trustees participate, along with several other banks, in certain credit facilities with Arvin and certain of its subsidiaries. The Trustee for the Senior Indenture is, as of the date of this Prospectus, trustee with respect to the Company's 6 7/8% Notes due February 15, 2001 and its 9 1/8% Sinking Fund Debentures due March 1, 2017. As of the date of this Prospectus, the Trustee for the Senior Indenture also is trustee with respect to $75,000,000 aggregate principal amount of the Company's Medium Term Notes issued under the Senior Indenture and $38,000,000 aggregate principal amount of Medium Term Notes of Arvin Overseas Finance B.V., an indirect wholly owned subsidiary of Arvin. As of the date of this Prospectus, Arvin has outstanding $150,000,000 aggregate principal amount of its debt securities issued under the Senior Indenture.

GOVERNING LAW

The Indentures are governed, and the Debt Securities will be governed, by the laws of the State of New York.

PROVISIONS APPLICABLE SOLELY TO SENIOR DEBT SECURITIES

Senior Debt Securities will be issued under the Senior Indenture and will rank pari passu with all other unsecured and unsubordinated debt of the Company.

CERTAIN COVENANTS

The Senior Indenture contains certain covenants, including those described below with respect to the incurrence of Secured Debt by Arvin and its Restricted Subsidiaries, Sale and Leaseback Transactions on the part of Arvin and its Restricted Subsidiaries, and the transfer of Principal Facilities to Unrestricted Subsidiaries. Certain of the terms used in these covenants are defined below under "Certain Definitions." These covenants do not, however, focus on the amount of debt incurred in any transaction and do not afford protection to holders of the Debt Securities in the event of a highly leveraged transaction that is not in violation of the covenants.

The Senior Indenture provides that so long as the Debt Securities issued pursuant to such Indenture are outstanding, Arvin will not, and

will not cause or permit a Restricted Subsidiary to, create, incur, assume or guarantee any Secured Debt or create any Security Interest securing any indebtedness existing on the date of such Indenture that would constitute Secured Debt if it were secured by a Security Interest in a Principal Facility unless the Senior Debt Securities will be secured equally and ratably (subject to applicable priorities of payment) by the Security Interest securing such Secured Debt or indebtedness, except that Arvin and its Restricted Subsidiaries may create, incur, assume or guarantee certain Secured Debt without so securing the Senior Debt Securities. Among such permitted Secured Debt is indebtedness secured by (i) certain Security Interests to secure payment of the cost of acquisition, construction, development or improvement of property; (ii) Security Interests on property at the time of acquisition assumed by Arvin or a Restricted Subsidiary, or on the property or on the outstanding shares or indebtedness of a corporation or firm at the time it becomes a Restricted Subsidiary or is merged into or consolidated with Arvin or a Restricted Subsidiary, or on properties of a corporation or firm acquired by Arvin or a Restricted Subsidiary as an entirety or substantially as an entirety; (iii) Security Interests arising from conditional sales agreements or title retention agreements with respect to property acquired by Arvin or any Restricted Subsidiary; (iv) Security Interests securing indebtedness of a Restricted Subsidiary owing to Arvin or to another Restricted Subsidiary; (v) mechanics' and other statutory liens arising in the ordinary course of business (including construction of facilities) in respect of obligations that are not due or that are being contested in good faith; (vi) liens for taxes, assessments or governmental charges not yet due or for taxes, assessments or governmental charges that are being contested in good faith; (vii) Security Interests (including judgment liens) arising in connection with legal proceedings so long as such proceedings are being contested in good faith and, in case of judgment liens, execution thereon is stayed; (viii) certain landlords' liens on fixtures; (ix) Security Interests to secure partial, progress, advance or other payments or indebtedness incurred for the purpose of financing construction on or improvement of property subject to such Security Interests; and (x) certain Security Interests in favor, or made at the request, of governmental bodies. Additionally, permitted Secured Debt includes (with certain limitations) any extension, renewal or refunding, in whole or in part, of any Secured Debt permitted at the time of the original incurrence thereof. In addition to the foregoing, Arvin and its Restricted Subsidiaries may incur Secured Debt, without equally and ratably securing the Senior Debt Securities, if the sum of (a) the amount of Secured Debt entered into after the date of the Senior Indenture and otherwise prohibited by the Senior Indenture plus (b) the aggregate value of Sale and Leaseback Transactions entered into after the date of the Senior Indenture and otherwise prohibited by the Senior Indenture does not exceed ten percent of Consolidated Net Tangible Assets.

The Senior Indenture provides that so long as Debt Securities issued pursuant to such Indenture are outstanding Arvin will not, and

will not permit any Restricted Subsidiary to, enter into any Sale and Leaseback Transaction unless (a) Arvin or such Restricted Subsidiary would be entitled to incur Secured Debt permitted by the Indenture only by reason of the provision described in the last sentence of the preceding paragraph equal in amount to the net proceeds of the property sold or transferred or to be sold or transferred pursuant to such Sale and Leaseback Transaction and secured by a Security Interest on the property to be leased without equally and ratably securing the Notes or (b) Arvin or a Restricted Subsidiary shall apply within 180 days after the effective date of such Sale and Leaseback Transaction, an amount equal to such net proceeds (x) to the acquisition, construction, development or improvement of properties, facilities or equipment which are, or upon such acquisition, construction, development or improvement will be, a Principal Facility or Facilities or a part thereof or (y) to the redemption of Senior Debt Securities or (z) to the repayment of Senior Funded Debt of Arvin or of any Restricted Subsidiary (other than the Senior Funded Debt owed to any Restricted Subsidiary), or in part to such acquisition, construction, development or improvement and in part to such redemption and/or repayment. In lieu of applying an amount equal to such net proceeds

to such redemption Arvin may, within 180 days after such sale or transfer, deliver to the Trustee Senior Debt Securities (other than Senior Debt Securities made the basis of a reduction in a mandatory sinking fund payment) for cancellation and thereby reduce the amount to be applied to the redemption of the Senior Debt Securities by an amount equivalent to the aggregate principal amount of the Senior Debt Securities so delivered.

The Senior Indenture provides that so long as Debt Securities issued pursuant to such Indenture are outstanding, Arvin will not, and will not cause or permit any Restricted Subsidiary to, transfer any Principal Facility to any Unrestricted Subsidiary unless it shall apply within 180 days of the effective date of such transaction an amount equal to the fair value of such Principal Facility at the time of such transfer (i) to the acquisition, construction, development or improvement of properties, facilities or equipment which are, or upon such acquisition, construction, development or improvement will be, a Principal Facility or Facilities or a part thereof or (ii) to the redemption of the Senior Debt Securities or (iii) to the repayment of Senior Funded Debt of Arvin or any Restricted Subsidiary (other than Senior Funded Debt owed to any Restricted Subsidiary), or in part to such acquisition, construction, development or improvement and in part to such redemption and/or repayment. In lieu of applying all or any part of such amount to such redemption, Arvin may, within 180 days of such transfer, deliver to the Trustee Senior Debt Securities (other than Senior Debt Securities made the basis of a reduction in a mandatory sinking fund payment) for cancellation and thereby reduce the amount to be applied to the redemption of the Senior Debt Securities by an amount equivalent to the aggregate principal amount of the Senior Debt Securities so delivered.

CERTAIN DEFINITIONS

The following terms are defined substantially as follows in Section 101 of the Senior Indenture and are used herein as so defined.

"Consolidated Net Tangible Assets" means, in each case, with respect to Arvin (a) the total amount of assets (less applicable reserves and other properly deductible items) after deducting therefrom (i) all liabilities and liability items, except for indebtedness payable by its terms more than one year from the date of incurrence thereof (or renewable or extendable at the option of the obligor for a period ending more than one year after such date of incurrence), capitalized rent, capital stock (including redeemable preferred stock) and surplus, surplus reserves and deferred income taxes and credits and other non-current liabilities, and (ii) all goodwill, trade names, trademarks, patents, unamortized debt discount, unamortized expenses incurred in the issuance of debt, and other like intangibles which, in each case, under generally accepted accounting principles in effect on July 3, 1990, the date of the Senior Indenture, would be included on a consolidated balance sheet of Arvin and its Restricted Subsidiaries, less (b) loans, advances, equity investments and guarantees (other than accounts receivable arising from the sale of merchandise in the ordinary course of business) at the time outstanding that were made or incurred by Arvin and its Restricted Subsidiaries to, in or for Unrestricted Subsidiaries or to, in or for corporations while they were Restricted Subsidiaries and which at the time of computation are Unrestricted Subsidiaries.

"Principal Facility" means any manufacturing plant, warehouse, office building or parcel of real property (including fixtures but excluding leases and other contract rights which might otherwise be deemed real property) owned by Arvin, or any Restricted Subsidiary, whether owned on the date of the Senior Indenture or thereafter, provided each such plant, warehouse, office building or parcel of real property has a gross book value (without deduction for any depreciation reserves) at the date as of which the determination is being made of in excess of three percent of the Consolidated Net Tangible Assets, other than any such plant, warehouse, office building or parcel of real property or portion thereof which, in the opinion of the Board of Directors (evidenced by a Board Resolution), is not of material importance to the business conducted by Arvin and its Subsidiaries taken as a whole.

"Restricted Subsidiary" means (a) any Subsidiary other than an Unrestricted Subsidiary and (b) any Subsidiary that was an Unrestricted Subsidiary but which, subsequent to the date of the applicable Indenture, is designated by Arvin (evidenced by a Board Resolution) to be a Restricted Subsidiary; provided, however, that Arvin may not designate any such Subsidiary to be a Restricted Subsidiary if Arvin would thereby breach any covenant or agreement contained in the Senior Indenture (on the assumption that any transaction to which such Subsidiary was a party at the time of such designation and which would have given rise to Secured Debt or constituted a Sale and Leaseback Transaction at the time it was entered into had such Subsidiary then been a Restricted Subsidiary was entered into at the time of such designation).

"Sale and Leaseback Transaction" means any sale or transfer made by Arvin or one or more Restricted Subsidiaries (except a sale or transfer made to Arvin or one or more Restricted Subsidiaries) of any Principal Facility that (in the case of a Principal Facility which is a manufacturing plant, warehouse or office building) has been in operation, use or commercial production (exclusive of test and start-up periods) by Arvin or any Restricted Subsidiary for more than 180 days prior to such sale or transfer, or that (in the case of a Principal Facility that is a parcel of real property other than a manufacturing plant, warehouse or office building) has been owned by Arvin or any Restricted Subsidiary for more than 180 days prior to such sale or transfer, if such sale or transfer is made with the intention of leasing, or as part of an arrangement involving the lease of such Principal Facility to Arvin or a Restricted Subsidiary (except a lease for a period not exceeding 36 months made with the intention that the use of the leased Principal Facility by Arvin or such Restricted Subsidiary will be discontinued on or before the expiration of such period). Any Secured Debt permitted under the Senior Indenture will not be deemed to create or be defined to be a Sale and Leaseback Transaction.

"Secured Debt" means any indebtedness for money borrowed by, or evidenced by a note or other similar instrument of, Arvin or a Restricted Subsidiary, and any other indebtedness of Arvin or a Restricted Subsidiary on which, by the terms of such indebtedness, interest is paid or payable, including obligations evidenced or secured by leases, installment sales agreements or other instruments in connection with private activity bonds which are qualified bonds under Section 141 of the Internal Revenue Code of 1986 (other than indebtedness owed by a Restricted Subsidiary to Arvin, by a Restricted Subsidiary to another Restricted Subsidiary or by Arvin to a Restricted Subsidiary), which in any such case is secured by (a) a Security Interest in any Principal Facility, or (b) a Security Interest in any shares of stock owned directly or indirectly by Arvin in a Restricted Subsidiary or in indebtedness for money borrowed by a Restricted Subsidiary from Arvin or another Restricted Subsidiary. The securing in the foregoing manner of any previously unsecured debt shall be deemed to be the creation of Secured Debt at the time such security is given. The amount of Secured Debt at any time outstanding shall be the aggregate amount then owing thereon by Arvin and its Restricted Subsidiaries.

"Senior Funded Debt" means any obligation of Arvin or any Restricted Subsidiary which constituted funded debt as of the date of its creation and that, in the case of such funded debt of Arvin, is not subordinate and junior in right of payment to the prior payment of the Senior Debt Securities. As used herein "funded debt" shall mean any obligation payable by its terms more than one year from the date of incurrence thereof (or renewable or extendable at the option of the obligor for a period ending more than one year after such date of incurrence), which under generally accepted accounting principles should be shown on the balance sheet as a liability.

"Subsidiary" means any corporation of which at the time of determination Arvin and/or one or more Subsidiaries owns or controls directly or indirectly more than 50 percent of the shares of Voting Stock.

"Unrestricted Subsidiary" means (a) any Subsidiary acquired or organized after the date of the Senior Indenture, provided, however, that such Subsidiary is not a successor, directly or indirectly, to, and does not directly or indirectly own any equity interest in, any Restricted Subsidiary, (b) any Subsidiary the principal business and assets of which are located outside the United States of America (including its territories and possessions) or Canada or both, (c) any Subsidiary the principal business of which consists of financing the acquisition or disposition of machinery, equipment, inventory, accounts receivable and other real, personal and intangible property by Persons including Arvin or a Subsidiary, (d) any Subsidiary the principal business of which is owning, leasing, dealing in or developing real property for residential or office building purposes, and (e) any Subsidiary substantially all the assets of which consist of stock or other securities of an Unrestricted Subsidiary or Unrestricted Subsidiaries of the character described in clauses (a) through (d) of this paragraph, unless and until, in each of the cases specified in this paragraph, any such designation shall have been designated to be a Restricted Subsidiary pursuant to clause (b) of the definition of "Restricted Subsidiary."

PROVISIONS APPLICABLE SOLELY TO SUBORDINATED DEBT SECURITIES

Subordinated Debt Securities will be issued under the Subordinated Indenture and will rank pari passu with certain other subordinated debt of the Company that may be outstanding from time to time and will rank junior to all Senior Indebtedness of the Company (including any Senior Debt Securities) that may be outstanding from time to time. The particular terms of the Subordinated Debt Securities offered by any Prospectus Supplement, including the terms of subordination and the definition of Senior Indebtedness, may be modified from those set forth in the following general provisions, as and to the extent described in the Prospectus Supplement.

SUBORDINATION

The payment of the principal of (and premium, if any) and interest on the Subordinated Debt Securities is expressly subordinated, to the extent and in the manner set forth in the Subordinated Indenture (with any changes therein effected by the terms of the particular Subordinated Debt Securities indicated in the Prospectus Supplement), in right of payment to the prior payment in full of all Senior Indebtedness of the Company.

In the event of any dissolution or winding up, or total or partial liquidation or reorganization of the Company, whether in bankruptcy, reorganization, insolvency, receivership or similar proceeding, the holders of Senior Indebtedness will be entitled to receive payment in full of all amounts due or to become due on or in

respect of all Senior Indebtedness before the Holders of the Subordinated Debt Securities are entitled to receive any payment on the Subordinated Debt Securities, including principal (or premium, if any) or interest.

Unless otherwise indicated in the Prospectus Supplement, no payment in respect of the Subordinated Debt Securities shall be made if, at the time of such payment, there exists a default in payment (beyond any applicable grace period) on all or any portion of any Senior Indebtedness, and such default shall not have been cured or waived in writing or the benefits of such subordination in the Subordinated Indenture shall not have been waived in writing by or on behalf of the holders of such Senior Indebtedness.

If, notwithstanding the foregoing, the Trustee or the Holder of any of the Subordinated Debt Securities receives any payment or distribution of any kind before all Senior Indebtedness is paid in

full or payment thereof provided for, such payment or distribution shall be applied to the payment of all Senior Indebtedness remaining unpaid, to the extent necessary to pay all Senior Indebtedness in full, after giving effect to any concurrent payment or distribution to or for the holders of Senior Indebtedness.

The term "Senior Indebtedness" is defined in the Subordinated Indenture as Indebtedness (which includes any Senior Debt Securities), either outstanding as of the date of the Subordinated Indenture or subsequently issued, that by its terms is not subordinated in right of payment to any unsecured Indebtedness of the Company or is pari passu with subordinated Indebtedness of the Company.

The term "Indebtedness," as applied to any Person, is defined in the Subordinated Indenture as all indebtedness, whether or not represented by bonds, debentures, notes or other securities, created or assumed by such Person for the repayment of money borrowed, and obligations, computed in accordance with generally accepted accounting principles, as lessee under leases that should be, in accordance with generally accepted accounting principles, treated as capital leases. All Indebtedness secured by a lien upon property owned by Arvin or any Subsidiary and upon which Indebtedness such Person customarily pays interest, although such Person has not assumed or become liable for the payment of such Indebtedness, shall be deemed to be Indebtedness of such Person. All Indebtedness of others guaranteed as to payment of principal by such Person or in effect guaranteed by such Person through a contingent agreement to purchase such Indebtedness shall also be deemed to be indebtedness of such Person.

If Subordinated Debt Securities are issued under the Subordinated Indenture, the aggregate principal amount of Senior Indebtedness outstanding as of a recent date will be set forth in the related Prospectus Supplement. The Subordinated Indenture does not restrict the amount of Senior Indebtedness that Arvin may incur.

CONVERSION

The terms on which Subordinated Debt Securities of any series are convertible into Common Shares or other securities of the Company will be set forth in the Prospectus Supplement relating thereto. Except as otherwise indicated in the Prospectus Supplement, any right to convert Subordinated Debt Securities called for redemption will terminate at the close of business on the redemption date. In the case of Subordinated Debt Securities convertible into Common Shares, the initial conversion price will be subject to appropriate adjustment in certain events, including: (i) a dividend or distribution on the Common Shares in Common Shares; (ii) a subdivision or combination of the Common Shares; (iii) an issuance to all holders of Common Shares of certain rights (other than the Rights, as defined below under "-- Preferred Share Purchase Rights") or warrants entitling them (for a period expiring within 45 days after the relevant record date) to subscribe for or purchase Common Shares at less than the current market price; and (iv) a distribution on the Common Shares of evidences of indebtedness of the Company or assets (other than cash dividends or distributions from retained earnings) or rights (other than Rights) or warrants to subscribe for or purchase any of its securities (other than those referred to above).

In addition, except as otherwise indicated in the Prospectus Supplement, in any of the following events: (i) the reclassification or change of outstanding Common Shares (other than certain changes in par value, or as a result of a subdivision or combination); (ii) any consolidation, merger or combination of the Company as a result of which holders of Common Shares shall be entitled to receive stock, securities or other assets with respect to or in exchange for such Common Shares; or (iii) any sale or conveyance of the assets of the Company as, or substantially as, an entirety to any other entity as a result of which holders of Common Shares shall be entitled to receive stock, securities or other assets with respect to or in exchange for such Common Shares; then, in any such event, the Holders of Subordinated Debt Securities that are convertible into Common Shares shall have the right to convert such Subordinated Debt Securities into the kind and amount of shares of stock and other securities or assets

receivable upon such event by a holder of the number of Common Shares issuable upon conversion of such Subordinated Debt Securities immediately prior to such event.

No adjustment of the conversion price will be required to be made in any case until cumulative adjustments amount to at least one percent of the current conversion price. The Company reserves the right to make such reductions in the conversion price, in addition to those required in the foregoing provisions, as the Company in its discretion shall determine to be advisable in order that certain stock-related distributions hereafter made by the Company to its shareholders will not be taxable. Each Common Share issued upon conversion will, in certain circumstances and subject to certain terms and conditions set forth in the Rights Agreement, include the associated Rights. See "-- Preferred Share Purchase Rights." Fractional Common Shares will not be issued upon conversion of Subordinated Debt Securities that are convertible into Common Shares, but, in lieu thereof, the Company will pay a cash adjustment based upon the market price of the Common Shares.

Except as otherwise indicated in the Prospectus Supplement, Subordinated Debt Securities surrendered for conversion during the period from the close of business on any Regular Record Date next preceding any Interest Payment Date to the opening of business on such Interest Payment Date (except the Securities of any series called for redemption on a redemption date during such period) must be accompanied by payment of an amount equal to the interest thereon which the registered Holder is to receive. In the case of any Subordinated Debt Security which has been converted after any Regular Record Date but on or before the next Interest Payment Date (except Securities of any series whose Maturity is prior to such Interest Payment Date), interest whose Stated Maturity is on such Interest Payment Date will be payable on such Interest Payment Date notwithstanding such conversion, and such interest shall be paid to the Holder of such Security on such Regular Record Date. Except as described above, no interest on converted Securities will be payable by the Company on any Interest Payment Date subsequent to the date of conversion. No other payment or adjustment for interest or dividends is to be made upon conversion.

The conversion price for any Subordinated Debt Securities that are convertible into securities of the Company other than Common Shares will be subject to such adjustment as may be set forth in the related Prospectus Supplement.

DESCRIPTION OF CAPITAL SHARES

GENERAL

Under the Company's Restated Articles of Incorporation (the "Articles of Incorporation") the Company is authorized to issue 50,000,000 Common Shares, par value $2.50 per share, 22,095,003 of which were issued and outstanding as of January 2, 1994, and 8,978,058 preferred shares, without par value (the "Preferred Shares"), none of which were outstanding as of January 2, 1994, which may be issued at any time by the Board of Directors in such series with such terms as it may fix in resolutions providing for the issuance thereof. The number of authorized Preferred Shares includes 500,000 authorized Series C Junior Participating Preferred Shares (the "Series C Preferred Shares") issuable under the Rights Agreement (as described below), none of which were outstanding as of January 2, 1994. The number of authorized Series C Preferred Shares may be increased from time to time by resolution of the Board of Directors. See "-- Preferred Share Purchase Rights." The Company may issue the remainder of the Preferred Shares in one or more series.

COMMON SHARES

Subject to the prior dividend rights of the Preferred Shares, holders of the Common Shares are entitled to receive dividends and other distributions, when and as declared by the Board of Directors of

the Company. Certain of the long-term debt obligations of the Company contain covenants that may indirectly restrict the payment of dividends on shares of its capital stock, although none materially limits the Company's ability to pay dividends at the date of this Prospectus. Any such material limitations will be described in a Prospectus Supplement relating to Common Shares.

Holders of Common Shares are entitled to one vote for each share held, and except as required by the Indiana Business Corporation Law (the "IBCL") or as may be otherwise specifically provided in an amendment to the Articles of Incorporation, vote together with any Preferred Shares having general voting rights as a single class.

After creditors and the prior rights of any Preferred Shares have been satisfied upon any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company, the holders of the Common Shares are entitled to share ratably in the remaining assets of the Company.

The Common Shares have no conversion privileges or preemptive rights and, except as described below, are not subject to redemption at the option of the Company. The Articles of Incorporation, the IBCL and, from time-to-time, various loan agreements to which the Company is or may become a party may restrict the Company's ability to redeem or repurchase its own shares in other situations.

The Common Shares are listed on the New York Stock Exchange and the Chicago Stock Exchange. The transfer agent and registrar of the Common Shares is Harris Trust and Savings Bank, Chicago, Illinois.

PROVISIONS WITH POSSIBLE ANTI-TAKEOVER EFFECTS

The Company's By-Laws currently provide for the classification of the Board of Directors into three classes. The Articles of Incorporation limit the number of directors that may be elected to not less than 12 or more than 17 (exclusive of such number of Directors as may be elected by any class of shares of the Company other than the Common Shares on account of specified dividend arrearages in accordance with the Articles of Incorporation), permit removal of directors only for cause and only by the affirmative vote of two-thirds of the outstanding voting shares, establish the power to make, alter, amend or repeal the By-Laws exclusively in the Board of Directors and require that any merger, dissolution or other significant restructuring of the Company be approved by 80% of the directors or by 80% of the shares outstanding and entitled to vote thereon (which shareholder vote is also required to amend these provisions). The By-Laws also provide that amendments thereof require an affirmative vote of two-thirds of the directors then in office. The Articles of Incorporation provide that the By-Laws may contain provisions requiring the disclosure to the Company of the names of beneficial owners of Common Shares and imposing sanctions in the event of nondisclosure (such as prohibiting voting by, withholding dividends to, and redeeming the Common Shares held by, the non-disclosing record holder). The Company's By-Laws do not currently contain such provisions.

In addition, the Articles of Incorporation provide that if any person who is the beneficial owner of more than 50% of the Company's outstanding Common Shares acquires any additional shares pursuant to a tender offer or if any person or entity becomes the beneficial owner of more than 50% of the Company's outstanding Common Shares in a tender offer for such shares, not approved by a majority of the Board of Directors who are unaffiliated with the person or entity making the tender offer, then all holders of Common Shares (and holders of rights, options, warrants and securities then exercisable or convertible into Common Shares), other than the acquiring person, are

entitled for a limited period to have the Company repurchase any or all of their shares at the "repurchase price." The "repurchase price" is the greater of (a) the highest per share price paid by the person or entity making the tender offer within the prior eighteen months (plus aggregate earnings per Common Share for the preceding four quarters less cash dividends paid on Common Shares during those four quarters), or (b) the shareholder equity per Common Share. These provisions of the Articles of Incorporation can be amended by only an 80% shareholder vote, subject to certain other limitations. The Company's obligation to repurchase shares is limited by the IBCL and could be limited by the terms and provisions of outstanding Preferred Shares or loan or other agreements to which the Company might be a party. See also "-- Preferred Share Purchase Rights."

Chapter 42 of the IBCL eliminates the voting rights of certain shares ("control shares") held by persons ("acquiring persons") who acquire shares giving them one-fifth, one-third or a majority of the voting power of certain corporations, including the Company. Control shares acquired in a control share acquisition retain the same voting rights as were accorded the shares before the control share acquisition only to the extent granted by resolutions approved by the disinterested shareholders. If shareholders approve the voting rights of control shares and a shareholder has acquired control shares with a majority or more of the voting power, all shareholders of the corporation are entitled to exercise statutory dissenters' rights and to demand the value of their shares in cash from the corporation. If voting rights are not accorded to the control shares, the corporation has the right to redeem them. In addition, if authorized in a corporation's articles of incorporation or by-laws, the corporation may for a period of time redeem the shares that caused a person to become an acquiring person at their fair value unless the acquiring person provides certain information to the corporation. The Company's By-Laws authorize such a redemption. The provisions of Chapter 42 do not apply to acquisitions of voting power pursuant to a merger or share exchange agreement to which the corporation is a party.

Chapter 43 of the IBCL imposes certain restrictions on the ability of an "interested shareholder," which includes a beneficial owner of at least 10% of the outstanding voting shares, of a "resident domestic corporation" (such as the Company) to engage in a "business combination," as defined in the statute, with the resident domestic

corporation unless certain requirements are met (including a waiting period of five years after the shareholder becomes an interested shareholder unless the corporation's board of directors approved the acquisition of 10% or more of the voting shares or the business combination, prior to the share acquisition date). Following the five-year period, a business combination may be effected with an interested shareholder only if (a) the business combination is approved by the corporation's shareholders, excluding the interested shareholder and any of its affiliates or associates, or (b) the consideration to be received by shareholders in the business combination meets certain fairness criteria set forth in Chapter 43. Chapter 43 broadly defines the term "business combination" to include mergers, sales or leases of assets, transfers of shares of the corporation, proposals for liquidation and the receipt by an interested shareholder of any financial assistance or tax advantage from the corporation, except proportionately as a shareholder of the corporation.

The overall effect of the above provisions may be to discourage, or render more difficult, a merger, tender offer, proxy contest, the assumption of control of the Company by a holder of a large block of the Company's shares or other person, or the removal of incumbent management, even if such actions may be beneficial to the Company's shareholders generally.

PREFERRED SHARE PURCHASE RIGHTS

Each outstanding Common Share includes one Right (individually a "Right" and collectively the "Rights") to purchase one one-hundredth of a Series C Preferred Share, which series currently consists of 500,000 Preferred Shares, all of which have been reserved for issuance

upon exercise of the Rights. The terms and conditions of the Rights are governed by a Rights Agreement dated as of May 29, 1986, as amended by an amendment dated as of February 23, 1989 (the "Rights Agreement"), between the Company and Harris Trust and Savings Bank. The description of the Rights contained herein is qualified in its entirety by reference to the Rights Agreement which is filed as part of the Company's Current Report on Form 8-K dated June 16, 1986 and the amendment thereto which is filed with the Company's Current Report on Form 8-K dated February 23, 1989 and incorporated by reference herein.

Currently, the Rights are not exercisable, certificates representing Rights have not been issued and the Rights automatically trade with the Common Shares. However, ten days after a person or group either acquires beneficial ownership of 20% or more of the outstanding Common Shares (such person or group being called an "Acquiring Person") or makes an offer to acquire 20% or more of the outstanding Common Shares, the Rights become exercisable, certificates representing the Rights will be issued as soon as practicable thereafter and the Rights will begin to trade independently from the Common Shares. At no time will the Rights have any voting power. When the Rights become exercisable, a holder thereof will become entitled to buy one one-hundredth of a newly-issued Series C Preferred

Share for each Right at an exercise price of $90, subject to certain anti-dilution adjustments. Each Series C Preferred Share will be entitled to one vote per share, voting together with the Common Shares and to certain other voting rights. See "Preferred Shares." Holders of Series C Preferred Shares also have special rights to participate in the election of two additional directors in the event of certain dividend arrearages. Each Series C Preferred Share, if and when issued upon the exercise of a Right, will be entitled to a minimum preferential quarterly dividend at the rate of $25 per share, but subject to certain adjustments will be entitled to an aggregate dividend of 100 times the dividend declared per Common Share in the preceding quarter. The holders of the Series C Preferred Shares will receive a preferred liquidation payment of $100 per share, but will be entitled to receive an aggregate liquidation payment equal to 100 times the payment made per Common Share.

In the event that any person or group becomes an Acquiring Person other than through a cash tender offer for all outstanding Common Shares in which such person increases its beneficial ownership from below 20% to at least 80% of the outstanding Common Shares or in the event a transaction occurs that increases the Acquiring Person's proportionate ownership of the Common Shares, each Right (other than those held by an Acquiring Person) will become exercisable, at the current exercise price of the Right, for that number of Common Shares having, at the time of such event, a market value of two times the exercise price of the Right. Furthermore, if following the acquisition by a person or group of 20% or more of the outstanding Common Shares, the Company is involved in a merger or other business combination transaction or the Company sells or transfers assets or earnings power aggregating more than 50% of the assets or earning power of the Company, each Right will become exercisable, at the current exercise price of the Right, for that number of shares of common stock of the acquiring company having, at the time of such event, a market value of two times the exercise price of each Right.

The Rights are subject to redemption by the Board of Directors for $.10 per Right (subject to adjustment) until a person or group becomes an Acquiring Person. Any redemption is effective at such time, on such basis and with such conditions as the Board of Directors in its sole discretion establishes. The Rights expire on June 13, 1996, unless earlier redeemed.

The purchase price payable, and the number of Series C Preferred Shares or other securities or property issuable upon exercise of the Rights, are subject to adjustment from time to time to prevent dilution under certain circumstances.

So long as the Rights are attached to the Common Shares, the Company will issue one Right with each new Common Share so that all

Common Shares issued will have attached Rights. The Company will also issue one Right with each new Common Share (a) issuable upon conversion of any convertible security issued prior to such time, if any, that the Rights are no longer attached to the Common Shares and (b) issued upon exercise of options to purchase the Common Shares granted by the Company prior to such time, if any, that the Rights are no longer attached to the Common Shares.

The Rights have certain anti-takeover effects. The Rights will cause substantial dilution to a person who attempts to acquire the Company without conditioning his offer on a substantial number of the Rights being acquired. The Rights will also adversely affect a person who desires to obtain control of the Company without acquiring at least 80% ownership through a cash tender offer for all outstanding Common Shares. The Rights will not affect a transaction approved by the Board of Directors of the Company prior to the existence of an Acquiring Person because the Rights can be redeemed.

PREFERRED SHARES

The following description of Preferred Shares sets forth certain general terms and provisions of any series of Preferred Shares to which any Prospectus Supplement may relate. The specific terms of a particular series of Preferred Shares will be described in the Prospectus Supplement relating to such series of Preferred Shares. If so indicated in the related Prospectus Supplement, the terms of any such series of Preferred Shares may differ from the terms set forth below. The description of Preferred Shares set forth below and the description of a particular series of Preferred Shares set forth in the Prospectus Supplement relating thereto do not purport to be complete and are qualified in their entirety by reference to the Articles of Incorporation, and any amendments thereto relating to such series of Preferred Shares, which are filed or incorporated by reference as an exhibit to the Registration Statement of which this Prospectus is a part.

Under the Articles of Incorporation the Board of Directors of the Company is authorized to issue Preferred Shares in one or more series and with rights, preferences, privileges and restrictions, including dividend rights, voting rights, conversion rights, terms of redemption and liquidation preferences, that may be fixed or designated by the Board of Directors without any further vote or action by the Company's stockholders.

The specific terms of a particular series of Preferred Shares offered hereby will be described in the applicable Prospectus Supplement, which will specify the terms of the Preferred Shares as follows:

(a) the maximum number of shares to constitute the series and the distinctive designations thereof;

(b) the annual dividend rate, if any, on shares of the series and the date or dates from which dividends shall commence to accrue or accumulate, and whether the dividends shall be cumulative, and the dividend preference, if any, applicable to the shares of the series;

(c) the price and the terms and conditions on which the shares of the series may be redeemed, including the time during which shares of the series may be redeemed, and any accumulated dividends thereon that the holders of shares of the series shall be entitled to receive upon the redemption thereof;

(d) the liquidation preference, if any, applicable to the shares of the series;

(e) whether the shares of the series will be subject to the operation of a retirement or sinking fund, and if so, the extent and manner in which any such retirement or sinking fund shall be applied to the purchase or redemption of the shares of the series for retirement or for other corporate purposes, and the terms and provisions relative to the operations of such retirement or sinking fund;

(f) the terms and conditions, if any, on which the shares of the series shall be convertible into, or exchangeable for, shares of any other class or classes of capital stock of the Company or any series of any other class or classes, or of any other series of the same class, including the price or prices or the rate or rates of conversion or exchange and the method, if any, of adjusting the same, provided that shares of such series may not be convertible into shares of a series or class that has prior or superior rights and preferences as to dividends or distribution of assets of the Company upon voluntary or involuntary dissolution or winding up of the affairs of the Company;

(g) the voting rights, if any, of the shares of the series;

(h) whether fractional interest in shares of the series will be offered in the form of Depositary Shares as described below under "Description of Depositary Shares;" and

(i) any or all other preferences and relative, participating, optional, or other special rights, or qualifications, limitations or restrictions thereof.

Any Prospectus Supplement that specifies the terms of Preferred Shares will also describe any restriction on the repurchase or redemption of shares by the Company while there is any arrearage in the payment of dividends or, if applicable, sinking fund installments, or, if there is no such restriction, will so state.

In addition to such voting rights as may be provided for in any series of Preferred Shares established by the Board of Directors of the Company, under the Articles of Incorporation, the holders of at least two-thirds of the total number of outstanding Preferred Shares, voting together as a single class, must approve any amendment to the Articles of Incorporation which would authorize any class of shares, or of securities convertible into shares, which would rank prior to the then outstanding Preferred Shares as to payment of dividends, or as to distribution of assets upon liquidation, dissolution or winding up of the Company or any amendment to the Articles of Incorporation which would change the designation, rights or preferences of such outstanding Preferred Shares so as to affect them adversely. If any such change would adversely affect any particular series of then outstanding Preferred Shares, no change may be made without, in addition, the approval of the holders of at least two-thirds of the then outstanding shares of the particular series that would be so affected, voting separately as a series. The Articles of Incorporation also provide that additional Preferred Shares may not be authorized and that a class of shares that would rank on parity with outstanding Preferred Shares as to assets or dividends may not be authorized without the consent of the holders of at least a majority of the total number of outstanding Preferred Shares, voting separately as a class, without regard to series.

The holders of Preferred Shares also have the right, voting separately as a class or series, to cast one vote per share upon each question or matter in respect of which, under the IBCL, such holders are entitled to vote by class or series.

In addition to any series of Preferred Shares that may be described in the applicable Prospectus Supplement, the Articles of Incorporation authorize 500,000 preferred shares designated Series C Preferred Shares to be issued upon exercise of the Rights in accordance with the Rights Agreement. See "Preferred Share Purchase

Rights" for a description of the Rights and the rights and preferences of the Series C Preferred Shares.

DESCRIPTION OF DEPOSITARY SHARES

The descriptions set forth below and in any Prospectus Supplement of certain provisions of any Deposit Agreement, Depositary Shares and Depositary Receipts (each as defined below) do not purport to be complete and are subject to and qualified in their entirety by reference to the forms of Deposit Agreement and Depositary Receipts relating to each series of Preferred Shares, which are filed or incorporated by reference as exhibits to the Registration Statement.

GENERAL

The Company may, at its option, elect to offer fractional interests in Preferred Shares, rather than whole Preferred Shares. In that event, the Company expects to provide for the issuance by a Depositary of receipts for depositary shares ("Depositary Shares"), each of which will represent a fractional interest in Preferred Shares of a particular series, as set forth in the Prospectus Supplement relating to the Depositary Shares and the particular series of Preferred Shares.

The shares of any series of Preferred Shares underlying the Depositary Shares will be deposited under a separate Deposit Agreement (a "Deposit Agreement") between the Company, a bank or trust company selected by the Company having its principal office in the United States and having a combined capital and surplus of at least $50,000,000 (a "Depositary") and the holders of the Depositary Shares. The Prospectus Supplement relating to a series of Depositary Shares will set forth the name and address of the Depositary. Subject to the terms of the Deposit Agreement, each holder of Depositary Shares will be entitled, in proportion to the applicable fractional interest in the Preferred Shares underlying such Depositary Shares, to the rights and preferences of the underlying Preferred Shares (including any dividend, voting, redemption, conversion, exchange and liquidation rights).

The Depositary Shares will be evidenced by depositary receipts issued pursuant to the Deposit Agreement (the "Depositary Receipts"). Depositary Receipts will be distributed to those persons purchasing the fractional interests in shares of the related series of Preferred Shares in accordance with the terms of the offering described in the related Prospectus Supplement.

DIVIDENDS AND OTHER DISTRIBUTIONS

Whenever the Depositary receives any cash dividend or other cash distribution on the Preferred Shares, except cash received upon redemption of any Preferred Shares, the Depositary will distribute all such cash dividends or other cash distributions received to the record holders of Depositary Receipts relating to such Preferred Shares in proportion, as nearly as practicable, to the respective numbers of such Depositary Shares evidenced by such Depositary Receipts, but without attributing to any holder of Depositary Shares a fraction of one cent. Any balance not so distributed shall be held by the Depositary (without liability for interest thereon) and treated as a part of the next sum received by the Depositary for distribution to record holders of the Depositary Receipts.

In the event of a distribution on the Preferred Shares other than in cash, the Depositary will distribute to the record holders of Depositary Receipts entitled thereto such amounts of the property so received in proportion, as nearly as practicable, to the respective numbers of Depositary Shares evidenced by such receipts. If the Depositary determines, after consultation with the Company, that such distribution cannot be made proportionately among such holders or is otherwise not feasible, the Depositary may, with the approval of the Company, sell such property and distribute the net proceeds to such holders.

The Deposit Agreement will also contain provisions relating to the manner in which any subscription or similar rights offered by the Company to holders of the Preferred Shares shall be made available to the holders of Depositary Receipts.

REDEMPTION OF DEPOSITARY SHARES

If a series of the Preferred Shares underlying the Depositary Shares is subject to redemption, the Depositary Shares will be redeemed from the proceeds received by the Depositary from the

redemption, in whole or in part, of such Preferred Shares held by the Depositary. The Depositary shall mail notice of redemption not less than 30 nor more than 60 days prior to the date fixed for redemption to the record holders of the Depositary Receipts to be so redeemed at their respective addresses appearing in the Depositary's books. The redemption price per Depositary Share being redeemed will be equal to the applicable fraction of the redemption price per share payable with respect to such of the Preferred Shares as are redeemed. Whenever the Company redeems Preferred Shares held by the Depositary, the Depositary will redeem as of the same redemption date the number of Depositary Shares relating to the Preferred Shares so redeemed. If less than all of the Depositary Shares are to be redeemed, the Depositary Shares to be redeemed will be selected by lot or pro rata as may be determined by the Company.

After the date fixed for redemption, the Depositary Shares so called for redemption will no longer be deemed to be outstanding and all rights (except the right to receive the redemption price) of the holders of the Depositary Shares will cease and terminate.

VOTING THE PREFERRED SHARES

Upon receipt of notice of any meeting at which the holders of the Preferred Shares are entitled to vote, the Depositary will mail the information contained in such notice of meeting to the record holders of the Depositary Receipts relating to such Preferred Shares. Upon the written request of a holder of a Depositary Receipt on such record date, the Depositary shall, to the extent practicable, vote or cause to be voted the amount of Preferred Shares represented by such holder's Depositary Shares in accordance with the instructions set forth in such request. In the absence of specific instructions from the holder of a Depositary Receipt, the Depositary will abstain from voting to the extent of Preferred Shares represented by the Depositary Shares evidenced by such Depositary Receipt.

AMENDMENT AND TERMINATION OF DEPOSITARY AGREEMENT

The form of Depositary Receipt and any provision of the Deposit Agreement may at any time be amended by agreement between the Company and the Depositary. However, any amendment which (i) materially and adversely alters the rights of the existing holders of Depositary Shares or (ii) would be materially and adversely inconsistent with the rights granted to the holders of Preferred Shares will not be effective unless such amendment has been approved by the holders of at least a majority of the Depositary Shares then outstanding.

A Deposit Agreement may be terminated by the Company on not less than 30 days' notice to the Depositary, in which case, upon surrender of Depositary Receipts, the Depositary will distribute to the holders thereof the whole number of Preferred Shares represented thereby. The Deposit Agreement will terminate automatically if (i) all outstanding Depositary Shares relating thereto have been redeemed or converted, (ii) if applicable, each underlying Preferred Share has been converted into or exchanged for Common Shares or other securities or (iii) there

has been a final distribution in respect of the underlying Preferred

Shares in connection with any liquidation, dissolution or winding up of the Company and such distribution has been made to the holders of the related Depositary Shares.

CHANGES OF DEPOSITARY

The Company will pay all transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements. The Company will pay charges of the Depositary in connection with the initial deposit of the Preferred Shares and any redemption of the Preferred Shares. Holders of Depositary Shares will pay transfer and other taxes and governmental charges and such other charges as are expressly provided in the Deposit Agreement to be for their accounts.

The Depositary may resign at any time by notice to the Company, and the Company may remove the Depositary at any time, any such resignation or removal to take effect upon the appointment of a successor Depositary and its acceptance of such appointment. Such successor Depositary must be appointed within 60 days after the notice of resignation or removal and must be a bank or trust company having it principal office in the United States and having a combined capital and surplus of at least $50,000,000. If a successor Depositary is not appointed within 60 days, the resigning or removed Depositary may petition a court to appoint a successor Depositary.

MISCELLANEOUS

The Depositary will forward to the holders of Depositary Receipts all reports and notices from the Company which are delivered to the Depositary and which the Company is required to furnish to the holders of the Preferred Shares.

Neither the Depositary nor the Company will be liable if it is prevented or delayed by law or any circumstances beyond its control in performing its obligations under the Deposit Agreement. The obligations of the Company and the Depositary under the Deposit Agreement will be limited to performance in good faith of their duties thereunder, and they will not be obligated to prosecute or defend any legal proceeding in respect of any Depositary Shares or Preferred Shares unless satisfactory indemnity is furnished. They may rely upon written advice of counsel or accountants, or information provided by persons believed to be competent and on documents believed to be genuine.

DESCRIPTION OF WARRANTS

The Company may issue Warrants, including Warrants to purchase Debt Securities ("Debt Warrants") and Warrants to purchase Common Shares, Preferred Shares or Depositary Shares ("Equity Warrants"). Warrants may be issued independently of or together with any other Securities and may be attached to or separate from such Securities. Each series of Warrants will be issued under a separate Warrant Agreement (each a "Warrant Agreement") to be entered into between the Company and a Warrant Agent ("Warrant Agent"). The Warrant Agent will act solely as an agent of the Company in connection with the Warrant of such series and will not assume any obligation or relationship of agency for or with holders or beneficial owners of Warrants. The following sets forth certain general terms and provisions of the Warrants offered hereby. Further terms of the Warrants and the applicable Warrant Agreement will be set forth in the applicable Prospectus Supplement.

DEBT WARRANTS

The applicable Prospectus Supplement will describe the terms of any Debt Warrants, including the following:

(i) the title and aggregate number of such Debt Warrants;

(ii) the offering price of such Debt Warrants, if any;

(iii) whether such Debt Warrants are to be issued with any Debt Securities and, if so, the title, aggregate principal amount and terms of any such Debt Securities; the number of Debt Warrants to be issued with each $1,000 principal amount of such Debt Securities (or such other principal amount as is provided by the Company); and the date, if any, on and after which such Debt Warrants and such Debt Securities will be separately transferable;

(iv) the title, aggregate principal amount, ranking and terms (including any subordination and conversion provisions) of the underlying Debt Securities that may be purchased upon exercise of such Debt Warrants;

(v) the time or times at which, or period or periods during which, such Debt Warrants may be exercised, the minimum or maximum amount of Debt Warrants which may be exercised at any one time and the final date on which such Debt Warrants may be exercised;

(vi) the principal amount of Underlying Debt Securities that may be purchased upon exercise of each Debt Warrant and the price, or the manner of determining the price, at which such principal amount may be purchased upon such exercise;

(vii) the terms of any right to redeem or call such Debt Warrants; and

(viii) information with respect to book-entry procedures, if any;

(ix) the currency or currency units in which the offering price, if any, and the exercise price are payable;

(x) if applicable, a discussion of certain United States federal income tax considerations;

(xi) any other terms of such Debt Warrants not inconsistent with the provisions of the Debt Warrant Agreement.

EQUITY WARRANTS

The applicable Prospectus Supplement will describe the terms of any Equity Warrants, including the following:

(i) the title and aggregate number of such Equity Warrants;

(ii) the offering price of such Equity Warrants, if any;

(iii) the designation and terms of any Preferred Shares that are purchasable on exercise of such Equity Warrants or that underlie Depositary Shares purchasable on such exercise;

(iv) if applicable, the designation and terms of the Securities with which such Equity Warrants are issued and the number of such Equity Warrants issued with each such Security;

(v) if applicable, the date from and after which such Equity Warrants and any Securities issued therewith will be separately transferrable;

(vi) the number of Common Shares, Preferred Shares or Depositary Shares purchasable upon exercise of an Equity Warrant and the price at which such shares may be purchased upon exercise;

(vii) the time or times at which, or period or periods during which, such Equity Warrants may be exercised and the final date on which such Equity Warrants may be exercised, and the terms of any right of the Company to accelerate such final date upon the occurrence of certain events;

(viii) if applicable, the minimum or maximum amount of such Equity Warrants which may be exercised at any one time;

(ix) the currency or currency units in which the offering price, if, any, and the exercise price are payable;

(x) any applicable antidilution provisions of such Equity Warrants;

(xi) if applicable, a discussion of certain United States federal income tax considerations;

(xii) the redemption or call provisions, if any, applicable to such Equity Warrants; and

(xiii) any additional terms of such Equity Warrants, not inconsistent with the provisions of the Equity Warrant Agreement.

PLAN OF DISTRIBUTION

Arvin may sell the Securities: (i) through underwriters or dealers; (ii) directly to a limited number of purchasers or to a single purchaser; or (iii) through agents. The Prospectus Supplement with respect to the Securities will set forth the terms of the offering, the purchase price of the Securities and the proceeds to the Company from such sale, any underwriters, dealers or agents, any delayed delivery arrangements, any fees, underwriting discounts and other items constituting underwriters' compensation, any initial public offering price and any discounts or concessions allowed or reallowed or paid to dealers. Any initial public offering price and any discounts or concessions allowed or reallowed or paid to dealers may be changed from time to time.

If underwriters are used in the sale, the Securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The Securities may be offered to the public either through underwriting syndicates represented by one or more managing underwriters or directly by one or more firms acting as underwriters. The underwriter or underwriters with respect to a particular underwritten offering of Securities to be named in the Prospectus Supplement relating to such offering or, if an underwriting syndicate is used, the managing underwriter or underwriters will be set forth on the cover of such Prospectus Supplement. Unless otherwise set forth in the Prospectus Supplement relating thereto, the obligations of the underwriters to purchase the Securities will be subject to conditions precedent and the underwriters will be obligated to purchase all the Securities offered by the Prospectus Supplement if any are purchased.

If dealers are utilized in the sale of Securities in respect of which this Prospectus is delivered, the Company will sell such Securities to the dealers as principals. The dealers may then resell such Securities to the public at varying prices to be determined by such dealers at the time of resale. The names of the dealers and the terms of the transaction will be set forth in the Prospectus Supplement relating thereto.

The Securities may be sold directly by the Company or through agents designated by the Company from time to time. Any agent involved in the offer or sale of the Securities in respect to which this Prospectus is delivered will be named, and any commissions payable by Arvin to such agent will be set forth in the Prospectus Supplement relating thereto. Unless otherwise indicated in the Prospectus Supplement, any such agent will be acting on a best efforts basis for the period of its appointment.

The Securities may be sold directly by the Company to institutional investors or others, who may be deemed to be underwriters within the meaning of the Securities Act with respect to any resale thereof. The terms of any such sales will be described in the Prospectus Supplement relating thereto.

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

Agents, dealers and underwriters may be entitled under agreements entered into with the Company to indemnification by the Company against certain civil liabilities, including liabilities under the Securities Act, or to contribution with respect to payments which such agents, dealers or underwriters may be required to make in respect thereof. Agents, dealers and underwriters may be customers of, engage in transactions with, or perform services for the Company in the ordinary course of business.

Other than the Common Shares, which will be approved for listing upon notice of issuance on the New York Stock Exchange and the Chicago Stock Exchange, the Securities may or may not be listed on a national securities exchange. No assurances can be given that there will be a market for the Securities.

LEGAL OPINIONS

The validity of the Securities offered hereby will be passed upon for the Company by Schiff Hardin & Waite, Chicago, Illinois, and, unless otherwise specified in the Prospectus Supplement, for any underwriters or agents by Mayer, Brown & Platt, Chicago, Illinois. The opinions with respect to the Securities may be conditioned upon, and subject to certain assumptions regarding, future action to be taken by the Company and the applicable Trustee, depositary or Warrant Agent in connection with the issuance and sale of particular Securities, the specific terms of Securities and other matters that may affect the validity of Securities but that cannot be ascertained on the date of such opinions.

EXPERTS

The financial statements incorporated in this Prospectus by reference to the Annual Report on Form 10-K for the year ended January 2, 1994, except as they relate to Space Industries International, Inc., have been so incorporated in reliance on the report of Price Waterhouse, independent accountants, and, insofar as they relate to Space Industries International, Inc., KPMG Peat Marwick, independent certified public accountants, whose report thereon is incorporated in this Prospectus by reference to the Annual Report on Form 10-K for the year ended January 2, 1994. Such financial statements have been so incorporated in reliance on the reports of such independent accountants given on the authority of such firms as experts in auditing and accounting.

The report of KPMG Peat Marwick covering the January 2, 1994 financial statements of Space Industries International, Inc. contains an explanatory paragraph that states that the consolidated balance sheet as of January 2, 1994 includes $18,154,619 of capitalized costs related to the Space Facility Technology. As described in Note 4 to the Space Industries International, Inc. financial statements, the recovery of these costs is dependent on the future success in selling the Space Facility Technology or the Industrial Space Facility or the related service, at profitable terms, or the sale of the engineering designs of the Industrial Space Facility.

NO DEALER, SALESPERSON OR OTHER INDIVIDUAL HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROSPECTUS OR THE ACCOMPANYING PROSPECTUS SUPPLEMENT IN CONNECTION WITH THE OFFER MADE BY 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 UNDERWRITERS OR DEALERS. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCE CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER OR SOLICITATION BY ANYONE IN ANY STATE 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 ANYONE TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION.

_____

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

An itemized statement of the estimated amount of the expenses, other than underwriting discounts and commissions, incurred and to be incurred by the Company in connection with the issuance and distribution of the Securities registered pursuant to this registration statement is as follows:

Securities and Exchange Commission filing fee	$ 77,586.75
Printing and engraving expenses	50,000.00
Accounting fees and expenses	40,000.00
Legal fees and expenses	100,000.00
Trustee and agent fees and expenses	10,000.00
Rating agency fees	80,000.00
Blue sky fees, expenses and legal fees	10,000.00
Miscellaneous	32,413.25
Total	$400,000.00

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Article 8 of the Amended and Restated By-Laws of Arvin, as amended, and Article 10 of its Restated Articles of Incorporation, as amended, both provide for indemnification of officers and directors of Arvin against expenses incurred by any of them in certain stated proceedings and under certain stated conditions.

Chapter 37 of the Indiana Business Corporation Law authorizes every Indiana corporation to indemnify its officers and directors under certain circumstances against liability incurred in connection with the defense of proceedings in which they are made parties, or threatened to be made parties, by reason of such relationship to the corporation, except where they are adjudged liable for specific types of negligence or misconduct in the performance of their duties to the corporation. Chapter 37 also requires every Indiana corporation to indemnify any of its directors and, unless such corporation's articles of incorporation provide otherwise, any of its officers who were wholly successful, on the merits or otherwise, in the defense of any such proceeding against reasonable expenses incurred by such director in connection with such proceeding.

Officers and directors of Arvin are presently covered by

insurance which (with certain exceptions and within certain limitations) indemnifies them against any losses or liabilities arising from any alleged "wrongful act," including any breach of duty, neglect, error, misstatement, misleading statement, omission or other acts done or wrongfully attempted.

Section 7 of the form of Underwriting Agreement filed as Exhibit 1-1 hereto provides for indemnification by the Underwriters of officers and directors of Arvin in certain circumstances.

ITEM 16. EXHIBITS.

1-1 Form of Underwriting Agreement.

4-1 Amended and Restated Articles of Incorporation and amendments thereto (incorporated by reference to Exhibit 3(A) to the Company's Form 10-K for its fiscal year ended December 30, 1990).

4-2 Amended and Restated By-Laws (incorporated by reference to Exhibit 3(ii) to the Company's Form 10-Q/A for the quarter ended July 4, 1993).

4-3 Rights Agreement between the Company and Harris Trust and Savings Bank, as amended (incorporated by reference to the Company's Current Report on Form 8-K dated June 16, 1986 and the Company's Current Report on Form 8-K dated February 23, 1989).

4-4 Indenture, dated as of July 3, 1990, between the Company and Harris Trust and Savings Bank, as trustee, relating to the Senior Debt Securities.

4-5 Form of Indenture, dated as of _____, 1994, to be entered into between the Company and NBD Bank, N.A., as trustee, relating to the Subordinated Debt Securities.

4-6 Form of Deposit Agreement, including form of Depositary Receipt for Depositary Shares.

4-7 Form of Debt Warrant Agreement.

4-8 Form of Equity Warrant Agreement.

5-1 Opinion of Schiff Hardin & Waite.

12-1 Computation of Ratios of Earnings to Fixed Charges and Earnings to Combined Fixed Charges and Preferred Dividends.

23-1 Consent of Price Waterhouse.

23-2 Consent of KPMG Peat Marwick.

23-3 Consent of Schiff Hardin & Waite (included in Exhibit 5-1).

24-1 Power of Attorney is included below, beginning immediately prior to "Signatures."

25-1 Form T-1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939 of Trustee for Senior Indenture.

25-2 Form of T-1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939 of Trustee for Subordinated Indenture.

ITEM 17. UNDERTAKINGS.

The undersigned registrant hereby undertakes:

(a) to file, during any period in which offers or sales are being made of the securities registered hereby, 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;

(ii) to reflect in the prospectus any fact or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in 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 the registration statement;

provided, however, that the undertakings set forth in the 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 that are incorporated by reference in this registration statement.

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

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

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

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described under Item 15 above, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in 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, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in such Act and will be governed by the final adjudication of such issue.

POWER OF ATTORNEY

Each person whose signature appears below appoints Byron O. Pond, Ronald R. Snyder and Richard A. Smith, or any of them, as such

person's true and lawful attorneys to execute in the name of each such person, and to file, any amendments to this registration statement that any of such attorneys shall deem necessary or advisable in connection with the registration of the Securities of the Registrant that are subject to this registration statement, which amendments may make such changes in such registration statement as any of the above-named attorneys deems appropriate, and to comply with the undertakings of the Registrant made in connection with this registration statement; and each of the undersigned hereby ratifies all that any of said attorneys shall do or cause to be done by virtue thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant, Arvin Industries, Inc., 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 Columbus and State of Indiana, on this 8th day of April, 1994.

ARVIN INDUSTRIES, INC.

By: /s/ Byron O. Pond

Byron O. Pond, Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities indicated on the dates indicated.

Signature	Title	Date
/s/ Byron O. Pond Byron O. Pond	President, Chief Executive Officer and Director	4/8/94
/s/ Richard A. Smith Richard A. Smith	Vice President-Finance, Chief Financial Officer and Director	4/8/94
/s/ Rex L. Emshwiller Rex L. Emshwiller	Controller and Chief Accounting Officer	4/8/94
/s/ James K. Baker James K. Baker	Chairman of the Board	4/8/94

Signature	Title	Date
/s/ Joseph P. Allen Joseph P. Allen	Director	4/8/94
/s/ Steven C. Beering Steven C. Beering	Director	4/8/94
/s/ Joseph P. Flannery Joseph P. Flannery	Director	4/8/94
/s/ Robert E. Fowler, Jr. Robert E. Fowler, Jr.	Director	4/8/94
/s/ William D. George William D. George	Director	4/8/94
/s/ Ivan W. Gorr Ivan W. Gorr	Director	4/8/94

/s/ Richard W. Hanselman _____ Richard W. Hanselman	Director	4/8/94
_____ Thomas A. Holmes	Director	
/s/ V. William Hunt _____ V. William Hunt	Director	4/8/94
/s/ Don J. Kacek _____ Don J. Kacek	Director	4/8/94
/s/ Frederick R. Meyer _____ Frederick R. Meyer	Director	4/8/94
_____ Arthur R. Velasquez	Director	

EXHIBIT INDEX

Exhibit No.	Description
1-1	Form of Underwriting Agreement.
4-1	Amended and Restated Articles of Incorporation and amendments thereto (incorporated by reference to Exhibit 3(A) to the Company's Form 10-K for its fiscal year ended December 30, 1990).
4-2	Amended and Restated By-Laws (incorporated by reference to Exhibit 3(ii) to the Company's Form 10-Q/A for the quarter ended July 4, 1993).
4-3	Rights Agreement between the Company and Harris Trust and Savings Bank, as amended (incorporated by reference to the Company's Current Report on Form 8-K dated June 16, 1986 and the Company's Current Report on Form 8-K dated February 23, 1989).
4-4	Indenture, dated as of July 3, 1990, between the Company and Harris Trust and Savings Bank, as trustee, relating to the Senior Debt Securities.
4-5	Form of Indenture, dated as of _____, 1994, to be entered into between the Company and NBD Bank, N.A., as trustee, relating to the Subordinated Debt Securities.
4-6	Form of Deposit Agreement, including form of Depositary Receipt for Depositary Shares.
4-7	Form of Debt Warrant Agreement.
4-8	Form of Equity Warrant Agreement.
5-1	Opinion of Schiff Hardin & Waite.
12-1	Computation of Ratios of Earnings to Fixed Charges and Earnings to Combined Fixed Charges and Preferred Dividends.
23-1	Consent of Price Waterhouse.
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25-1	Form T-1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939 of Trustee for Senior Indenture.

25-2 Form of T-1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939 of Trustee for Subordinated Indenture.

EXHIBIT 1-1

ARVIN INDUSTRIES, INC.

(an Indiana corporation)

UNDERWRITING AGREEMENT

[Date]

[Name and address of Underwriters
or Representatives]

Dear Sirs:

Arvin Industries, Inc., an Indiana corporation (the "Company"), proposes to sell to the underwriters named in Schedule II hereto (the "Underwriters"), for whom you are acting as representatives (the "Representatives"), (1) the principal amount of its senior debt securities, if any, identified in Schedule I hereto (the "Senior Securities"), to be issued under an Indenture dated as of July 3, 1990, between the Company and Harris Trust and Savings Bank, as trustee (the "Senior Trustee"), as amended (said Indenture, the "Senior Indenture"); (2) the principal amount of its subordinated debt securities, if any, identified in Schedule I hereto (the "Subordinated Securities" and together with the Senior Securities being collectively referred to herein as the "Debt Securities") to be issued under an Indenture dated of _____ ___, 1994 between the Company and NBD Bank, N.A., as trustee (the "Subordinated Trustee", and together with the Senior Trustee, the "Trustees") (said Indenture, the "Subordinated Indenture") (the Senior Indenture and the Subordinated Indenture being collectively referred to herein as the "Indentures"); (3) warrants, if any (the "Debt Warrants"), to purchase an aggregate principal amount of Debt Securities, which warrants are to be issued pursuant to a Debt Warrant Agreement (the "Debt Warrant Agreement") between the Company and a warrant agent (the "Debt Warrant Agent"), all as specified in Schedule I hereto; (4) the preferred shares of the Company, if any, identified in Schedule I hereto (the "Preferred Shares"); (5) depositary receipts, if any, evidencing an interest in depositary

shares (the "Depositary Shares") representing an interest in Preferred Shares of the Company to be issued under a Deposit Agreement (the "Deposit Agreement") among the Company, a U.S. bank or trust company as depositary (the "Depositary"), and the holders from time to time of such depositary receipts all as indicated in Schedule I hereto; (6) the common shares, par value $2.50 per share, of the Company (the "Common Shares"), including, if then in existence, the related preferred share purchase rights (the "Rights") provided for in the Rights Agreement dated as of May 29, 1986, as amended, between the Company and Harris Trust and Savings Bank, as rights agent thereunder (the "Rights Agreement") (all references herein to the Common Shares shall include the Rights unless the context indicates otherwise), if

any, as indicated in Schedule I hereto, (7) warrants, if any, to purchase Preferred Shares (the "Preferred Shares Warrants") of the Company, which warrants are to be issued pursuant to a Preferred Shares Warrant Agreement (the "Preferred Shares Warrant Agreement") between the Company and a warrant agent (the "Preferred Shares Warrant Agent"), all as specified in Schedule I hereto; (8) warrants, if any, to purchase Common Shares ("Common Shares Warrants") of the Company, which warrants are to be issued pursuant to a Common Shares Warrant Agreement (the "Common Shares Warrant Agreement") between the Company and a warrant agent (the "Common Shares Warrant Agent"), all as specified in Schedule I hereto; and/or (9) warrants, if any, to purchase Depositary Shares (the "Depositary Shares Warrants") of the Company, which warrants are to be issued pursuant to a Depositary Shares Warrant Agreement (the "Depositary Shares Warrant Agreement" and together with each other warrant agreement contemplated herein being referred to herein collectively as the "Warrant Agreements") between the Company and a warrant agent (the "Depositary Shares Warrant Agent" and together with each other warrant agent contemplated herein being referred to herein collectively as the "Warrant Agents"), all as specified in Schedule I hereto. The Debt Securities, Debt Warrants, Preferred Shares, Depositary Shares, Common Shares, Preferred Shares Warrants, Common Shares Warrants and Depositary Shares Warrants (all such warrants being referred to herein collectively as "Warrants") may be sold either separately or as units (the "Units") together with any of the foregoing. The Debt Securities, Debt Warrants, Preferred Shares, Depositary Shares, Common Shares, Preferred Shares Warrants, Common Shares Warrants, Depositary Shares Warrants and Units described in Schedule I hereto shall collectively be referred to herein as the "Purchased Securities". The Company may also grant to the Underwriters an option to purchase up to such additional number of Purchased Securities as is specified in Schedule I hereto (the "Option Securities"). The Purchased Securities

and Option Securities shall be collectively referred to herein as the "Securities". If the firm or firms listed in Schedule II hereto include only the firm or firms described above as Representatives, then the terms "Underwriters" and "Representatives", as used herein, shall each be deemed to refer to such firm or firms.

SECTION 1. Representations and Warranties. The Company represents and warrants to, and agrees with, each Underwriter that:

(a) The Company has filed with the Securities and Exchange Commission (the "Commission") a registration statement on Form S-3 (No.33-____) relating to the Securities and the offering thereof from time to time in accordance with Rule 415 under the Securities Act of 1933, as amended (the "Act") and has filed such amendments thereto as may have been required to the date hereof. Such registration statement, as amended, has been declared effective by the Commission, and the Indentures have each been qualified under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"). The Company proposes to file with the Commission pursuant to Rule 424(b) under the Act a supplement to

the form of prospectus included in such registration statement relating to the Securities and the plan of distribution thereof and has previously advised you of all further information (financial and other) with respect to the Company to be set forth therein. Such registration statement, including the exhibits thereto, as amended at the date of this Agreement, is hereinafter called the "Registration Statement"; such prospectus in the form in which it appears in the Registration Statement is hereinafter called the "Basic Prospectus"; and such supplemented form of prospectus, in the form in which it shall be filed with the Commission pursuant to Rule 424(b) (including the Basic Prospectus as so supplemented) is hereinafter called the "Final Prospectus". Any preliminary form of the Final Prospectus which has heretofore been filed pursuant to Rule 424(b) is hereinafter called the "Preliminary Final Prospectus". Any reference herein to the Registration Statement, the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to Item 12 of Form S-3 which were filed under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), on or before the date of this Agreement, or the issue date of the Basic Prospectus, any Preliminary Final

Prospectus or the Final Prospectus, as the case may be; and any reference herein to the terms "amend", "amendment" or "supplement" with respect to the Registration Statement, the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus shall be deemed to refer to and include the filing of any document under the Exchange Act after the date of this Agreement, or the issue date of the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus, as the case may be, deemed to be incorporated therein by reference.

(b) On the effective date of the Registration Statement, as of the date hereof, when the Final Prospectus is first filed pursuant to Rule 424(b) under the Act, when, prior to the Closing Date (as hereinafter defined), any amendment to the Registration Statement becomes effective (including the filing of any document incorporated by reference in the Registration Statement), when any supplement to the Final Prospectus is filed with the Commission and at the applicable Closing Date, (i) the Registration Statement, as amended as of any such time, any Final Prospectus, as amended or supplemented as of any such time, and the Indentures will comply in all material respects with the applicable requirements of the Act, the Trust Indenture Act and the Exchange Act and the respective rules thereunder; (ii) the Registration Statement, as amended as of any such time, did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading; and (iii) the Final Prospectus, as amended or supplemented as of any such time, did not and will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the

statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that the representations and warranties in this subsection shall not apply to statements in or omissions from the Registration Statement or the Final Prospectus or any amendment thereof or supplement thereto made in reliance upon and in conformity with information furnished to the Company in writing by any Underwriter, or on behalf of any Underwriter by the Representatives, expressly for use in the Registration Statement or the Final Prospectus.

(c) The documents incorporated by reference in the Final Prospectus pursuant to Item 12 of Form S-3 under the 1933 Act, at

the time they were or hereafter are filed or last amended, as the case may be, with the Commission, complied and will comply in all material respects with the requirements of the Exchange Act and the rules and regulations thereunder and, when read together and with the other information in the Basic Prospectus and the Final Prospectus, at the time the Registration Statement and any amendments thereto became or become effective, at the date of this Agreement and at each Closing Date, did not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were or are made, not misleading.

(d) The accountants who certified the financial statements and supporting schedules included or incorporated by reference in the Registration Statement and the Final Prospectus are independent public accountants as required by the Act and the rules and regulations thereunder.

(e) The financial statements (other than quarterly or other unaudited interim financial statements) included or incorporated by reference in the Registration Statement and the Final Prospectus present fairly the financial position of the Company and its consolidated subsidiaries as at the dates indicated and the results of their operations for the periods specified; said financial statements have been prepared in conformity with generally accepted accounting principles applied on a consistent (except as otherwise stated therein) basis; the supporting schedules included or incorporated by reference in the Registration Statement present fairly the information required to be stated therein; and the Company's ratios of earnings to fixed charges (actual and, if any, pro forma) included in the Final Prospectus and in Exhibit 12 to the Registration Statement have been calculated in compliance with Item 503(d) of Regulation S-K of the Commission. Any quarterly or other unaudited interim financial statements, and the related notes thereto, included or incorporated by reference in the Registration Statement and the Final Prospectus, have been prepared in compliance with the applicable requirements of the Act, the rules and regulations thereunder, the Exchange Act and the rules and regulations

thereunder and have been prepared on a basis substantially consistent (except as otherwise stated therein) with that of the

applicable audited financial statements included or incorporated by reference in the Registration Statement and the Final Prospectus, and such unaudited interim financial statements contain all adjustments necessary to present a fair statement of the results of operations for the periods reported. Any financial information and statistical data set forth in the Final Prospectus under the captions "Selected Financial Data" and "Capitalization" or other similar captions are fairly stated in all material respects in relation to the consolidated financial statements of the Company from which they have been derived.

(f) Since the respective dates as to which information is given in the Registration Statement and the Final Prospectus, except as otherwise stated therein (including information contained in documents subsequently incorporated by reference in the Registration Statement or the Final Prospectus), (1) there has been no material adverse change in the condition, financial or otherwise, or in the earnings, affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business; (2) there have been no transactions entered into by the Company or any of its subsidiaries, other than those in the ordinary course of business, which are material with respect to the Company and its subsidiaries considered as one enterprise; and (3) except for regular dividends, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock.

(g) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Indiana with corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement and the Final Prospectus; and the Company is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify would not in the aggregate have a material adverse effect on the business or assets of the Company and its subsidiaries considered as one enterprise.

(h) Each Significant Subsidiary of the Company (as that term is used in Rule 405 of the 1933 Act Regulations) has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement and the Final Prospectus and is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which

such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify would not in the aggregate have a material adverse effect on the business or assets of the Company and its subsidiaries considered as one enterprise; all of the issued and outstanding capital stock of each Significant Subsidiary shown as owned by the Company on Schedule A to this Agreement has been duly authorized and validly issued and is fully paid and nonassessable and is owned by the Company, free and clear of any security interest, mortgage, pledge, lien, encumbrance or claim.

(i) The authorized, issued and outstanding capital stock of the Company is as set forth in the Final Prospectus under the caption "Capitalization" (except for subsequent issuances, if any, pursuant to reservations or agreements referred to in the Final Prospectus); the certificate for each outstanding Common Share also represents one Right per share (if the Rights are then in existence), the issued and outstanding Common Shares have been duly authorized and validly issued and are fully paid and nonassessable; and (if the Rights Agreement is then in effect) the outstanding Rights have been duly authorized and validly issued under the Rights Agreement and are entitled to the benefits thereof.

(j) Neither the Company nor any of its subsidiaries is in violation of its charter or in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any material contract, indenture, joint venture agreement, mortgage, loan agreement, note, lease or other instrument to which it or its property may be bound; and the execution and delivery of this Agreement, the Indentures, the Warrant Agreements, the Delayed Delivery Contracts, if any, and the Securities and the consummation of the transactions contemplated herein and therein have been duly authorized by all necessary corporate action and will not conflict with or constitute a breach of, or a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, any contract, indenture, joint venture agreement, mortgage, loan agreement, note, lease or other instrument to which the Company or any of its subsidiaries is a party or by

which any of them may be bound, or to which any of the property or assets of the Company or any of its subsidiaries is subject, nor will such action result in any violation of the provisions of the charter or by-laws of the Company or any of its subsidiaries or any applicable law, administrative regulation or administrative or court decree.

(k) No labor dispute with the employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is imminent; and the Company is not aware of any

existing or imminent labor disturbance by the employees of any of its or its subsidiaries' principal suppliers, manufacturers or contractors which might be expected to result in any material adverse change in the condition, financial or otherwise, or in the earnings, affairs or business prospects of the Company and its subsidiaries considered as one enterprise.

(l) There is no action, suit or proceeding before or by any court or governmental agency or body, domestic or foreign, now pending, or, to the knowledge of the Company, threatened, against or affecting the Company or any of its subsidiaries, which is required to be disclosed in the Registration Statement or the Final Prospectus (other than as disclosed therein), or which might materially and adversely affect the consummation of this Agreement or, except in cases in which such consequences are remote, which might result in any material adverse change in the condition, financial or otherwise, or in the earnings, affairs or business prospects of the Company and its subsidiaries considered as one enterprise, or, except in cases in which such consequences are remote, which might materially and adversely affect the properties or assets thereof; all pending legal or governmental proceedings to which the Company or any subsidiary is a party or of which any of their property is the subject which are not described in the Registration Statement or the Final Prospectus, including ordinary routine litigation incidental to the Company's business, are, considered in the aggregate, not material to the Company and its subsidiaries considered as one enterprise; and there are no contracts or documents of the Company or any of its subsidiaries which are required to be filed as exhibits to the Registration Statement by the Act or by the rules and regulations thereunder which have not been so filed.

(m) The Company and its subsidiaries own or possess, or can acquire on reasonable terms, the patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks and trade names (collectively, the "Intellectual Property") presently employed by them in connection with the business now operated by them, except where the failure to own or possess, or inability to so acquire, such Intellectual Property would not result in any material adverse change in the condition, financial or otherwise, or in the assets, earnings, affairs or business prospects of the Company and its subsidiaries considered as one enterprise; and neither the Company nor any of its subsidiaries has received any notice or is otherwise aware of any infringement of or conflict with asserted rights of others with respect to any of the foregoing which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would result in any material adverse change in the condition, financial or otherwise, or in the assets, earnings,

affairs or business prospects of the Company and its subsidiaries considered as one enterprise.

(n) No authorization, approval or consent of any court or governmental authority or agency is required for the consummation by the Company of the transactions contemplated by this Agreement, except such as may be required under the Act or the rules and regulations thereunder or state securities laws for the Securities and the qualification of the Indentures under the Trust Indenture Act.

(o) The Company and its subsidiaries possess such certificates, authorities or permits issued by the appropriate state, federal or foreign governmental or regulatory agencies or bodies necessary to conduct the business now operated by them, except where the failure to possess such certificates, authorities or permits would not materially and adversely affect the conduct of the business, operations, financial condition or income of the Company and its subsidiaries considered as one enterprise; and neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any such certificate, authority or permit

which, singly or in the aggregate, if the subject of any unfavorable decision, ruling or finding, would materially and adversely affect the conduct of the business, operations, financial condition or income of the Company and its subsidiaries considered as one enterprise.

(p) This Agreement and the Delayed Delivery Contracts, if any, have been duly authorized, executed and delivered by the Company.

(q) In the case of an offering of Debt Securities or Debt Warrants, each of the applicable Indenture and Debt Warrant Agreement, if any, has been duly and validly authorized, executed and delivered by the Company and is substantially in the form filed or incorporated by reference, as the case may be, as an exhibit to the Registration Statement at the time the Registration Statement became effective; the applicable Indenture has been duly qualified under the Trust Indenture Act; and, assuming due authorization, execution and delivery by the Trustee and/or Debt Warrant Agent, each of the applicable Indenture and Debt Warrant Agreement, if any, constitutes a valid and binding agreement of the Company, enforceable against the Company in accordance with its respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally or by general equitable principles; the Debt Securities are in the form contemplated by the applicable Indenture and the Debt Securities and Debt Warrants have been duly and validly authorized by the Company and, when executed by the proper officers of the Company, countersigned by

the Debt Warrant Agent under the Debt Warrant Agreement and authenticated in accordance with the provisions of the applicable Indenture and delivered pursuant to the Debt Warrant Agreement, in the case of Debt Warrants, and in all cases delivered to and paid for by the Underwriters pursuant to this Agreement, in the case of all of the Underwriters' Securities, or by the purchasers thereof pursuant to the Delayed Delivery Contracts, in the case of any Contract Securities, will in each case constitute a valid and binding obligation of the Company, be convertible (in the case of those Subordinated Securities that by their terms are so convertible) for Common Shares or other securities of the Company in accordance with their terms as set forth in the Final

Prospectus and will be entitled to the benefits of the applicable Indenture enforceable against the Company in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally or by general equitable principles; if the Debt Securities are convertible into Common Shares or other securities of the Company, the Common Shares or other securities issuable upon such conversion will have been duly authorized and reserved for issuance upon such conversion and, when issued upon such conversion, will be validly issued, fully paid (assuming the underlying Debt Securities have been paid for) and nonassessable; such Common Shares or other securities will have been duly authorized and issued, will be fully paid (assuming the underlying Debt Securities have been paid for) and nonassessable and will conform to the description thereof contained in the Final Prospectus; and the stockholders of the Company have no preemptive rights with respect to any of such Common Shares or other securities issuable upon such conversion.

(r) In the case of an offering of Preferred Shares, including any Preferred Shares constituting Option Securities, the Preferred Shares being delivered and paid for at such Closing Date have been duly authorized, validly issued and are fully paid and nonassessable; the Contract Securities, when issued, delivered and sold pursuant to the Delayed Delivery Contracts, will be duly issued, fully paid and nonassessable; the Contract Securities, when so issued, delivered and sold, will conform, to the descriptions thereof contained in the Final Prospectus; and the stockholders of the Company have no preemptive rights with respect to any of such Preferred Shares. If the Preferred Shares being delivered at such Closing Date are convertible into Common Shares or other securities of the Company, such Preferred Shares are, and the Contract Securities, when so issued, delivered and sold, will be, convertible into Common Shares or other securities of the Company in accordance with their terms; the Common Shares or other securities initially issuable upon conversion of such Preferred Shares will have been duly authorized and reserved for issuance upon such conversion and, when issued upon such conversion, will be duly issued, fully paid and nonassessable;

such Common Shares have been duly authorized and issued, are fully paid (assuming the underlying Preferred Shares have been

paid for) and nonassessable and conform to the description thereof contained in the Final Prospectus.

(s) In the case of an offering of Depositary Shares, including any Depositary Shares constituting Option Securities, the Preferred Shares being paid for, delivered to the Depositary and represented by the Depositary Shares at such Closing Date have been duly authorized; the Preferred Shares delivered to the Depositary and represented by Depositary Shares at such Closing Date, assuming that such Depositary Shares have been issued, paid for and delivered to the Depositary against delivery of depositary receipts evidencing the applicable Depositary Shares to the Underwriters, have been validly issued and are fully paid and nonassessable; the Contract Securities, when issued, delivered and sold pursuant to the Delayed Delivery Contracts, will be duly issued, fully paid and nonassessable; the Contract Securities, when so issued, delivered and sold, will conform, to the descriptions thereof contained in the Final Prospectus; and the stockholders of the Company have no preemptive rights with respect to any of such Depositary Shares or the Preferred Shares represented thereby. If Preferred Shares represented by Depositary Shares being delivered at such Closing Date are convertible into Common Shares or other securities, such Preferred Shares are, and the Preferred Shares represented by Depositary Shares constituting Contract Securities, when so issued, delivered and sold, will be, convertible into Common Shares or other securities of the Company in accordance with their terms; the Common Shares initially issuable upon conversion of Preferred Shares represented by Depositary Shares will have been duly authorized and reserved for issuance upon such conversion and, when issued upon such conversion, will be duly issued, fully paid and nonassessable; such Common Shares have been validly authorized and issued, are fully paid and nonassessable and conform to the description thereof contained in the Final Prospectus.

(t) In the case of an offering of Depositary Shares, assuming due authorization, execution and delivery of the Deposit Agreement by the Depositary, the Deposit Agreement has been duly authorized, executed and delivered by the Company and is a valid and binding agreement of the Company enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally or by general equitable principles; and the depositary receipts when executed, paid for and delivered pursuant to the Deposit Agreement upon deposit of the Preferred Shares thereunder, will be validly issued and will entitle the holders thereof to the rights in respect of the applicable Depositary Shares specified therein and in the Deposit Agreement.

(u) In the case of an offering of Common Shares, including any Common Shares constituting Option Securities, the Common Shares being delivered and paid for at such Closing Date have been duly authorized, validly issued and are fully paid and nonassessable; the related Rights (if the Rights Agreement is then in effect) have been duly authorized and validly issued under the Rights Agreement and are entitled to the benefits thereof; the Contract Securities, when issued, delivered and sold, pursuant to the Delayed Delivery Contracts, will be duly issued, fully paid and nonassessable; the Contract Securities, when so issued, delivered and sold, will conform to the description thereof contained in the Final Prospectus; neither the issuance of the Common Shares nor the issuance of the related Rights is subject to preemptive rights; and the Company has reserved one one-hundredth share of Series C Preferred for issuance upon exercise of each Right.

(v) In the case of an offering of Preferred Shares Warrants and Common Shares Warrants, the applicable Warrant Agreement has been duly authorized, executed and delivered by the Company; and, assuming due authorization, execution and delivery by the applicable Warrant Agent, the applicable Warrant Agreement constitutes a valid and binding instrument enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally or by general equitable principles; the applicable Warrants have been duly and validly authorized and, when executed by the proper officers of the Company, countersigned by the applicable Warrant Agent under the applicable Warrant Agreement and in all cases delivered pursuant to the applicable Warrant Agreement and delivered to and paid for by the Underwriters pursuant to this Agreement (or by the purchasers thereof pursuant to the Delayed Delivery Contracts in the case of any Contract Securities) will in each case constitute a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally or by general equitable principles; and will be entitled to the benefits of the applicable Warrant Agreement; and in the case of Preferred Shares Warrants and

Common Shares Warrants, the Preferred Shares or Common Shares initially issuable upon the exercise thereof have been duly and validly authorized and reserved for issuance upon such exercise and such shares, when issued upon such exercise in accordance with the terms of the respective Warrant Agreement and at the prices therein provided for, will be duly authorized, validly issued, fully paid and nonassessable.

(w) The Securities, the Rights, the Company's Series C Junior Participating Preferred Shares (the "Series C Preferred")

and, in the case of an offering of Debt Securities and/or Debt Warrants, the applicable Indenture, will conform in all material respects to the respective statements relating thereto contained in the Final Prospectus and the Registration Statement and will be in substantially the respective forms filed or incorporated by reference, as the case may be, as exhibits to the Registration Statement.

(x) The Senior Debt Securities rank and will rank on a parity with all unsecured indebtedness (other than subordinated indebtedness) of the Company that is outstanding on the date hereof or that may be incurred hereafter, and senior to all subordinated indebtedness of the Company that is outstanding on the date hereof or that may be incurred hereafter.

(y) There are no holders of securities of the Company with currently exercisable registration rights to have any securities so held included in the offering contemplated by this Agreement and the Registration Statement.

(z) The Company meets, and on the effective date of the Registration Statement met and on each Closing Date will meet, the requirements for use of Form S-3 under the Act and the rules and regulations thereunder.

Any certificate signed by any officer of the Company and delivered to the Representatives or counsel for the Underwriters in connection with the offering and sale of the Securities pursuant to this Agreement shall be deemed a representation and warranty by the Company to each Underwriter as to the matters covered thereby.

SECTION 2. Purchase and Sale. (a) Subject to the terms and conditions and in reliance upon the representations and warranties herein set forth, the Company agrees to sell to each Underwriter, and each Underwriter agrees, severally and not jointly, to purchase from the Company, at the respective purchase prices and upon the terms and conditions set forth in Schedule I hereto the principal amount or number of Purchased Securities set forth opposite such Underwriter's name in Schedule II hereto, except that, if Schedule I hereto provides for the sale of Purchased Securities pursuant to delayed delivery arrangements, the respective principal amount or number of such Purchased Securities to be purchased by the Underwriters, shall be as set forth in Schedule II hereto less the respective amounts or number of Contract Securities determined as provided below. Purchased Securities to be purchased by the Underwriters are herein sometimes called the "Underwriters' Securities" and Purchased Securities to be purchased pursuant to delayed delivery contracts ("Delayed Delivery Contracts") as hereinafter provided are herein called "Contract Securities".

(b) If so provided in Schedule I hereto, the Underwriters are authorized to solicit offers to purchase Purchased Securities from the Company pursuant to Delayed Delivery Contracts, substantially in the form of Schedule III hereto but with such changes therein as the Company may authorize or approve. The Underwriters will endeavor to make such arrangements and, as compensation therefor, the Company will pay to the Representatives, for the account of the Underwriters, on the applicable Closing Date, an amount as follows: (i) in the case of Debt Securities, Debt Warrants and Units consisting of Debt Securities and Debt Warrants, an amount equal to the percentage set forth in Schedule II hereto of the principal amount of the Debt Securities or number of Debt Warrants for which such Delayed Delivery Contracts are made, (ii) in the case of Preferred Shares, Depositary Shares and Units consisting of Preferred Shares and any other Securities, an amount equal to the percentage set forth in Schedule II hereto of the aggregate liquidation preference of Preferred Shares, including shares represented by such Depositary Shares, for which Delayed Delivery Contracts are made, (iii) in the case of all other Securities, an amount as set forth in Schedule II hereto with respect to Securities for which such Delayed Delivery Contracts are made. Delayed Delivery Contracts are to be with institutional investors, including commercial and savings banks, insurance companies, pension funds, investment

companies, educational and charitable institutions. The Company will enter into Delayed Delivery Contracts in all cases where sales of Contract Securities arranged by the Underwriters, and the parties to such Delayed Delivery Contracts, have been approved by the Company but, except as the Company may otherwise agree, each such Delayed Delivery Contract must (x) in the case of Debt Securities, Debt Warrants or Units consisting of Debt Securities and Debt Warrants, be for not less than the minimum principal amount set forth in Schedule I hereto and the aggregate principal amount of Contract Securities may not exceed the maximum aggregate principal amount set forth in Schedule I hereto, (y) in the case of Preferred Shares, Depositary Shares or Units consisting of Preferred Shares and any other Securities, be for not less than the minimum number of Preferred Shares set forth in Schedule I hereto and the aggregate number of Preferred Shares, including shares represented by such Depositary Shares, of Contract Securities may not exceed the maximum aggregate number of Preferred Shares set forth in Schedule I hereto and (z) in the case of all other Securities, be for not less than the minimum number of each of such Securities respectively set forth in Schedule I hereto and the aggregate number of each of such Securities constituting Contract Securities may not exceed the maximum number of each of such Securities respectively set forth in Schedule I hereto. The Underwriters will not have any responsibility in respect of the validity or performance of Delayed Delivery Contracts. The principal amount or number of Purchased Securities to be purchased by each Underwriter as set forth in Schedule II hereto shall be reduced by an amount which shall bear the same proportion to the total principal amount or number of Contract Securities as the principal amount or number set forth opposite the name of such Underwriter bears to the aggregate principal amount or number of such Purchased Securities set

forth in Schedule II hereto, except to the extent that you determine that such reduction shall be otherwise than in such proportion and so advise the Company in writing; provided, however, that the total principal amount or number of the Purchased Securities to be purchased by all Underwriters shall be the aggregate principal amount or number set forth in Schedule II hereto less the aggregate principal amount or number of Contract Securities. The Company will advise the Representatives not later than the business day prior to the applicable Closing Date of the aggregate principal amount or number, as the case may be, of the Contract Securities.

SECTION 3. Delivery and Payment. (a) Delivery of the

Underwriters' Securities shall be made at the office of Mayer, Brown & Platt, 190 South LaSalle Street, Chicago, Illinois, or at such other place as shall be agreed upon by the Representatives and the Company, or at the office of The Depositary Trust Company ("DTC") if the Underwriters' Securities are issued in book-entry form, and payment for such Securities shall be made at the above office of Mayer, Brown & Platt, or at such other place as shall be agreed upon by the Representatives and the Company, on the date and at the time specified in Schedule I hereto, which date and time may be postponed by agreement between the Representatives and the Company or as provided in Section 11 hereof (such date and time of delivery and payment for the Underwriters' Securities being herein referred to in the case of Purchased Securities as the "Purchased Securities Closing Date", in the case of Option Securities as the "Option Securities Closing Date" and each such date being referred to herein as a "Closing Date"). Delivery of the Underwriters' Securities (which, in the case of Depositary Shares, shall be deemed to occur upon confirmation of delivery of the applicable number of Preferred Shares to the Depositary against delivery of the depositary receipts evidencing the Depositary Shares in respect thereof) shall be made to the Representatives for the respective accounts of the several Underwriters against payment by the several Underwriters through the Representatives of the purchase price thereof to or upon the order of the Company by certified or official bank check or checks drawn on or by a Chicago Clearing House bank and payable in next day funds or by such other means as are specified in Schedule I hereto.

(b) If specified in Schedule I hereto, the several Underwriters will be compensated for their respective commitments and obligations by separate payment to the Representatives for the respective accounts of such Underwriters. Any such payment by the Company to the Underwriters shall be made simultaneously with the payment by the Underwriters to the Company of the purchase price of the Underwriters' Securities as specified herein. Any separate payment of compensation by the Company to the Underwriters shall be made by certified or official bank check or checks drawn on or by a Chicago Clearing House bank and payable in next day funds to the order of the Representatives or by such other means as are specified in Schedule I hereto.

(c) If specified in Schedule I and the Underwriters' Securities are issued in book-entry form, payment shall be made in immediately

available funds by fed wire. Certificates for the Underwriters' Securities shall be registered in such names and in such denominations as the Representatives may request not less than two full business days in advance of the applicable Closing Date, provided that, if the Underwriters' Securities are in book-entry form, the registration thereof, including the determination of the denominations thereof, shall be in accordance with the regulations of DTC.

(d) The Company agrees to have the Underwriters' Securities available for inspection, checking or packaging by the Representatives in New York, New York, not later than 1:00 P.M., New York City time, on the business day prior to the applicable Closing Date, unless the Underwriters' Securities are in book-entry form.

SECTION 4. Covenants of the Company. The Company covenants with each Underwriter as follows:

(a) Immediately following the execution of this Agreement, the Company will prepare a Final Prospectus setting forth the principal amount or number of Securities covered thereby and their terms (not otherwise specified in the applicable Indenture in the case of Debt Securities and/or Debt Warrants), the names of the Underwriters and the principal amount or number of Securities which each severally has agreed to purchase, the names of the Representatives, the price at which the Securities are to be purchased by the Underwriters from the Company, the initial public offering price, the selling concession and reallowance, if any, and such other information as the Representatives and the Company deem appropriate in connection with the offering of the Securities. The Company will promptly transmit copies of the Final Prospectus to the Commission for filing pursuant to Rule 424 of the Act and will furnish to the Underwriters named therein as many copies of the Final Prospectus and any Preliminary Final Prospectus as such Underwriters shall reasonably request.

(b) The Company will notify the Representatives immediately, and promptly confirm the notice in writing, (i) of the effectiveness of any amendment to the Registration Statement, (ii) of the mailing or the delivery to the Commission for filing of any supplement to the Final Prospectus or any document to be filed pursuant to the Exchange Act which will be incorporated by reference into the Registration Statement or Final Prospectus, (iii) of the receipt of any comments or other communications from the Commission with respect to the Registration Statement, the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus, (iv) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus or for additional information, and (v) of the issuance by the Commission of any stop order

suspending the effectiveness of the Registration Statement or the initiation of any proceedings for that purpose. The Company will make every reasonable effort to prevent the issuance of any stop order and, if any stop order is issued, to obtain the lifting thereof at the earliest possible moment.

(c) For so long as a Final Prospectus is required to be delivered in connection with the sale of Securities covered by this Agreement, the Company will give the Representatives notice of its intention to file any amendment to the Registration Statement or any amendment or supplement to the Final Prospectus (including through the filing of documents under the Exchange Act or a prospectus filed pursuant to Rule 424(b) which differs from the prospectus on file at the Commission), whether pursuant to the Act, the Exchange Act or otherwise, will furnish the Representatives with copies of any such amendment or supplement or other documents proposed to be filed a reasonable time in advance of filing, and will not file any such amendment or supplement to which the Representatives or counsel for the Underwriters shall reasonably object.

(d) The Company will deliver to the Representatives as many signed and conformed copies of the registration statement (as originally filed) and of each amendment thereto (including exhibits filed therewith or incorporated by reference therein and documents incorporated by reference in the Prospectus pursuant to Item 12 of Form S-3 under the Act) as the Representatives may reasonably request, and will also deliver to the Representatives a conformed copy of the Registration Statement and each amendment thereto for each of the Underwriters.

(e) If any event shall occur or condition exist as a result of which it is necessary, in the opinion of counsel for the Underwriters or counsel for the Company, to further amend or supplement the Final Prospectus in order that the Final Prospectus will not include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading in the light of circumstances existing at the time it is delivered to a purchaser or prospective purchaser or if it shall be necessary, in the opinion of either such counsel, at any such time to amend or supplement the Registration Statement or the Final Prospectus in order to

comply with the requirements of the Act or rules and regulations thereunder, the Company will promptly prepare and file with the Commission such amendment or supplement, whether by filing documents pursuant to the Exchange Act or otherwise, as may be necessary to correct such untrue statement or omission or to make the Registration Statement comply with such requirements.

(f) The Company will endeavor, in cooperation with the Underwriters, to qualify the Securities and any Debt Securities, Common Shares or Preferred Shares which may be issuable pursuant

to the exercise or conversion, as the case may be, of Securities offered by the Company, for offering and sale under the applicable securities laws of such states and other jurisdictions of the United States as the Representatives may designate, and will maintain such qualifications in effect for as long as may be required for the distribution of the Securities. The Company will file such statements and reports as may be required by the laws of each jurisdiction in which the Securities have been qualified as provided above.

(g) With respect to each sale of Securities, the Company will make generally available to its security holders as soon as practicable, but not later than 60 days (or 90 days in the case of periods which are a fiscal year of the Company) after the close of the period covered thereby, earnings statements (in form complying with the provisions of Rule 158 under the Act) covering twelve-month periods beginning, in each case, not later than the first day of the Company's fiscal quarter next following the "effective date" (as defined in Rule 158) of the Registration Statement relating to such Securities that satisfies the provisions of Section 11(a) of the Act and the rules and regulations thereunder.

(h) The Company will use the net proceeds received by it from the sale of the Securities in the manner specified in the Final Prospectus relating to such Securities under "Use of Proceeds".

(i) The Company will use its best efforts to (i) arrange for the listing of any Common Shares constituting Securities hereunder or issuable upon conversion or exercise of any of the Securities upon notice of issuance on the New York Stock

Exchange, Inc. or such other national securities exchanges on which the Company's outstanding Common Shares are then listed and (ii) list any other Securities on the exchanges, if any, specified in Schedule I hereto.

(j) The Company, during the period when the Final Prospectus is required to be delivered under the Act, will file promptly all documents required to be filed with the Commission pursuant to Section 13, 14 or 15 of the Exchange Act within the time periods required by the Exchange Act and the rules and regulations thereunder.

(k) For a period of five years after each Closing Date, the Company will furnish to the Representatives copies of all reports and communications delivered to shareholders or holders of any of the Securities as a class and will also furnish copies of all reports (excluding exhibits, unless requested by the Representatives) filed with the Commission on Forms 8-K, 10-Q and 10-K.

(l) In the event that the Securities being issued and sold pursuant to this Agreement are Common Shares or Common Share Warrants, for a period of 90 days from the date of this Agreement, the Company will not, without the Representatives' prior written consent, directly or indirectly, sell, offer to sell, grant any option for the sale of, enter into an agreement to sell, or otherwise dispose of, any Securities to which this Agreement relates or securities similar to such Securities, or any securities convertible into or exercisable for any such Securities or any such similar securities, except for Securities sold pursuant to this Agreement, securities issued upon conversion of Securities issued under this Agreement and Common Shares issued pursuant to employee benefit, executive compensation and dividend reinvestment plans of the Company, and the Company will not file a registration statement under the Act with respect to any such Securities or securities similar to such securities of the Company held by others.

(m) In the event that the Securities being issued and sold pursuant to this Agreement are Securities other than Common Shares or Common Share Warrants, for a period of 21 days from the date of this Agreement, the Company will not, without the

Representatives' prior written consent, directly or indirectly, sell, offer to sell, grant any option for the sale of, enter into an agreement to sell, or otherwise dispose of, any Securities to which this Agreement relates or securities similar to such Securities, or any securities convertible into or exchangeable or exercisable for any such Securities or any such similar securities, except for Securities sold pursuant to this Agreement and securities issued upon conversion of Securities issued under this Agreement, and the Company will not file a registration statement under the Act with respect to any such Securities or securities similar to such securities of the Company held by others.

(n) If necessary or otherwise required, the Company will comply with all of the provisions of Section 517.075 of the Florida Statutes, and all rules and regulations promulgated thereunder, relating to issuers doing business in Cuba.

SECTION 5. Payment of Expenses. The Company will pay all expenses incident to the performance of its obligations under this Agreement, including (i) the preparation, printing, filing and delivery of the registration statement (as originally filed) and all amendments thereto, (ii) the preparation, issuance and delivery to the Underwriters of the certificates for the Securities, (iii) the fees and disbursements of the Company's counsel and accountants, (iv) the qualification of the Securities under applicable state securities laws in accordance with the provisions of Section 4(f), including filing fees and the reasonable fees and disbursements of counsel for the Underwriters in connection therewith and in connection with the preparation of any Blue Sky Survey and Legal Investment Survey, (v)

the printing and delivery to the Underwriters in quantities as hereinabove stated of copies of the registration statement (as originally filed) and any amendments thereto, and of the Final Prospectus and any amendments or supplements thereto, (vi) the printing and delivery to the Underwriters of copies of the applicable Indenture and any Blue Sky Survey and Legal Investment Survey, (vii) the fees, if any, of rating agencies, (viii) the fees and expenses, if any, incurred in connection with the listing of the Securities on any securities exchange, (ix) the fees and expenses of the Trustees, if any, including the fees and disbursements of counsel for the Trustees in connection with the Indentures and the Securities, and (x) the fees, if any, of the National Association of Securities Dealers, Inc.

If this Agreement is terminated by the Representatives in accordance with the provisions of Section 6 or Section 10(i), the Company shall reimburse the Underwriters named in this Agreement for all of their out-of-pocket expenses, including the reasonable fees and disbursements of counsel for the Underwriters.

SECTION 6. Conditions of Underwriters' Obligations. The obligations of the Underwriters hereunder are subject to the accuracy of the representations and warranties on the part of the Company herein contained, to the accuracy of the statements of the Company's officers made in any certificate furnished pursuant to the provisions hereof, to the performance by the Company of its obligations, covenants and agreements hereunder, and to the following further conditions:

(a) The Final Prospectus shall have been filed with the Commission pursuant to Rule 424 under the Act not later than 5:30 p.m., New York City time, on the second business day following the date hereof; and at the applicable Closing Date (i) no stop order suspending the effectiveness of the Registration Statement shall have been issued under the Act or proceedings therefor initiated or threatened by the Commission and any request on the part of the Commission for additional information shall have been complied with to the satisfaction of counsel for the Underwriters, (ii) except where the only Securities are Common Shares or Common Shares Warrants, the rating assigned by any nationally recognized securities rating agency to any debt securities or preferred shares of the Company as of the date of this Agreement shall not have been lowered since the execution of this Agreement and no such agency shall have publicly announced that it has placed any of such debt securities or preferred shares on what is commonly termed a "watch list" for possible downgrading, and (iii) there shall not have come to the attention of the Representatives any facts that cause them, after disclosing such facts to, and discussing them with, the Company, reasonably to believe that the Final Prospectus, at the time it was required to be delivered to a purchaser of the Securities, contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements

therein, in light of the circumstances existing at such time, not misleading.

(b) At the applicable Closing Date, the Representatives shall have received:

(1) The favorable opinion, dated as of the applicable Closing Date, of Schiff Hardin & Waite, counsel for the Company, in form and substance satisfactory to counsel for the Underwriters, with such specificity as is necessary to reflect particularly the Securities purchased on such Closing Date to the effect that:

(i) The Company has been duly incorporated and is validly existing as a corporation under the laws of the State of Indiana and a certificate of existence has been issued with respect thereto as of a recent date pursuant to Section 23-1-18-9 of the Indiana Business Corporation Law.

(ii) The Company has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement and the Final Prospectus.

(iii) To the best of their knowledge and information, the Company is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, except where the failure to so qualify would not in the aggregate have a material adverse effect on the business or assets of the Company and its subsidiaries considered as one enterprise.

(iv) In the case of an offering of Preferred Shares, Depositary Shares or Common Shares, the authorized, issued and outstanding capital stock of the Company is as set forth in the Registration Statement and the Final Prospectus under the caption "Capitalization" (except for subsequent issuances, if any, pursuant to reservations or agreements referred to in the Final Prospectus), and the shares of issued and outstanding capital stock of the Company set forth therein have been duly authorized and validly issued and are fully paid and nonassessable; the certificate for each outstanding Common Share also represents one Right per share; and the outstanding Rights have been duly authorized and validly issued under the Rights Agreement.

(v) Each Significant Subsidiary of the Company incorporated in a jurisdiction in the United States of America and set forth on Schedule A to this Agreement has been duly incorporated and is validly existing as a

corporation under the laws of the jurisdiction of its incorporation, has corporate power and authority to own, lease and operate its properties and conduct its business as described in the Registration Statement and the Final Prospectus; all of the issued and outstanding capital stock of each such subsidiary which is held by the Company or any direct or indirect subsidiary of the Company has been duly authorized and validly issued.

(vi) This Agreement and the Delayed Delivery Contracts, if any, have been duly authorized, executed and delivered by the Company.

(vii) The Registration Statement is effective under the Act and, to the best of their knowledge and information, no stop order suspending the effectiveness of the Registration Statement has been issued under the Act or proceedings therefor initiated or threatened by the Commission.

(viii) At the time the Registration Statement became effective, at the date of this Agreement and at the applicable Closing Date, the Registration Statement (other than the financial statements, supporting schedules or other financial or statistical information or data included or incorporated by reference therein, as to which no opinion need be rendered) complied as to form in all material respects with the requirements of the Act, the rules and regulations thereunder, the Trust Indenture Act and the rules and regulations thereunder, and nothing has come to their attention that leads them to believe that the Registration Statement (other than the financial statements, supporting schedules and other financial or statistical information or data included or incorporated by reference therein, as to which no opinion need be rendered), at the time it became effective or at the date of this Agreement or at the applicable Closing Date, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that the Final Prospectus, as amended or supplemented at the applicable Closing Date, including the documents incorporated by reference therein (other than the financial statements,

supporting schedules and other financial or statistical information or data included or incorporated by reference therein, as to which no opinion need be rendered) included an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(ix) To the best of their knowledge and information, there are no legal or governmental proceedings pending or

threatened which are required to be disclosed in the Registration Statement, other than those disclosed in the Final Prospectus or in any document incorporated by reference therein.

(x) Each document filed pursuant to the Exchange Act (other than the financial statements, supporting schedules and other financial or statistical information or data included therein, as to which no opinion need be rendered) and incorporated by reference in the Final Prospectus at the applicable Closing Date, complied when so filed (or, if amended, when and as amended prior to the date of the Final Prospectus) as to form in all material respects with the Exchange Act and the rules and regulations thereunder.

(xi) To the best of their knowledge and information, there are no contracts, indentures, mortgages, loan agreements, notes, leases or other instruments required to be described, referred to or incorporated by reference in the Registration Statement at the applicable Closing Date or to be filed as exhibits thereto other than those described, referred to or incorporated by reference therein or filed as exhibits thereto, and the descriptions thereof or references thereto in the Registration Statement at the applicable Closing Date are correct.

(xii) No authorization, approval, consent or order of any court or governmental authority or agency is required in connection with the consummation by the Company of the transactions contemplated by this Agreement, except such as may be required under the Act, the rules and regulations thereunder, the Exchange Act, the rules and regulations

thereunder or state securities laws and the qualification of the applicable Indenture under the Trust Indenture Act (in the case of an offering of Debt Securities or Debt Warrants); the execution and delivery by the Company of this Agreement, the applicable Indenture (in the case of an offering of Debt Securities or Debt Warranties), any Delayed Delivery Contracts and the Securities and the consummation of the transactions contemplated herein and therein will not result in any violation of the provisions of the charter or by-laws of the Company; and to the best of their knowledge and information, the execution and delivery by the Company of this Agreement, the applicable Indenture (in the case of an offering of Debt Securities or Debt Warrants), any Delayed Delivery Contracts and the Securities and the consummation of the transactions contemplated herein and therein will not conflict with or constitute a breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, any contract, indenture, mortgage, loan agreement, note, lease

or other instrument identified to such counsel by the Company as being material and to which the Company or any of its subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any of its subsidiaries is subject, nor will such action result in any violation of any applicable law, administrative regulation or any administrative or court order or decree known to them.

(xiii) The information in the Final Prospectus describing the Securities, the Rights and the Series C Preferred (and the applicable Indenture in the case of an offering of Debt Securities or Debt Warrants), has been reviewed by them and is correct (subject to the limitations stated therein) and complete in all material respects.

(xiv) In the case of an offering of Debt Securities or Debt Warrants, each of the applicable Indenture and Debt Warrant Agreement, if any, has been duly and validly authorized, executed and delivered by the Company and is substantially in the form filed or incorporated by reference, as the case may be, as an exhibit to the

Registration Statement at the time the Registration Statement became effective; the applicable Indenture has been duly qualified under the Trust Indenture Act; and, assuming due authorization, execution and delivery by the Trustee and/or Debt Warrant Agent, each of the applicable Indenture and Debt Warrant Agreement, if any, constitutes a valid and binding agreement of the Company, enforceable against the Company in accordance with its respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally or by general equitable principles; the Debt Securities are in the form contemplated by the applicable Indenture and the Debt Securities and Debt Warrants have been duly and validly authorized by the Company and, when executed by the proper officers of the Company, countersigned by the Debt Warrant Agent under the Debt Warrant Agreement and authenticated in accordance with the provisions of the applicable Indenture and delivered pursuant to the Debt Warrant Agreement, in the case of Debt Warrants, and in all cases delivered to and paid for by the Underwriters pursuant to this Agreement, in the case of all of the Underwriters' Securities, or by the purchasers thereof pursuant to the Delayed Delivery Contracts, in the case of any Contract Securities, will in each case constitute a valid and binding obligation of the Company, be convertible (in the case of those Subordinated Securities that by their terms are so convertible) for Common Shares or other securities of the Company in accordance with their terms as set forth in the Final Prospectus and will be entitled to the benefits of the

applicable Indenture enforceable against the Company in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally or by general equitable principles; if the Debt Securities are convertible into Common Shares or other securities of the Company, the Common Shares or other securities issuable upon such conversion will have been duly authorized and reserved for issuance upon such conversion and, when issued upon such conversion, will be validly issued, fully paid (assuming the underlying Debt Securities have been paid for) and nonassessable; such

Common Shares or other securities will have been duly authorized and issued, will be fully paid (assuming the underlying Debt Securities have been paid for) and nonassessable and will conform to the description thereof contained in the Final Prospectus; and the stockholders of the Company have no preemptive rights with respect to any of such Common Shares or other securities issuable upon such conversion.

(xv) In the case of an offering of Preferred Shares, including any Preferred Shares constituting Option Securities, the Preferred Shares being delivered and paid for at such Closing Date have been duly authorized, validly issued and are fully paid and nonassessable; the Contract Securities, when issued, delivered and sold pursuant to the Delayed Delivery Contracts, will be duly issued, fully paid and nonassessable; the Contract Securities, when so issued, delivered and sold, will conform, to the descriptions thereof contained in the Final Prospectus; and the stockholders of the Company have no preemptive rights with respect to any of such Preferred Shares. If the Preferred Shares being delivered and paid for at such Closing Date are convertible into Common Shares or other securities, such Preferred Shares are, and the Contract Securities, when so issued, delivered and sold, will be, convertible into Common Shares or other securities of the Company in accordance with their terms; the Common Shares or other securities initially issuable upon conversion of such Preferred Shares will have been duly authorized and reserved for issuance upon such conversion and, when issued upon such conversion, will be duly issued, fully paid (assuming the underlying Preferred Shares have been paid for) and nonassessable; the Common Shares have been duly authorized and issued, are fully paid and nonassessable and conform to the description thereof contained in the Final Prospectus.

(xvi) In the case of an offering of Depositary Shares, including any Depositary Shares constituting Option Securities, the Preferred Shares being delivered to the Depositary and represented by the Depositary Shares at such

Closing Date have been duly authorized; the Preferred Shares delivered to the Depositary and represented by Depositary

Shares at such Closing Date, assuming that such Depositary Shares have been issued, paid for and delivered to the Depositary against delivery of depositary receipts evidencing the applicable Depositary Shares to the Underwriters, have been validly issued and are fully paid and nonassessable; the Contract Securities, when issued, delivered, paid for and sold pursuant to the Delayed Delivery Contracts, will be duly issued, fully paid and nonassessable; the Contract Securities, when so issued, delivered and sold, will conform, to the descriptions thereof contained in the Final Prospectus; and the stockholders of the Company have no preemptive rights with respect to any of such Depositary Shares or the Preferred Shares represented thereby. If Preferred Shares represented by Depositary Shares being delivered at such Closing Date are convertible into Common Shares or other securities, such Preferred Shares are, and the Preferred Shares represented by Depositary Shares constituting Contract Securities, when so issued, delivered and sold, will be, convertible into Common Shares or other securities of the Company in accordance with their terms; the Common Shares initially issuable upon conversion of Preferred Shares represented by Depositary Shares will have been duly authorized and reserved for issuance upon such conversion and, when issued upon such conversion, will be duly issued, fully paid (assuming the underlying Depositary Shares have been paid for) and nonassessable; the Common Shares have been validly authorized and issued, are fully paid and nonassessable and conform to the description thereof contained in the Final Prospectus.

(xvii) In the case of an offering of Depositary Shares, assuming due authorization, execution and delivery of the Deposit Agreement by the Depositary, the Deposit Agreement has been duly authorized, executed and delivered by the Company and is a valid and binding agreement of the Company enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally or by general equitable principles; and the depositary receipts when executed, delivered and paid for pursuant to the Deposit Agreement upon deposit of the Preferred Shares thereunder, will be validly issued and will entitle the holders thereof to the rights in respect of the applicable Depositary Shares specified therein and in the Deposit Agreement.

(xviii) In the case of an offering of Common Shares, including any Common Shares constituting Option Securities,

the Common Shares being delivered and paid for at such Closing Date have been duly authorized, validly issued and are fully paid and nonassessable; the related Rights have been duly authorized and validly issued under the Rights Agreement and are entitled to the benefits thereof; the Contract Securities, when issued, delivered and sold, pursuant to the Delayed Delivery Contracts, will be duly issued, fully paid and nonassessable; the Contract Securities, when so issued, delivered and sold, will conform to the description thereof contained in the Final Prospectus; neither the issuance of the Common Shares nor the issuance of the related Rights is subject to preemptive rights; and the Company has reserved one one-hundredth share of Series C Preferred for issuance upon exercise of each Right.

(xix) In the case of an offering of Preferred Shares Warrants and Common Shares Warrants, the applicable Warrant Agreement has been duly authorized, executed and delivered by the Company; and, assuming due authorization, execution and delivery by the applicable Warrant Agent, the applicable Warrant Agreement constitutes a valid and binding instrument enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally or by general equitable principles; the applicable Warrants have been duly and validly authorized and, when executed by the proper officers of the Company, countersigned by the applicable Warrant Agent under the applicable Warrant Agreement and in all cases delivered pursuant to the applicable Warrant Agreement and delivered to and paid for by the Underwriters pursuant to this Agreement (or by the purchasers thereof pursuant to the Delayed Delivery Contracts in the case of any Contract Securities) will in each case constitute a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally or by general equitable principles; and will be entitled to the benefits of the

applicable Warrant Agreement; and in the case of Preferred Shares Warrants and Common Shares Warrants, the Preferred Shares or Common Shares initially issuable upon the exercise thereof have been duly and validly authorized and reserved for issuance upon such exercise and such shares, when issued upon such exercise in accordance with the terms of the respective Warrant Agreement and at the prices therein provided for, will be duly authorized, validly issued, fully paid and nonassessable.

(xx) If the Securities being delivered on such Closing Date are to be listed on any stock exchange, authorization therefor has been given, subject to official notice of issuance and evidence of satisfactory distribution, or the Company has filed a preliminary listing application and all required supporting documents with respect to the Securities with such stock exchange and such counsel has no reason to believe that such Securities will not be authorized for listing, subject to official notice of issuance and evidence of satisfactory distribution.

(2) The favorable opinion, dated as of the applicable Closing Date, of Ronald R. Snyder, Esq., Vice President, General Counsel and Secretary of the Company, in form and substance satisfactory to counsel for the Underwriters, to the effect that:

(i) To the best of his knowledge and information, the Company is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, except where the failure to so qualify would not in the aggregate have a material adverse effect on the business or assets of the Company and its subsidiaries considered as one enterprise.

(ii) To the best of his knowledge and information, each Significant Subsidiary of the Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, has corporate power and authority to own, lease or operate its properties and to conduct its business

as described in the Registration Statement and the Final Prospectus, and is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, except where the failure to so qualify would not in the aggregate have a material adverse effect on the business or assets of the Company and its subsidiaries considered as one enterprise; all of the issued and outstanding capital stock of each such Significant Subsidiary shown as owned by the Company on Schedule A to this Agreement has been duly authorized and validly issued, is fully paid and nonassessable, and such interest is owned by the Company, directly or through subsidiaries, free and clear of any security interest, mortgage, pledge, lien, encumbrance or claim.

(iii) Nothing has come to such counsel's attention that leads him to believe that the Registration Statement, at the time it became effective or at the applicable Closing Date, contained an untrue statement of a material fact or

omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that the Final Prospectus, as amended or supplemented at the applicable Closing Date, included an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

(iv) To the best of his knowledge and information, no authorization, approval consent or order of any court or governmental authority or agency is required in connection with the consummation by the Company of the transactions contemplated by this Agreement, except such as may be required under the Act, the rules and regulations thereunder, the Exchange Act and the rules and regulations thereunder or state securities laws and, in the case of an offering of Debt Securities or Debt Warrants, the qualification of the applicable Indenture under the Trust Indenture Act.

(v) To the best of his knowledge and information,

except as described in the Registration Statement, at the time it became effective or at the applicable Closing Date, there is no action, suit or proceeding before or by any court or governmental agency or body now pending or threatened against or affecting the Company or any of its subsidiaries in which it is probable that such action, suit or proceeding, except in cases in which such consequences are considered remote, will have any material adverse effect on the condition, financial or otherwise, or in the earnings, affairs, assets, properties or business prospects of the Company and its subsidiaries considered as one enterprise.

(vi) To the best of his knowledge and information, no default exists in the due performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, loan agreement, note, lease or other instrument described, referred to, or filed or incorporated by reference in the Registration Statement, at the time it became effective or at the applicable Closing Date, or the Company's most recent Annual Report on Form 10-K filed with the Commission under the Exchange Act, which defaults in the aggregate are material to the Company and its subsidiaries considered as one enterprise.

(3) The favorable opinion or opinions, dated as of the applicable Closing Date, of Mayer, Brown & Platt, counsel for the Underwriters, with respect to the incorporation of the Company, the validity of the

Securities being sold at the Closing Date, the Registration Statement, the Final Prospectus and other related matters as the Underwriters may reasonably request, and such counsel shall have received such papers and information as they reasonably request to enable them to pass upon such matters. In giving their opinion, Mayer, Brown & Platt may rely as to matters of Indiana corporate law upon the opinion of Schiff Hardin & Waite.

(c) At the applicable Closing Date there shall not have been, since the date of this Agreement or since the respective

dates as of which information is given in the Registration Statement and the Final Prospectus, any material adverse change in the condition, financial or otherwise, or in the earnings, affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, and the Representatives shall have received a certificate of the President or a Vice President of the Company and of the Chief Financial Officer, Chief Accounting Officer or Treasurer of the Company, dated as of such Closing Date, to the effect that (i) there has been no such material adverse change; (ii) the representations and warranties in Section 1 are true and correct with the same force and effect as though expressly made again at and as of such Closing Date; (iii) the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to such Closing Date; and (iv) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been initiated or threatened by the Commission.

(d) The Representatives shall have received from Price Waterhouse and any other independent certified public accountants who have reviewed financial statements included in the Registration Statement or the Final Prospectus letters, dated as of the date of this Agreement and as of the applicable Closing Date, in form and substance satisfactory to the Representatives to the effect that:

(i) They are independent public accounts with respect to the Company and its subsidiaries within the meaning of the Act and the rules and regulations thereunder.

(ii) It is their opinion that the financial statements and supporting schedules included or incorporated by reference in the Registration Statement and covered by their opinion therein comply as to form in all material respects with the applicable accounting requirements of the Act, the rules and regulations thereunder, the Exchange Act and the rules and regulations thereunder.

(iii) Based upon limited procedures set forth in detail in such letter, nothing has come to their attention which

causes them to believe that:

(A) The unaudited financial statements and supporting schedules of the Company and its subsidiaries included or incorporated by reference in the Registration Statement and the Final Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Act, the rules and regulations thereunder, the Exchange Act and the rules and regulations thereunder or are not presented in conformity with generally accepted accounting principles applied on a basis substantially consistent with that of the audited financial statements included or incorporated by reference in the Registration Statement and the Final Prospectus;

(B) The amounts set forth under the caption "Selected Financial Data" (or other similar caption) in the Final Prospectus are not in agreement with the corresponding amounts in the Company's audited financial statements included or incorporated by reference in the Registration Statement and the Final Prospectus; or

(C) At a specified date not more than five days prior to the date of the letters, there has been any change in the capital stock of the Company or any increase in the consolidated long-term debt of the Company and its subsidiaries or any decrease in consolidated net current assets or net assets as compared with the amounts shown in the Company's most recent consolidated balance sheet included or incorporated by reference in the Registration Statement and the Final Prospectus or, during the period from the date of such balance sheet to a specified date not more than five days prior to the date of the letters, there were any decreases, as compared with the corresponding period in the preceding year, in consolidated net sales, net earnings or primary net earnings per share of the Company and its subsidiaries, except in all instances for changes, increases or decreases which the Registration Statement and the Final Prospectus disclose have occurred or may occur.

(iv) In addition to the examination referred to in their opinions and the limited procedures referred to in clause (iii) above, they have carried out certain specified procedures, not constituting an audit, with respect to certain amounts, percentages and financial information which are included or incorporated by reference in the

Registration Statement and Prospectus and which have been specified by the Representatives, and have found such amounts, percentages and financial information to be in agreement with the relevant accounting, financial and other records of the Company and its subsidiaries identified in such letter.

(v) If pro forma financial statements are included or incorporated in the Registration Statement and Final Prospectus, on the basis of a reading of the unaudited pro forma financial statements, carrying out certain specified procedures, inquiries of certain officials of the Company and the acquired company who have responsibility for financial and accounting matters, and proving the arithmetic accuracy of the application of the pro forma adjustments to the historical amounts in the pro forma financial statements, nothing came to their attention which caused them to believe that the pro forma financial statements do not comply in form in all material respects with the applicable accounting requirements of Rule 11-02 of Regulation S-X or that the pro forma adjustments have not been properly applied to the historical amounts in the compilation of such statements.

(e) At the applicable Closing Time, counsel for the Underwriters shall have been furnished with such documents and opinions as they may require for the purpose of enabling them to pass upon the issuance and sale of the Securities as herein contemplated and related proceedings, or in order to evidence the accuracy of any of the representations or warranties, or the fulfillment of any of the conditions, herein contained; and all proceedings taken by the Company in connection with the issuance and sale of the Securities as herein contemplated shall be satisfactory in form and substance to the Representatives and counsel for the Underwriters.

(f) If any of the Securities are to be listed on the New York Stock Exchange, Inc. or any other national stock exchange, such Securities shall have been duly listed, subject to notice of issuance, on such stock exchange.

(g) The Company shall have accepted Delayed Delivery

Contracts in any case where sales of Contract Securities arranged by Underwriters, and the parties to such Delayed Delivery Contracts, have been approved by the Company.

If any condition specified in this Section shall not have been fulfilled when and as required to be fulfilled, this Agreement may be terminated by the Representatives by notice to the Company at any time at or prior to the applicable Closing Date, and such termination shall be without liability of any party to any other party except as provided in Section 5.

SECTION 7. Indemnification.

(a) The Company agrees to indemnify and hold harmless each Underwriter and each person, if any, who controls any Underwriter within the meaning of Section 15 of the Act as follows:

(1) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto), including all documents incorporated by reference therein, or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading or arising out of any untrue statement or alleged untrue statement of a material fact contained in the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus (or any amendment or supplement thereto) or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(2) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, if such settlement is effected with the written consent of the Company; and

(3) against any and all expense whatsoever, as incurred (including, subject to Section 7(c) hereof, the fees and disbursements of counsel chosen by you) reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (1) or (2) above;

provided, however, that this indemnity shall not apply to any loss, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Company by any Underwriter through you expressly for use in the Registration Statement (or any amendment thereto) or the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus (or any amendment or supplement thereto).

(b) Each Underwriter severally agrees to indemnify and hold harmless the Company, its directors, each of its officers who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto) or the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representatives expressly for use in the Registration Statement (or any amendment thereto) the Basic Prospectus, Preliminary Final Prospectus or the Final Prospectus (or any amendment or supplement thereto).

(c) Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability which it

may have otherwise than on account of this indemnity agreement. An indemnifying party may participate at its own expense in the defense of such action. In no event shall the indemnifying parties be liable for the fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances.

SECTION 8. Contribution. In order to provide for just and equitable contribution in circumstances in which the indemnity agreement provided for in Section 7 is for any reason held to be unenforceable by the indemnified parties although applicable in accordance with its terms, the Company and the Underwriters shall contribute to the aggregate losses, liabilities, claims, damages and expenses of the nature contemplated by said indemnity agreement incurred by the Company and one or more of the Underwriters, as incurred, in such proportions that the Underwriters are responsible for that portion represented by the percentage that the underwriting discount appearing on the cover page of the Final Prospectus bears to the initial public offering price of the Securities appearing thereon and the Company is responsible for the balance; provided, however, that no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section, each person, if any, who controls an Underwriter within the meaning of Section 15 of the Act shall have the same rights to contribution as such Underwriter, and each director of the Company, each officer of the Company who

signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the Act shall have the same rights to contribution as the Company.

SECTION 9. Representations, Warranties and Agreements to Survive Delivery. All representations, warranties and agreements contained in this Agreement, or contained in certificates of officers of the Company submitted pursuant hereto, shall remain operative and in full force and effect, regardless of any termination of this Agreement, or any investigation made by or on behalf of any Underwriter or any controlling person, or by or on behalf of the Company, and shall survive delivery of any Securities to the

Underwriters.

SECTION 10. Termination. The Representatives may terminate this Agreement, by notice to the Company, at any time at or prior to the applicable Closing Date (i) if there has been, since the date of this Agreement or since the respective dates as of which information is given in the Registration Statement, any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, or (ii) if there has occurred any material adverse change in the financial markets in the United States or any outbreak or escalation of hostilities or other calamity or crisis, the effect of which is such as to make it, in the Representatives' sole judgment, impracticable to market the Securities or enforce contracts for the sale of the Securities, or (iii) if trading in the Common Shares has been suspended by the Commission, or if trading generally on either the American Stock Exchange or the New York Stock Exchange has been suspended, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices for securities have been required, by either of said exchanges or by order of the Commission or any other governmental authority, or if a banking moratorium has been declared by either Federal, New York, Indiana or Illinois authorities. In the event of any such termination, such termination shall be without liability of any party to any other party except as provided in Section 5. Notwithstanding any such termination, the provisions of Sections 7 and 8 shall remain in effect.

SECTION 11. Default. If one or more of the Underwriters shall fail at the applicable Closing Date to purchase the Securities which it or they are obligated to purchase under this Agreement (the "Defaulted Securities"), then the Representatives shall have the right, within 24 hours thereafter, to make arrangements for one or more of the non-defaulting Underwriters, or any other underwriters, to purchase all, but not less than all, of the Defaulted Securities in such amounts as may be agreed upon and upon the terms herein set forth; if, however, the Representatives shall not have completed such arrangements within such 24-hour period, then:

(a) if the aggregate principal amount of Defaulted Securities does not exceed 10% of the aggregate principal amount

of the Securities to be purchased pursuant to this Agreement, the non-defaulting Underwriters shall be obligated to purchase the full amount thereof in the proportions that their respective underwriting obligations under this Agreement bear to the underwriting obligations of all such non-defaulting Underwriters, or

(b) if the aggregate principal amount of Defaulted Securities exceeds 10% of the aggregate principal amount of the Securities to be purchased pursuant to this Agreement, this Agreement shall terminate without liability on the part of any non-defaulting Underwriter.

No action taken pursuant to this Section shall relieve any defaulting Underwriter from liability in respect of any default of such Underwriter under the applicable Terms Agreement or this Agreement.

In the event of any such default which does not result in a termination of this Agreement, either the Representatives or the Company shall have the right to postpone the applicable Closing Date for a period not exceeding seven days in order to effect any required changes in the Registration Statement or Final Prospectus, or in any other documents or arrangements.

SECTION 12. Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of telecommunication. Notices to the Underwriters shall be directed to _____, Attention: _____. Notices to the Company shall be directed to it at One Noblitt Plaza, Post Office Box 3000, Columbus, Indiana 47202, Attention: Ronald R. Snyder, Esq., Vice President, General Counsel and Secretary, with a copy to Schiff Hardin & Waite, 7200 Sears Tower, Chicago, Illinois 60606, Attention: Frederick L. Hartmann, Esq.

SECTION 13. Parties. This Agreement shall inure to the benefit of and be binding upon the Underwriters and the Company and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the parties hereto and their respective successors and the controlling persons and officers and directors referred to in Sections 7 and 8 and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the parties and their respective successors and said controlling persons and officers and directors and their heirs and legal representatives, and for the

benefit of no other person, firm or corporation. No purchaser of Securities from any Underwriter shall be deemed to be a successor by reason merely of such purchase.

SECTION 14. Governing Law and Time. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be performed in said State. Except as otherwise set forth herein, specified times of day refer to New York City time.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to us the enclosed duplicate hereof, whereupon this letter and your acceptance shall represent a binding agreement among the Company and the several Underwriters.

Very truly yours,

Arvin Industries, Inc.

By: Name:_____
Title:_____

The foregoing Agreement is hereby
confirmed and accepted as of the
date specified in Schedule I hereto.

[Name, address and signature block
for Underwriters or Representatives.]

For themselves and the other several
Underwriters, if any, named in
Schedule II to the foregoing Agreement.

Schedule A

Subsidiary Name	Jurisdiction of Organization
Maremont Corporation	Delaware
Arvin International Holding, Inc.	Indiana
Roll Coater, Inc.	Indiana
Arvin Cheswick B.V.	The Netherlands
Arvin International U.K., plc	United Kingdom
Arvin Ride Control Products, Inc.	Canada
Arvin Cheswick International B.V.	The Netherlands

SCHEDULE I

Debt Securities

Debt Warrants

Underwriting Agreement dated

Trustee:

Title, Purchase Price and Description of Debt Securities:

Title:

Principal amount:

Interest rate:

Interest payable:
Commencing:

Date of maturity:

Public offering price:

Purchase price:

Form of payment:

Form of Securities:

Redemption provisions:

Sinking fund requirements:

Lockup provisions:

Convertibility into other Securities:

Other provisions:

Other Provisions of or Amendments to Underwriting Agreement:

Description of Debt Warrants:

Title of Debt Warrant Agreement:

Debt Warrant Agent:

Debt Warrant exercise price and currency:

Principal amount and currency of Debt Warrant:

Securities issuable upon exercise of one Debt Warrant:

Date after which Debt Warrants may be exercised:

Expiration date:

Detachable date (if applicable):

Description of Debt Warrant Securities:

Title:

Trustee:

Principal amount and currency:

Purchase price and currency:

Sinking fund provisions:

Redemption provisions:

Other provisions:

Purchased Securities Closing Date, Time and Location:

Delayed Delivery Arrangement:

Fee:

Minimum principal amount of each contract:

Maximum aggregate principal amount of all contracts:

Modification of items to be covered by the letter from Price Waterhouse delivered pursuant to Section 6(d) at the Closing Date:

PREFERRED SHARES

Underwriting Agreement dated

Designation, Purchase Price and Description of Preferred Shares:

Designation:

Liquidation preference per share:

Number of shares:

Purchase price per share (include accrued dividends, if any):

Other provisions:

Over-allotment option:

Other Provisions of or Amendments to Underwriting Agreement:

Deposit Agreement: Terms and Conditions

Purchased Securities Closing Date, Time and Location:

Delayed Delivery Arrangements:

Fee:

Minimum principal amount of each contract:

Maximum aggregate principal amount of all contracts:

Convertibility into Common Stock or other securities:

Modification of items to be covered by the letter from Price Waterhouse delivered pursuant to Section 6(d) at the Closing Date:

DEPOSITARY SHARES REPRESENTING PREFERRED SHARES

Underwriting Agreement dated

Designation, Purchase Price and Description of Preferred Shares:

Designation:

Liquidation preference per share:

Number of shares:

Purchase price per share (include accrued dividends, if any):

Other provisions:

Over-allotment option:

Other Provisions of or Amendments to Underwriting Agreement:

Purchased Securities Closing Date, Time and Location:

Delayed Delivery Arrangements:

Fee:

Minimum principal amount of each contract:

Maximum aggregate principal amount of all contracts:

Modification of items to be covered by the letter from Price Waterhouse delivered pursuant to Section 6(d) at the Closing Date:

PREFERRED SHARES WARRANTS

Number of Preferred Shares Warrants to be issued:

Warrant Agreement:

Form of Preferred Shares Warrants: [Registered] [Bearer]

Issuable jointly with other Securities: [Yes] [No]
[Number of Preferred Shares Warrants issued with each _____ amount or $_____ principal amount of other Securities]

[Detachable Date:]

Date from which Preferred Shares Warrants are exercisable:

Date on which Preferred Shares Warrants expire:

Exercise price(s) of Preferred Shares Warrants:

Public offering price: $_____

Purchase price: $_____

Title and terms of Preferred Shares:

Principal Amount of Preferred Shares purchasable upon exercise of one Warrant:

Other Provisions of or Amendments to the Underwriting Agreement:

Purchased Securities Closing Date, Time and Location:

Delayed Delivery Arrangements:

COMMON SHARES

Underwriting Agreement dated

Number of shares:

Purchase price per share:

Over-allotment option:

Other Provisions of or Amendments to Underwriting Agreement:

Purchased Securities Closing Date, Time and Location:

Delayed Delivery Arrangements:

Fee:

Minimum principal amount of each contract:

Maximum principal amount of each contract:

Modification of items to be covered by the letter from Price Waterhouse delivered pursuant to Section 6(d) at the Closing Date:

COMMON SHARES WARRANTS

Number of Common Shares Warrants to be issued:

Warrant Agreement:

Form of Common Shares Warrants: [Registered] [Bearer]

Issuable jointly with other Securities: [Yes] [No]

[Number of Common Shares Warrants issued with each _____ amount or $_____ principal amount of other Securities]

[Detachable Date:]

Date from which Common Shares Warrants are exercisable:

Date on which Common Shares Warrants expire:

Exercise price(s) of Common Shares Warrants:

Public offering price: $_____

Purchase price: $_____

Principal Amount of Common Shares purchasable upon exercise of one Warrant:

Other Provisions of or Amendments to the Underwriting Agreement:

Purchased Securities Closing Date, Time and Location:

Delayed Delivery Arrangements:

Fee:

Minimum principal amount of each contract:

Maximum aggregate principal amount of all contracts:

UNITS

Title and principal amount of Debt Securities or title and number of Preferred Shares or Common Shares and title and number of Warrants included in one Unit:

Purchase Price and currency:

Detachable Date:

Other provisions:

SCHEDULE II

Debt Securities/Debt Warrants

Firm Name	$Amount<*>

Total _____

$_____

ALL OTHER SECURITIES

Firm Name	Participation*

Total _____

$_____

<*> If Option Securities are offered, should include the minimum and maximum principal amount or number of shares of Securities, as the case may be.

SCHEDULE III

FORM OF DELAYED DELIVERY CONTRACT

_____, 19__

[Name and address of Underwriters
or Representatives]

Dear Sirs:

The undersigned hereby agrees to purchase from Arvin Industries,

Inc. (the "Company"), and the Company agrees to sell to the undersigned, on _____, 19__, (the "Delivery Date"), _____ [aggregate principal amount] [number of [shares][warrants]] of the Company's [title of securities] (the "Securities") offered by the Company's Prospectus, dated _____, 19__, and Prospectus Supplement, dated _____, 19__, receipt of a copy of which is hereby acknowledged, at a purchase price of [____% of the] [principal amount thereof, plus accrued interest (amortization of original issue discount), if any, thereon from _____, 19__ to the date of payment and delivery] [liquidation preference thereof or shares represented thereby, plus accrued dividends, if any, thereon from _____, 19__ to the date of payment and delivery] [_____ per Debt Warrant, Preferred Shares Warrant or Common Shares Warrant] [$_____ per share], and on the further terms and conditions set forth in this contract.

Payment for the Securities to be purchased by the undersigned shall be made on or before 11:00 A.M., New York City time, on the Delivery Date to or upon the order of the Company by certified or official bank check in New York Clearing House (next day) funds, at your office or at such other place as shall be agreed between the Company and the undersigned, upon delivery to the undersigned of the Securities in definitive fully registered form [and in such authorized denominations] and registered in such names [and for such number of [shares] [warrants]] as the undersigned may request by written, telegraphic or facsimile communication addressed to the Company not less than five full business days prior to the Delivery Date. If no request is received, the Securities will be registered in the name of the undersigned and issued [for the total number of [shares] [warrants]] [in a denomination equal to the aggregate principal amount of Securities] to be purchased by the undersigned on the Delivery Date.

The obligation of the undersigned to take delivery of and make payment for Securities on the Delivery Date, and the obligation of the Company to sell and deliver Securities on the Delivery Date, shall be subject to the conditions (and neither party shall incur any liability by reason of the failure thereof) that (1) the purchase of Securities to be made by the undersigned, which purchase the undersigned represents is not prohibited on the date hereof, shall not on the Delivery Date be prohibited under the laws of the jurisdiction to

which the undersigned is subject, and (2) the Company, on or before the Delivery Date, shall have sold to certain underwriters (the "Underwriters") such [number of [shares] [warrants]] [principal amount] of the Securities as is to be sold to them pursuant to the Underwriting Agreement referred to in the Prospectus and Prospectus Supplement mentioned above. Promptly after completion of such sale to the Underwriters, the Company will mail or deliver to the undersigned at its address set forth below notice to such effect, accompanied by a copy of the opinion of counsel for the Company delivered to the Underwriters in connection therewith. The obligation of the undersigned to take delivery of and make payment for the Securities, and the obligation of the Company to cause the Securities to be sold and delivered, shall not be affected by the failure of any purchaser to take delivery of and make payment for the Securities pursuant to other contracts similar to this contract.

This contract will inure to the benefit of and be binding upon the parties hereto and their respective successors, but will not be assignable by either party hereto without the written consent of the other.

It is understood that acceptance of this contract and other similar contracts is in the Company's sole discretion and, without limiting the foregoing, need not be on a first come, first served basis. If this contract is acceptable to the Company, it is required that the Company sign the form of acceptance below and mail or deliver one of the counterparts hereof to the undersigned at its address set forth below. This will become a binding contract between the Company and the undersigned, as of the date first above written, when such counterpart is so mailed or delivered.

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

Very truly yours,

[Name of Purchaser]

By: _____
[Title of Officer]
[Address]

Accepted:

Arvin Industries, Inc.

By: _____
[Authorized Signature]

EXHIBIT 4-4

==========

ARVIN INDUSTRIES, INC.

AND

HARRIS TRUST AND SAVINGS BANK,

Trustee

INDENTURE

Dated as of July 3, 1990

Debt Securities

==========

ARVIN INDUSTRIES, INC.

Reconciliation and tie between Trust Indenture Act of 1939
and Indenture, dated as of July 3, 1990

Trust Indenture Act Section	Indenture Section
Section 310(a)(1)	609
(a)(2)	609
(a)(3)	Not Applicable
(a)(4)	Not Applicable
(b)	608, 610
Section 311(a)	613(a), (c)
(b)	613(b), (c)
(b)(2)	703(a)(2), 703(b)
Section 312(a)	701, 702(a)
(b)	702(b)
(c)	702(c)
Section 313(a)	703(a)
(b)(1)	Not Applicable
(b)(2)	703(b)
(c)	703(c)
(d)	703(d)
Section 314(a)	704
(b)	Not Applicable
(c)(1)	102
(c)(2)	102
(c)(3)	Not Applicable
(d)	Not Applicable
(e)	102
Section 315(a)	601(a)
(b)	602, 703(a)(6)
(c)	601(b)
(d)	601(c)
(d)(1)	601(a)(1),(c)(1)
(d)(2)	601(c)(2)
(d)(3)	601(c)(3)

_____

NOTE: This reconciliation and tie shall not, for any purpose, be deemed to be a part of the Indenture

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INDENTURE, dated as of July 3, 1990, between ARVIN INDUSTRIES, INC., an Indiana corporation (hereinafter called the "Company"), having its principal executive office at One Noblitt Plaza, Columbus, Indiana 47202, and HARRIS TRUST AND SAVINGS BANK, a banking organization organized under the laws of Illinois (hereinafter called the "Trustee"), having its Corporate Trust Office at 111 West Monroe Street, Chicago, Illinois 60603.

RECITALS OF THE COMPANY

The Company has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of its unsecured and unsubordinated debentures, notes or other evidences of indebtedness (such debt securities being hereinafter called the "Securities"), unlimited as to principal amount, to bear such rates of interest, to mature at such time or times, to be issued in one or more series and to have such other provisions as shall be fixed as hereinafter provided.

The Company has duly authorized the execution and delivery of this Indenture, and all things necessary to make this Indenture a valid agreement of the Company, in accordance with its terms, have been done.

NOW, THEREFORE, in consideration of the premises and the sum of one dollar duly paid by the Company to the Trustee, the receipt of which is hereby acknowledged, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of Securities, as follows:

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities by the Holders (as defined below) thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Securities or of series thereof, as follows:

ARTICLE ONE
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

SECTION 101. Definitions.

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) the terms defined in this Article have the meanings assigned to them in this Article, and include the plural as well as the singular;

(2) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, have the meanings assigned to them therein;

(3) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles and, except as otherwise herein expressly provided, the term "generally accepted accounting principles" with respect to any computation required or permitted hereunder shall mean such accounting principles as are generally accepted at the date of such computation; and

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

Certain terms, used principally in Article Six, are defined in that Article.

"Act" when used with respect to any Holders has the meaning specified in Section 104.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any specified Person means the power to direct

the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or

otherwise; and the terms "controlling" and "controlled" have the meanings correlative to the foregoing.

"Authenticating Agent" means any Person authorized by the Trustee pursuant to Section 614 to act on behalf of the Trustee to authenticate Securities of one or more series.

"Authorized Newspaper" means a newspaper, in an official language of the country of publication or in the English language, customarily published on each Business Day, whether or not published on Saturdays, Sundays or holidays, and of general circulation in the place in connection with which the term is used or in the financial community of such place. Where successive publications are required to be made in Authorized Newspapers, the successive publications may be made in the same or in different newspapers in the same city meeting the foregoing requirements and in each case on any Business Day.

"Bearer Security" means any Security in the form established pursuant to Section 201 which is payable to bearer.

"Board of Directors" means the Board of Directors of the Company or the Executive Committee thereof.

"Board Resolution" means a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"Business Day," except as may otherwise be provided in the form of Securities of any particular series pursuant to the provisions of this Indenture, with respect to any Place of Payment, means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions or trust companies in that Place of Payment are authorized or obligated by law to close.

"Commission" means the Securities and Exchange Commission, as from time to time constituted, created under the Securities Exchange Act of 1934, or if at any time after the execution of this instrument such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties at such time.

"Company" means the Person named as the "Company" in the first paragraph of this instrument until a successor corporation shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Company" shall mean such successor corporation, and any other obligor upon the Securities.

"Company Request" and "Company Order" mean, respectively, a written request or order signed in the name of the Company by the

Chairman, the Vice Chairman, the President, a Vice President or the Treasurer, and by a Vice President, an Assistant Treasurer, the

Secretary or an Assistant Secretary of the Company, and delivered to the Trustee.

"Consolidated Net Tangible Assets" means (a) the total amount of assets (less applicable reserves and other properly deductible items) after deducting therefrom (i) all liabilities and liability items, except for indebtedness payable by its terms more than one year from the date of incurrence thereof (or renewable or extendable at the option of the obligor for a period ending more than one year after such date of incurrence), capitalized rent, capital stock (including the Company's redeemable preferred shares) and surplus, surplus reserves and deferred income taxes and credits and other non-current liabilities, and (ii) all goodwill, trade names, trademarks, patents, unamortized debt discount, unamortized expense incurred in the issuance of debt, and other like intangibles which, in each case, under generally accepted accounting principles in effect on the date hereof would be included on a consolidated balance sheet of the Company and its Restricted Subsidiaries, less (b) loans, advances, equity investments and guarantees (other than accounts receivable arising from the sale of merchandise in the

ordinary course of business) at the time outstanding which were made or incurred by the Company and its Restricted Subsidiaries to, in or for Unrestricted Subsidiaries or to, in or for corporations while they were Restricted Subsidiaries and which at the time of computation are Unrestricted Subsidiaries.

"Corporate Trust Office" means the principal office of the Trustee, at which at any particular time its corporate trust business shall be administered, which office at the date of original execution of this Indenture is located at 111 West Monroe Street, Chicago, Illinois, Attention: Corporate Trust Administration.

"Corporation" includes corporations, associations, companies and

business trusts.

"Coupon" means any interest coupon appertaining to a Bearer Security.

"Defaulted Interest" has the meaning specified in Section 307.

"Dollars" or "$" or any similar reference shall mean the currency of the United States, except as may otherwise be provided in the form of Securities of any particular series pursuant to the provisions of this Indenture.

"Event of Default" has the meaning specified in Section 501.

"Holder," when used with respect to any Security, means, in the case of a Registered Security, the Person in whose name the Security is registered in the Security Register, and, in the case of a Bearer Security, the bearer thereof and, when used with respect to any coupon, means the bearer thereof.

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

"Interest," when used with respect to an Original Issue Discount Security which by its terms bears interest only after Maturity, means interest payable after Maturity.

"Interest Payment Date" means the Stated Maturity of an installment of interest on the applicable Securities.

"Maturity" when used with respect to any Security means the date on which the principal of such Security or an installment of principal becomes due and payable as therein or herein provided, whether at the Stated Maturity or by declaration of acceleration, notice of redemption, request for repayment or otherwise.

"Officers' Certificate" means a certificate signed by the Chairman of the Board, the Vice Chairman of the Board, the President or a Vice President and by the Treasurer, an Assistant Treasurer, the

Secretary or an Assistant Secretary of the Company, and delivered to the Trustee.

"Opinion of Counsel" means a written opinion of counsel, who may (except as otherwise expressly provided in this Indenture) be an employee of or counsel for the Company, or other counsel who shall be reasonably acceptable to the Trustee.

"Original Issue Discount Security" means a Security issued pursuant to this Indenture which provides for declaration of an amount less than the principal thereof to be due and payable upon acceleration pursuant to Section 502.

"Outstanding" when used with respect to Securities means, as of the date of determination, all Securities theretofore authenticated and delivered under this Indenture, except:

(i) Securities theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;

(ii) Securities for whose payment or redemption money in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Company) in trust or

set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent) for the Holders of such Securities and any coupons thereto appertaining, provided that, if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made; and

(iii) Securities which have been paid pursuant to Section 306 or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Securities are held by a bona fide purchaser in whose hands such Securities are valid obligations of the Company; provided, however, that in determining whether the Holders of the requisite principal amount of Outstanding Securities have given any request, demand, authorization, direction, notice, consent or waiver hereunder, the principal amount of an Original Issue Discount Security that may be counted in making such determination and that shall be deemed to be Outstanding for such purposes shall be equal to the amount of the principal thereof that could be declared to be due and payable pursuant to the

terms of such Original Issue Discount Security at the time the taking of such action by the Holders of such requisite principal amount is evidenced to the Trustee as provided in Section 104(a), and, provided further, that Securities owned by the Company or any other obligor upon the Securities or any Affiliate of the Company or such other obligor, shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Securities which the Trustee knows to be so owned shall be so disregarded. Securities so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Securities and that the pledgee is not the Company or any other obligor upon the Securities or any Affiliate of the Company or such other obligor.

"Paying Agent" means any Person authorized by the Company to pay the principal of (and premium, if any) or interest on any Securities on behalf of the Company.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Place of Payment," when used with respect to the Securities of any series, means the place or places where the principal of (and premium, if any) and interest on the Securities of that series are payable as specified as provided pursuant to Section 301.

"Predecessor Security" of any particular Security means every previous Security evidencing all or a portion of the same debt as that evidenced by such particular Security; and, for the purposes of this definition, any Security authenticated and delivered under Section 306 in exchange for or in lieu of a lost, destroyed, mutilated or stolen Security or a Security to which a mutilated, destroyed, lost or stolen coupon appertains shall be deemed to evidence the same debt as the lost, destroyed, mutilated or stolen Security or the Security to which a mutilated, destroyed, lost or stolen coupon appertains.

"Principal Facility" means any manufacturing plant, warehouse, office building or parcel of real property (including fixtures but excluding leases and other contract rights which might otherwise be deemed real property) owned by the Company, or any Restricted

Subsidiary, whether owned on the date hereof or thereafter, provided each such plant, warehouse, office building or parcel of real property has a gross book value (without deduction for any depreciation reserves) at the date as of which the determination is being made of in excess of three percent of the Consolidated Net Tangible Assets, other than any such plant, warehouse, office building or parcel of real property or portion thereof which, in the opinion of the Board of Directors (evidenced by a Board Resolution), is not of material importance to the business conducted by the Company and its Subsidiaries taken as a whole.

"Redemption Date" when used with respect to any Security to be redeemed means the date fixed for such redemption by or pursuant to this Indenture.

"Redemption Price" when used with respect to any Security to be redeemed means the price at which it is to be redeemed as determined pursuant to the provisions of this Indenture.

"Registered Security" means any Security established pursuant to Section 201 which is registered in the Security Register.

"Regular Record Date" for the interest payable on a Registered Security on any Interest Payment Date means the date, if any, specified in such Security as the "Regular Record Date."

"Responsible Officer" when used with respect to the Trustee means any officer of the Trustee in its Corporate Trust Office and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Restricted Subsidiary" means (a) any Subsidiary other than an Unrestricted Subsidiary and (b) any Subsidiary which was an Unrestricted Subsidiary but which, subsequent to the date hereof, is designated by the Company (evidenced by a Board Resolution) to be a Restricted Subsidiary; provided, however, that the Company may not designate any such Subsidiary to be a Restricted Subsidiary if the Company would thereby breach any covenant or agreement herein contained (on the assumption that any transaction to which such Subsidiary was a party at the time of such designation and which would have given rise to Secured Debt or constituted a Sale and Leaseback Transaction at the time it was entered into had such Subsidiary then

been a Restricted Subsidiary was entered into at the time of such designation).

"Sale and Leaseback Transaction" means any sale or transfer made by the Company or one or more Restricted Subsidiaries (except a sale or transfer made to the Company or one or more Restricted Subsidiaries) of any Principal Facility which (in the case of a Principal Facility which is a manufacturing plant, warehouse or office building) has been in operation, use, or commercial production (exclusive of test and startup periods) by the Company or any Restricted Subsidiary for more than 180 days prior to such sale or transfer, or which (in the case of a Principal Facility which is a parcel of real property other than a manufacturing plant, warehouse or office building) has been owned by the Company or any Restricted Subsidiary for more than 180 days prior to such sale or transfer, if such sale or transfer is made with the intention of leasing, or as part of an arrangement involving the lease, of such Principal Facility to the Company or a Restricted Subsidiary (except a lease for a period not exceeding 36 months, made with the intention that the use of the leased Principal Facility by the Company or such Restricted Subsidiary will be discontinued on or before the expiration of such period). Any

Secured Debt permitted under Section 1005 hereof shall not be deemed to create or be defined to be a Sale and Leaseback Transaction.

"Secured Debt" means any indebtedness for money borrowed by, or evidenced by a note or other similar instrument of, the Company or a Restricted Subsidiary, and any other indebtedness of the Company or a Restricted Subsidiary on which by the terms of such indebtedness interest is paid or payable, including obligations evidenced or secured by leases, instalment sales agreements or other instruments in connection with private activity bonds which are qualified bonds under Section 141 of the Internal Revenue Code of 1986 (other than indebtedness owed by a Restricted Subsidiary to the Company, by a Restricted Subsidiary to another Restricted Subsidiary or by the Company to a Restricted Subsidiary), which in any such case is secured by (a) a Security Interest in any Principal Facility, or (b) a Security Interest in any shares of stock owned directly or indirectly by the Company in a Restricted Subsidiary or in indebtedness for money borrowed by a Restricted Subsidiary from the Company or another Restricted Subsidiary. The securing in the foregoing manner of any previously

unsecured debt shall be deemed to be the creation of Secured Debt at the time such security is given. The amount of Secured Debt at any time outstanding shall be the maximum aggregate amount then owing thereon by the Company and its Restricted Subsidiaries.

"Security" or "Securities" means any Security or Securities, as the case may be, authenticated and delivered under this Indenture.

"Security Interest" means any mortgage, pledge, lien, encumbrance or other security interest which secures payment or performance of an obligation.

"Security Register" and "Security Registrar" have the respective meanings specified in Section 305.

"Senior Funded Debt" means any obligation of the Company or any Restricted Subsidiary which constituted funded debt as of the date of its creation and which, in the case of such funded debt of the Company, is not subordinate and junior in right of payment to the prior payment of the Securities. As used herein "funded debt" shall mean any obligation payable by its terms more than one year from the date of incurrence thereof (or renewable or extendable at the option of the obligor for a period ending more than one year after such date of incurrence), which under generally accepted accounting principles should be shown on the balance sheet as a liability.

"Special Record Date" for the payment of any Defaulted Interest on the Registered Securities of any series means a date fixed by the Trustee pursuant to Section 307.

"Stated Maturity" when used with respect to any Security or any installment of principal thereof or interest thereon means the date specified in such Security or a coupon representing such installment of interest as the fixed date on which the principal of such Security or such installment of principal or interest is due and payable.

"Subsidiary" means any corporation of which at the time of determination the Company and/or one or more Subsidiaries owns or controls directly or indirectly more than 50 percent of the shares of Voting Stock. "Wholly-owned," when used with reference to a Subsidiary, means a Subsidiary of which all of the outstanding capital stock (except for qualifying shares) is owned by the Company or by one or more wholly-owned Subsidiaries.

"Trustee" means the Person named as the "Trustee" in the first

paragraph of this instrument until a successor Trustee shall have become such with respect to one or more series of Securities pursuant to the applicable provisions of this Indenture, and thereafter "Trustee" shall mean each Person who is then a Trustee hereunder, and if at any time there is more than one such Person, "Trustee" shall mean each such Person and as used with respect to the Securities of any series shall mean the Trustee with respect to the Securities of that series.

"Trust Indenture Act" means the Trust Indenture Act of 1939 as in force at the date as of which this instrument was executed, except as provided in Section 905.

"United States" means the United States of America (including the States and the District of Columbia), its territories and possessions and other areas subject to its jurisdiction.

"Unrestricted Subsidiary" means (a) any Subsidiary acquired or organized after the date hereof, provided, however, that such Subsidiary is not a successor, directly or indirectly, to, and does not directly or Indirectly own any equity interest in, any Restricted Subsidiary, (b) any Subsidiary the principal business and assets of which are located outside the United States of America (including its territories and possessions) or Canada or both, (c) any Subsidiary the principal business of which consists of financing the acquisition or disposition of machinery, equipment, inventory, accounts receivable and other real, personal and intangible property by Persons including the Company or a Subsidiary, (d) any Subsidiary the principal business of which is owning, leasing, dealing in or developing real property for residential or office building purposes, and (e) any Subsidiary substantially all the

assets of which consist of stock or other securities of an Unrestricted Subsidiary or Unrestricted Subsidiaries of the character described in clauses (a) through (d) of this paragraph, unless and until, in each of the cases specified in this paragraph, any such Subsidiary shall have been designated to be a Restricted Subsidiary

pursuant to clause (b) of the definition of "Restricted Subsidiary."

"U.S. Depository" or "Depository" means, with respect to the Securities of any series issuable or issued in whole or in part in the form of one or more global Securities, the Person designated as U.S. Depository by the Company pursuant to Section 301, which must be a clearing agency registered under the Securities Exchange Act of 1934, as amended, and, if so provided pursuant to Section 301 with respect to the Securities of any series, any successor to such Person. If at any time there is more than one such Person, "U.S. Depository" shall mean, with respect to any series of Securities, the qualifying entity which has been appointed with respect to the Securities of that series.

"U.S. Government Obligations" means direct obligations of the United States for the payment of which its full faith and credit is pledged, or obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States and the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States which, in either case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank (as defined in Section 3(a) (2) of the Securities Act of 1933, as amended) as custodian with respect to any such U.S. Government Obligations or a specific payment of principal of or interest on any such U.S. Government Obligations held by such custodian for the account of the holder of such depository receipt, provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligations or the specific payment of principal of or interest on the U.S. Government Obligations evidenced by such depository receipt.

"Vice President" when used with respect to the Company shall mean any Vice President of the Company whether or not designated by a number or a word or words added before or after the title "Vice President."

"Voting Stock" means stock of the class or classes having general voting power under ordinary circumstances to elect at least a majority of the board of directors, managers or trustees of such corporation provided that, for the purposes hereof, stock which carries only the right to vote conditionally on the happening of an event shall not be considered voting stock whether or not such event shall have happened.

SECTION 102. Compliance Certificates and Opinions.

Upon any application or request by the Company to the Trustee to take any action under any provision of this Indenture, the Company

shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or opinion need be furnished.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include:

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

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

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

(4) a statement as to whether, in the opinion of each such individual, such condition or covenant has been complied with.

SECTION 103. Form of Documents Delivered to Trustee.

In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give

an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an officer of the Company may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Company stating that the information with respect to such factual matters is in the possession of the Company, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

SECTION 104. Acts of Holders.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by agent duly appointed in writing. Except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments or record or both are delivered to the Trustee and, where it is hereby expressly required, to the Company. Such instrument or instruments and any such record (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Holders signing such instrument or instruments and so voting at any such meeting. Proof of execution of any such instrument or of a writing appointing as such agent, or of the holding

by any Person of a Security, shall be sufficient for any purpose of this Indenture and (subject to Section 601) conclusive in favor of the Trustee and the Company and any agent of the Trustee or the Company, if made in the manner provided in this Section.

Without limiting the generality of this Section 104, unless

otherwise established in or pursuant to a Board Resolution or set forth or determined in an Officers' Certificate, or established in one or more indentures supplemental hereto, pursuant to Section 301, a Holder, including a U.S. Depository that is a Holder of a global Security, may make, give or take, by a proxy, or proxies, duly appointed in writing, any request, demand, authorization, direction, notice, consent, waiver or other action provided in this Indenture to be made, given or taken by Holders, and a U.S. Depository that is a Holder of a global Security may provide its proxy or proxies to the beneficial owners of interests in any such global Security through such U.S. Depository's standing instructions and customary practices.

The Trustee shall fix a record date for the purpose of determining the Persons who are beneficial owners of interest in any permanent global Security held by a U.S. Depository entitled under the

procedures of such U.S. Depository to make, give or take, by a proxy or proxies duly appointed in writing, any request, demand, authorization, direction, notice, consent, waiver or other action provided in this Indenture to be made, given or taken by Holders. If such a record date is fixed, the Holders on such record date or their duly appointed proxy or proxies, and only such Persons, shall be entitled to make, give or take such request, demand, authorization, direction, notice, consent, waiver or other action, whether or not such Holders remain Holders after such record date. No such request, demand, authorization, direction, notice, consent, waiver or other action shall be valid or effective if made, given or taken more than 90 days after such record date.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved in any reasonable manner which the Trustee deems sufficient and in accordance with such reasonable rules as the Trustee may determine; and the Trustee may in any instance require further proof with respect to any of the matters referred to in this Section.

(c) The ownership of Registered Securities and the principal amount and serial numbers of Registered Securities held by any Person, and the date of holding the same, shall be proved by the Security Register.

(d) The principal amount and serial numbers of Bearer Securities held by any Person, and the date of holding the same, may be proved by

the production of such Bearer Securities or by a certificate executed, as depositary, by any trust company, bank, banker or other depositary reasonably acceptable to the Company, wherever situated, if such certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned such Person had on deposit with such depositary, or exhibited to it, the Bearer Securities therein described; or such facts may be proved by the certificate or affidavit of the Person holding such Bearer Securities, if such certificate or affidavit is deemed by the Trustee to the satisfactory. The Trustee and the Company may assume that such ownership of any Bearer Security continues until (1) another certificate or affidavit bearing a later date issued in respect of the same Bearer Security is produced, or (2) such Bearer Security is produced to the Trustee by some other Person or (3) such Bearer Security is surrendered in exchange for a Registered Security, or (4) such Bearer Security is no longer Outstanding. The principal amount and serial numbers of Bearer Securities held by the Person so executing such instrument or writing and the date of holding the same may also be proved in any other manner which the Trustee deems sufficient.

(e) If the Company shall solicit from the Holders of any Registered Securities any request, demand, authorization, direction, notice, consent, waiver or other Act, the Company may, at its option, by Board Resolution, fix in advance a record date for the determination of Holders of Registered Securities entitled to give such request, demand, authorization, direction, notice, consent, waiver or other Act, but the Company shall have no obligation to do so. If such a record date is fixed, such request, demand, authorization, direction, notice, consent, waiver or other Act may be given before or after such record date, but only the Holders of Registered Securities of record at the close of business on such record date shall be deemed to be Holders for the purposes of determining whether Holders of the requisite proportion of Outstanding Securities have authorized or agreed or consented to such request, demand, authorization, direction, notice, consent, waiver or other Act, and for that purpose the Outstanding Securities shall be computed as of such record date; provided that no such authorization, agreement or consent by the Holders of Registered Securities on such record date shall become effective pursuant to the provisions of this Indenture not later than six months after the record date.

(f) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Security shall bind every future Holder of the same Security and the Holder of every

Security issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done or suffered to be done by the Trustee, any Security Registrar, any Paying Agent or the Company in reliance thereon, whether or not notation of such action is made upon such Security.

SECTION 105. Notices, etc., to Trustee and Company.

Any request, demand, authorization, direction, notice, consent, waiver or Act of Holders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with,

(1) the Trustee by any Holder or by the Company shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing to or with the Trustee at its Corporate Trust Office, or

(2) the Company by the Trustee or by any Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to the Company addressed to the attention of its Treasurer at the address of its principal office specified in the first paragraph of this instrument or at any other address previously furnished in writing to the Trustee by the Company.

SECTION 106. Notice to Holders of Securities; Waiver.

Except as otherwise expressly provided herein or in the form of Securities of any particular series pursuant to the provisions of this Indenture, where this Indenture provides for notice to Holders of Securities of any event,

(1) such notice shall be sufficiently given to Holders of Registered Securities if in writing and mailed, first-class postage prepaid, to each Holder of a Registered Security affected by such event, at his address as it appears in the Security Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such Notice; and

(2) such notice shall be sufficiently given to Holders of Bearer Securities, if any, if published in an Authorized Newspaper in The City of New York and, if the Securities of such series are then listed on any stock exchange outside the United

States, in an Authorized Newspaper in such city as the Company shall advise the Trustee that such stock exchange so requires, on a Business Day at least twice, the first such publication to be not earlier than the earliest date and not later than the latest date prescribed for the giving of such notice.

In any case where notice to Holders of Registered Securities is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder of a Registered Security shall affect the sufficiency of such notice with respect to other Holders of Registered Securities or the sufficiency of any notice to Holders of Bearer Securities given as provided herein. Any notice which is mailed in the manner herein provided shall be conclusively presumed to have been duly given or provided. In the case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice by mail, then such notification as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder.

In case by reason of the suspension of publication of any Authorized Newspaper or Authorized Newspapers or by reason of any other cause it shall be impracticable to publish any notice to Holders of Bearer Securities as provided above, then such notification to Holders of Bearer Securities as shall be given with the approval of the Trustee shall constitute sufficient notice to such Holders for every purpose hereunder. Neither failure to give notice by publication to Holders of Bearer Securities as provided above, nor any defect in any notice so published, shall affect the sufficiency of any notice mailed to Holders of Registered Securities as provided above.

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

SECTION 107. Language of Notices.

Any request, demand, authorization, direction, notice, consent, election or waiver required or permitted under this Indenture shall be in the English language, except that, if the Company so elects, any published notice may be in an official language of the country of publication.

SECTION 108. Conflict with Trust Indenture Act.

If any provision hereof limits, qualifies or conflicts with another provision hereof which is required to be included in this Indenture by any of the provisions of the Trust Indenture Act, such required provisions shall control.

SECTION 109. Effect of Headings and Table of Contents.

The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 110. Successors and Assigns.

All covenants and agreements in this Indenture by the Company shall bind its successors and assigns, whether so expressed or not.

SECTION 111. Separability Clause.

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

SECTION 112. Benefits of Indenture.

Nothing in this Indenture or in the Securities or coupons, express or implied, shall give to any Person, other than the parties hereto, any Security Registrar, any Paying Agent and their successors hereunder and the Holders of Securities or coupons, any benefit or any legal or equitable right, remedy or claim under this Indenture.

SECTION 113. Governing Law.

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

SECTION 114. Legal Holidays.

In any case where any Interest Payment Date, Redemption Date or Stated Maturity of any Security shall not be a Business Day at any

Place of Payment, then (notwithstanding any other provision of this Indenture or the Securities or coupons other than a provision in the Securities which specifically states that such provision shall apply in lieu of this Section) payment of interest or principal (and premium, if any) need not be made at such Place of Payment on such date, but may be made on the next succeeding Business Day at such

Place of Payment with the same force and effect as if made on the Interest Payment Date or Redemption Date, or at the Stated Maturity, and no interest shall accrue on the amount so payable for the period from and after such Interest Payment Date, Redemption Date or Stated Maturity, as the case may be.

ARTICLE TWO
SECURITY FORMS

SECTION 201. Forms Generally.

The Registered Securities, if any, of each series and the Bearer Securities, if any, of each series and related coupons, if any, and temporary global Securities, if any, shall be in the form established by or pursuant to a Board Resolution or in one or more indentures supplemental hereto, shall have appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture or any indenture supplemental hereto and may have such letters, numbers or other marks of

identification and such legends or endorsements placed thereon as may, consistently herewith, be determined by the officers of the Company executing such Securities, as evidenced by their execution of such Securities.

Unless otherwise provided as contemplated by Section 301 with respect to any series of Securities, the Securities of each series shall be issuable in registered form without coupons. If so provided as contemplated by Section 301, the Securities of a series also shall be issuable in bearer form, with or without interest coupons attached.

The definitive Securities and coupons shall be printed, lithographed or engraved or produced by any combination of these methods on a steel engraved border or steel engraved borders or may be produced in any other manner, all as determined by the officers of the Company executing such Securities, as evidenced by their execution of such Securities or coupons.

SECTION 202. Form of Trustee's Certificate of Authentication.

The Trustee's certificate of authentication on all Securities shall be in substantially the following form:

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

[Trustee], as Trustee

By_____
Authorized Officer

SECTION 203. Securities in Global Form.

If Securities of a series are issuable in global form, any such Security may provide that it shall represent the aggregate amount of Outstanding Securities from time to time endorsed thereon and may also provide that the aggregate amount of Outstanding Securities represented thereby may from time to time be reduced to reflect exchanges. Any endorsement of a Security in global form to reflect the amount, or any increase or decrease in the amount or changes in the rights of Holders of Outstanding Securities represented thereby shall be made in such manner and by such Person or Persons as shall be specified therein. Any instructions by the Company with respect to a Security in global form shall be in writing but need not comply with Section 102.

ARTICLE THREE
THE SECURITIES

SECTION 301. Amount Unlimited; Issuable in Series.

The aggregate principal amount of Securities which may be authenticated and delivered under this Indenture is unlimited.

The Securities may be issued in one or more series. There shall

be established in or pursuant to a Board Resolution, and set forth in an Officers' Certificate, or established in one or more indentures supplemental hereto:

(1) the title of the Securities and the series in which such Securities shall be included;

(2) any limit upon the aggregate principal amount of the Securities of such title or the Securities of such series which may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration or transfer of, or in exchange for, or in lieu of, other Securities of the series pursuant to Section 304, 305, 306, 906 or 1107);

(3) whether Securities of the series are to be issuable as Registered Securities, Bearer Securities (with or without coupons) or both; any restrictions applicable to the offer, sale or delivery of Bearer Securities and the terms upon which Bearer Securities of the series may be exchanged for Registered Securities of the series and vice versa; and whether any Securities of the series are to be issuable initially in global form and, if so, (i) whether beneficial owners of interests in any such global Security may exchange such interest for Securities of such series and of like tenor of any authorized form and denomination and the circumstances under which any such exchanges may occur, if other than in the manner specified in Section 305 and (ii) the name of the depository or the U.S. Depository, as the case may be, with respect to any global Security;

(4) the date as of which any Bearer Securities of the series and any temporary global Security representing Outstanding Securities of the series shall be dated if other than the date of original issuance of the first Security of the series to be issued;

(5) if Securities of the series are to be issuable as Bearer Securities, whether interest in respect of any portion of a temporary Bearer Security in global form (representing all of the Outstanding Bearer Securities of the series) payable in respect of an Interest Payment Date prior to the exchange of such temporary Bearer Security for definitive Securities of the series shall be paid to any clearing organization with respect to the portion of such temporary Bearer Security held for its account and, in such event, the terms and conditions (including any certification requirements) upon which any such interest payment received by a clearing organization will be

credited to the Persons entitled to interest payable on such Interest Payment Date;

(6) the date or dates on which the principal of such Securities is payable;

(7) the rate or rates at which such Securities shall bear interest, if any, or method in which such rate or rates are determined, the date or dates from which such interest shall accrue, the Interest Payment Dates on which such interest shall be payable and the Regular Record Date for the interest payable on Registered Securities on any Interest Payment Date, and the basis upon which interest shall be calculated if other than that of a 360-day year of twelve 30-day months;

(8) the place or places, if any, in addition to or other than the Borough of Manhattan, The City of New York, where the principal of (and premium, if any) and interest on such Securities shall be payable;

(9) the period or periods within which, the price or prices at which and the terms and conditions upon which such Securities may be redeemed, in whole or in part, at the option of the Company;

(10) the obligation, if any, of the Company to redeem or purchase such Securities pursuant to any sinking fund or at the option of a Holder thereof and the period or periods within which, the price or prices at which and the terms and conditions upon which such Securities shall be redeemed or purchased, in whole or in part, pursuant to such obligation, and any provisions for the remarketing of such Securities;

(11) the denominations in which Registered Securities of the series, if any, shall be issuable if other than denominations of $1,000 and any integral multiple thereof, and the denominations in which Bearer Securities of the series, if any, shall be issuable if other than the denomination of $5,000;

(12) if other than the principal amount thereof, the portion of the principal amount of such Securities which shall be payable upon declaration of acceleration of the Maturity thereof pursuant to Section 502;

(13) if other than such coin or currency of the United States of America as at the time of payment is legal tender for payment of public or private debts, the coin or currency, including composite currencies, in which payment of the principal of (and premium, if any) or interest, if any, on such Securities shall be payable;

(14) if the principal of (and premium, if any) or interest, if any, on such Securities are to be payable, at the election of the Company or a Holder thereof, in a coin or currency, including composite currencies, other than that in which the Securities are stated to be payable, the period or periods within which, and the terms and conditions upon which, such election may be made;

(15) if the amount of payments of principal of (and premium, if any) or interest, if any, on such 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 Securities are stated to be payable, the manner in which such amounts shall be determined;

(16) if the Securities of such series are to be issuable in definitive form (whether upon original issue or upon exchange of a temporary Security of such series) only upon receipt of certain certificates or other documents or satisfaction of other conditions, then the form and terms of such certificates, documents or conditions; and

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

All Securities of any one series and coupons appertaining to Bearer Securities of such series, if any, shall be substantially identical except as to denomination and the rate or rates of interest, if any, and Stated Maturity, the date from which interest, if any, shall accrue and except as may otherwise be provided in or pursuant to such Board Resolution and set forth in such Officers' Certificate or in any such indenture supplemental hereto. All Securities of any one series need not be issued at the same time and, unless otherwise provided, a series may be reopened for issuances of additional Securities of such series.

If any of the terms of the Securities of any series were established by action taken pursuant to a Board Resolution, a copy of an appropriate record of such action shall be certified by the Secretary or an Assistant Secretary of the Company and delivered to

the Trustee at or prior to the delivery of the Officers' Certificate setting forth the terms of such series.

SECTION 302. Denominations.

Unless other denominations and amounts may from time to time be fixed by or pursuant to a Board Resolution, the Registered Securities of each series, if any, shall be issuable in registered form without coupons in denominations of $1,000 and any integral multiple thereof, and the Bearer Securities of each series, if any, shall be issuable in the denomination of $5,000, or in such other denominations and amounts as may from time to time be fixed by or pursuant to a Board Resolution.

SECTION 303. Execution, Authentication, Delivery and Dating.

The Securities shall be executed on behalf of the Company by its Chairman of the Board, Vice Chairman of the Board, President, Vice President serving as Chief Financial Officer or its Treasurer under its corporate seal reproduced thereon and attested by its Secretary or one of its Assistant Secretaries. The signature of any of these officers on the Securities may be manual or facsimile. Coupons shall bear the facsimile signature of the Treasurer or any Assistant Treasurer of the Company.

Securities and coupons bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Company shall bind the Company, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Securities or did not hold such offices at the date of such Securities.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities of any series, together with any coupons appertaining thereto, executed by the Company to the Trustee for authentication, together with the Board Resolution and Officers' Certificate or supplemental indenture with

respect to such Securities referred to in Section 301 and a Company Order for the authentication and delivery of such Securities, and the Trustee in accordance with the Company Order and subject to the provisions hereof shall authenticate and deliver such Securities. In authenticating such Securities, and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive, and (subject to Section 601) shall be fully protected in relying upon, an Opinion of Counsel stating, to the effect that

(a) the form and terms of such Securities and coupons, if any, have been established in conformity with the provisions of this Indenture;

(b) all necessary corporate action for the issuance and delivery of such Securities together with the coupons, if any, appertaining thereto, has been taken and that such Securities, and coupons, when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute legally valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally, and subject to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law); such Opinion of Counsel need express no opinion as to the availability of equitable remedies; and

(c) as to such other matters as the Trustee may reasonably request.

The Trustee shall not be required to authenticate such Securities if the issue of such Securities pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under the Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee or if the Trustee, being advised by counsel, determines that such action may not lawfully be taken.

Each Registered Security shall be dated the date of its authentication. Each Bearer Security and any temporary Bearer

Security in global form shall be dated as of the date specified as contemplated by Section 301.

No Security or coupon appertaining thereto shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose, unless there appears on such Security a certificate of authentication substantially in the form provided for in Section 202 or 614 executed by or on behalf of the Trustee by the manual signature of one of its authorized officers, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder. Except as permitted by Section 305 or 306, the Trustee shall not authenticate and deliver any Bearer Security unless all appurtenant coupons for interest then matured have been detached and cancelled.

SECTION 304. Temporary Securities.

Pending the preparation of definitive Securities of any series, the Company may execute and deliver to the Trustee, and upon Company Order the Trustee shall authenticate and deliver, in the manner provided in Section 303, temporary Securities of such series which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities in lieu of which they are issued, in registered form, or, if authorized, in bearer form with one or more coupons or without coupons and with such appropriate insertions,

omissions, substitutions and other variations as the officers of the Company executing such Securities may determine, as evidenced by their execution of such Securities. In the case of Bearer Securities of any series, such temporary Securities may be in global form, representing all of the Outstanding Bearer Securities of such series.

Except in the case of temporary Securities in global form, which shall be exchanged in accordance with the provisions thereof, if temporary Securities of any series are issued, the Company will cause definitive Securities of that series to be prepared without unreasonable delay. After the preparation of definitive Securities, the temporary Securities of such series shall be exchangeable upon request for definitive Securities of such series containing identical terms and provisions upon surrender of the temporary Securities of such series at an office or agency of the Company maintained for such purpose pursuant to Section 1002, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Securities of any series (accompanied by any unmatured coupons appertaining thereto), the Company shall execute and the Trustee shall authenticate

and deliver in exchange therefor a like principal amount of definitive Securities of authorized denominations of the same series containing identical terms and provisions; provided, however, that no definitive Bearer Security, except as provided pursuant to Section 301, shall be delivered in exchange for a temporary Registered Security; and provided, further, that a definitive Bearer Security shall be delivered in exchange for a temporary Bearer Security only in compliance with the conditions set forth therein. Unless otherwise specified as contemplated by Section 301 with respect to a temporary global Security, until so exchanged the temporary Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of such series.

SECTION 305. Registration, Transfer and Exchange.

With respect to the Registered Securities of each series, if any, the Company shall cause to be kept, at an office or agency of the Company maintained pursuant to Section 1002, a register (herein sometimes referred to as the "Security Register") in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of the Registered Securities of each series and of transfers of the Registered Securities of each series. In the event that the Trustee shall not be the Security Registrar, it shall have the right to examine the Security Register at all reasonable times.

Upon surrender for registration of transfer of any Registered Security of any series at any office or agency of the Company maintained for that series pursuant to Section 1002, the Company shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Registered Securities of the same series of any authorized denominations, of a like aggregate principal amount bearing a number not contemporaneously outstanding and containing identical terms and provisions.

At the option of the Holder, Registered Securities of any series may be exchanged for other Registered Securities of the same series containing identical terms and provisions, in any authorized denominations, and of a like aggregate principal amount, upon surrender of the Securities to be exchanged at any such office or agency. Whenever any Registered Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Registered Securities which the Holder making the exchange is entitled to receive.

If so provided with respect to Securities of a series, at the option of the Holder, Bearer Securities of any such series may be exchanged for Registered Securities of the same series containing identical terms and provisions, of any authorized denominations and aggregate principal amount, upon surrender of the Bearer Securities to be exchanged at any such office or agency, with all unmatured coupons and all matured coupons in default thereto appertaining. If the Holder of a Bearer Security is unable to produce any such unmatured coupon or coupons or matured coupon or coupons in default, such exchange may be effected if the Bearer Securities are accompanied by payment in funds acceptable to the Company and the Trustee in an amount equal to the face amount of such missing coupon or coupons, or the surrender of such missing coupon or coupons may be waived by the Company and the

Trustee if there is furnished to them such security or indemnity as they may require to save each of them and any Paying Agent harmless. If thereafter the Holder of such Security shall surrender to any Paying Agent any such missing coupon in respect of which such a payment shall have been made, such Holder shall be entitled to receive the amount of such payment; provided, however, that, except as otherwise provided in Section 1002, interest represented by coupons shall be payable only upon presentation and surrender of those coupons at an office or agency located outside the United States. Notwithstanding the foregoing, in case a Bearer Security of any series is surrendered at any such office or agency in exchange for a Registered Security of the same series and like tenor after the close of business at such office or agency on (i) any Regular Record Date and before the opening of business at such office or agency on the relevant Interest Payment Date, or (ii) any Special Record Date and before the opening of business at such office or agency on the related date for payment of Defaulted Interest, such Bearer Security shall be surrendered without the coupon relating to such Interest Payment Date or proposed date of payment, as the case may be (or, if such coupon is so surrendered with such Bearer Security, such coupon shall be returned to the person so surrendering the Bearer Security), and interest or Defaulted Interest, as the case may be, will not be payable on such Interest Payment Date or proposed date for payment, as the case may be, in respect of the Registered Security issued in exchange for such Bearer Security, but will be payable only to the Holder of such coupon when due in accordance with the provisions of this Indenture.

If expressly provided with respect to the Securities of any series, at the option of the Holder, Registered Securities of such series may be exchanged for Bearer Securities upon such terms and conditions as may be provided with respect to such series.

Whenever any Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Securities which the Holder making the exchange is entitled to receive.

Notwithstanding the foregoing, except as otherwise specified as contemplated by Section 301, any global Security shall be exchangeable only if (i) the Depository is at any time unwilling or unable to continue as Depository and a successor depository is not appointed by the Company within 60 days, (ii) the Company executes and delivers to the Trustee a Company Order to the effect that such global Security shall be so exchangeable, or (iii) an Event of Default has occurred and is continuing with respect to the Securities. If the beneficial owners of interests in a global Security are entitled to exchange such interests for Securities of such series and of like tenor and principal amount of any authorized form and denomination, as specified as contemplated by Section 301, then without unnecessary delay but in any event not later than the earliest date on which such interests may be so exchanged, the Company shall deliver to the Trustee definitive Securities of that series in aggregate principal amount equal to the principal amount of such global Security, executed by the Company. On

or after the earliest date on which such Interests may be so exchanged, such global Securities shall be surrendered from time to time by the U.S. Depository or such other depository as shall be specified in the Company Order with respect thereto, and in accordance with instructions given to the Trustee and the U.S. Depository or such depository, as the case may be (which instructions shall be in writing but need not comply with Section 102 or be accompanied by an Opinion of Counsel), as shall be specified in the Company Order with respect thereto to the Trustee, as the Company's agent for such purpose, to be exchanged, in whole or in part, for definitive Securities of the same series without charge. The Trustee shall authenticate and make available for delivery, in exchange for each portion of such surrendered global Security, a like aggregate principal amount of definitive Securities of the same series of authorized denominations and of like tenor as the portion of such global Security to be exchanged which (unless the Securities of the series are not issuable both as Bearer Securities and as Registered Securities, in which case

the definitive Securities exchanged for the global Security shall be issuable only in the form in which the Securities are issuable, as specified as contemplated by Section 301) shall be in the form of Bearer Securities or Registered Securities, or any combination thereof, as shall be specified by the beneficial owner thereof; provided, however, that no such exchanges may occur during

a period beginning at the opening of business 15 days before any selection of Securities of that series to be redeemed and ending on the relevant Redemption Date; and provided, further, that (unless other-wise specified as contemplated by Section 301) no Bearer Security delivered in exchange for a portion of a global Security shall be mailed or otherwise delivered to any location in the United States. Promptly following any such exchange in part, such global Security shall be returned by the Trustee to such depository or the U.S. Depository, as the case may be, or such other depository or U.S. Depository referred to above in accordance with the instructions of the Company referred to above. If a Registered Security is issued in exchange for any portion of a global Security after the close of business at the office or agency where such exchange occurs on (i) any Regular Record Date and before the opening of business at such office or agency on the relevant Interest Payment Date, or (ii) any Special Record Date and before the opening of business at such office or agency on the related proposed date for payment of interest or Defaulted Interest, as the case may be, interest will not be payable on such Interest Payment Date or proposed date for payment, as the case may be, in respect of such Registered Security, but will be payable on such Interest Payment Date or proposed date for payment, as the case may be, only to the Person to whom interest in respect of such portion of such global Security is payable in accordance with the provisions of this Indenture.

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

Every Registered Security presented or surrendered for registration of transfer or for exchange or redemption shall (if so required by the Company or the Security Registrar for such series of Security presented) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company and such

Security Registrar duly executed by the Holder thereof or his attorney duly authorized in writing.

No service charge shall be made for any registration of transfer or exchange, or redemption of Securities, 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 Securities, other than exchanges pursuant to Section 304, 906 or 1107 not involving any transfer.

The Company shall not be required (i) to issue, register the transfer of or exchange any Securities of any series during a period beginning at the opening of business 15 days before the day of the selection for redemption of Securities of that series under Section 1103 and ending at the close of business on the day of such selection, or (ii) to register the transfer of or exchange any Registered Security so selected for redemption in whole or in part, except in the case of any Security to be redeemed in part, the portion thereof not

to be redeemed, or (iii) to exchange any Bearer Security so selected for redemption except, to the extent provided with respect to Securities of a series, that such a Bearer Security may be exchanged for a Registered Security of that series, provided that such Registered Security shall be immediately surrendered for redemption with written instruction for payment consistent with the provisions of this Indenture.

SECTION 306. Mutilated, Destroyed, Lost and Stolen Securities.

If any mutilated Security or a Security with a mutilated coupon appertaining to it is surrendered to the Trustee, the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a new Security of the same series containing identical terms and of like principal amount and bearing a number not contemporaneously outstanding, with coupons corresponding to the coupons, if any, appertaining to the surrendered Security.

If there be delivered to the Company and to the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Security or coupon, and (ii) such security or indemnity as may be required by them to save each of them and any agent of either of them harmless, then, in the absence of notice to the Company or the Trustee that such Security or coupon has been acquired by a bona fide

purchaser, the Company shall execute and upon its request the Trustee shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Security or in exchange for the Security to which a destroyed, lost or stolen coupon appertains with all appurtenant coupons not destroyed, lost or stolen, a new Security of the same series containing identical terms and of like principal amount and bearing a number not contemporaneously outstanding, with coupons corresponding to the coupons, if any, appertaining to such destroyed, lost or stolen Security or to the Security to which such destroyed, lost or stolen coupon appertains.

In case any such mutilated, destroyed, lost or stolen Security or coupon has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Security, pay such Security or coupon; provided, however, that payment of principal of (and premium, if any) and any interest on Bearer Securities shall, except as otherwise provided in Section 1002, be payable only at an office or agency located outside the United States and, unless otherwise specified as contemplated by Section 301, any interest on Bearer Securities shall be payable only upon presentation and surrender of the coupons appertaining thereto.

Upon the issuance of any new Security under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Security of any series, with its coupons, if any, issued pursuant to this Section in lieu of any destroyed, lost or stolen Security and its coupons, if any, or the destroyed, lost or stolen coupon shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of that series and their coupons, if any, duly issued hereunder.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities or coupons.

SECTION 307. Payment of Interest; Interest Rights Preserved.

Interest on any Security which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall, if so

provided in such Security, be paid, in the case of Registered Securities, to the Person in whose name that Security (or one or more Predecessor Securities) is registered as of the close of business on the Regular Record Date for such interest and, in the case of Bearer Securities, upon surrender of the coupon appertaining thereto in respect of the interest due on such Interest Payment Date. In case a Bearer Security of any series is surrendered in exchange for a Registered Security of such series after the close of business (at an office or agency in a Place of Payment for such series) on any Regular

Record Date and before the opening of business (at such office or agency) on the next succeeding Interest Payment Date, such Bearer Security shall be surrendered without the coupon relating to such Interest Payment Date and interest will not be payable on such Interest Payment Date in respect of the Registered Security issued in exchange of such Bearer Security, but will be payable only to the Holder of such coupon when due in accordance with the provisions of this Indenture.

Any interest on any Registered Security of any series which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date for such Registered Security (herein called "Defaulted Interest") shall forthwith cease to be payable to the Holder on the relevant Regular Record Date by virtue of having been such Holder; and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in Clause (1) or (2) below:

(1) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names the Registered Securities affected (or their respective Predecessor Securities) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each such Registered Security and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed

to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this Clause provided. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder of such Registered Securities at his address as it appears in the Security Register not less than 10 days prior to such Special Record Date. The Trustee may, in its discretion, in the name and at the expense of the Company, cause a similar notice to be published at least once in a newspaper, customarily published in the English language on each Business Day and of general circulation in the Borough of Manhattan, The City of New York, but such publication shall not be a condition precedent to the establishment of such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the Persons in whose names such Registered Securities (or their respective Predecessor Securities) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following Clause (2).

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

At the option of the Company, interest on Registered Securities of any series that bear interest may be paid by mailing a check to the address of the person entitled thereto as such address shall appear in the Security Register.

Subject to the foregoing provisions of this Section and Section 305, each Security delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Security shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Security.

SECTION 308. Persons Deemed Owners.

Prior to due presentment of a Registered Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name such Registered Security is registered as the owner of such Registered Security for the purpose of receiving payment of principal of (and premium, if any), and (subject to Sections 305 and 307) interest on such

Registered Security and for all other purposes whatsoever, whether or not such Registered Security be overdue, and neither the Company, the Trustee nor any agent of the Company or the Trustee shall be affected by notice to the contrary.

The Company, the Trustee and any agent of the Company or the Trustee may treat the bearer of any Bearer Security and the bearer of any coupon as the absolute owner of such Security or coupon for the purpose of receiving payment thereof or on account thereof and for all other purposes whatsoever, whether or not such Security or coupon be overdue, and neither the Company, the Trustee nor any agent of the Company or the Trustee shall be affected by notice to the contrary.

SECTION 309. Cancellation.

All Securities and coupons surrendered for payment, redemption, registration of transfer or exchange or for credit against any sinking fund payment shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee, and any such Securities and coupons and Securities and coupons surrendered directly to the Trustee for any such purpose shall be promptly cancelled by it. The Company may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and all Securities so delivered shall be promptly canceled by the Trustee. No Securities shall be authenticated in lieu of or in exchange for any Securities cancelled as provided in this Section, except as expressly permitted

by this Indenture. All cancelled Securities and coupons held by the Trustee shall be destroyed by it unless by a Company Order the Company directs their return to it.

SECTION 310. Computation of Interest.

Except as otherwise specified as contemplated by Section 301 for Securities of any series, interest on the Securities of each series shall be computed on the basis of a 360-day year of twelve 30-day months.

ARTICLE FOUR
SATISFACTION AND DISCHARGE

SECTION 401. Satisfaction and Discharge of Indenture.

Upon the direction of the Company by a Company Order, this Indenture shall cease to be of further effect (except as to any surviving rights of registration of transfer or exchange of Securities herein expressly provided for), and the Trustee, on demand of and at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when

(1) either

(A) all Securities theretofore authenticated and delivered and all coupons appertaining thereto (other than

(i) coupons appertaining to Bearer Securities surrendered for exchange for Registered Securities and maturing after such exchange, whose surrender is not required or has been waived as provided in Section 305, (ii) Securities and coupons which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 306, (iii) coupons appertaining to Securities called for redemption and maturing after the relevant Redemption Date, whose surrender has been waived as provided in Section 1107, and (iv) Securities and coupons for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in Section 1003) have been delivered to the Trustee for cancellation; or

(B) all such Securities and, in the case of (i) or (ii) below, any such coupons appertaining thereto not theretofore delivered to the Trustee for cancellation

(i) have become due and payable, or

(ii) will become due and payable at their Stated Maturity within one year, or

(iii) if redeemable at the option of the Company, are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company,

and the Company, in the case of (i), (ii) or (iii) above, has deposited or caused to be deposited with the Trustee as trust funds in trust for the purpose, lawful money of the United States, U.S. Government Obligations which through the payment of interest and principal in respect thereof in accordance with their terms will provide not later than the opening of business on the due dates of any payment of principal (and premium, if any) and interest, or a combination thereof, in an amount sufficient to pay and discharge the entire indebtedness on such Securities and coupons not theretofore delivered to the Trustee for cancellation, for principal (and premium, if any) and interest, to the date of such deposit (in the case of Securities which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be;

(2) the Company has paid or caused to be paid all other sums payable hereunder by the Company; and

(3) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been complied with

In the event there are Securities of two or more series hereunder, the Trustee shall be required to execute an instrument acknowledging satisfaction and discharge of this Indenture only if requested to do so with respect to Securities of all series as to which it is Trustee and if the other conditions thereto are met. In the event there are two or more Trustees hereunder, then the effectiveness of any such instrument shall be conditioned upon receipt

of such instruments from all Trustees hereunder.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee under Section 607 and, if money shall have been deposited with the Trustee pursuant to subclause (B) of Clause (1) of this Section, the obligations of the Trustee under Section 402 and the last paragraph of Section 1003 shall survive.

SECTION 402. Application of Trust Money.

Subject to the provisions of the last paragraph of Section 1003, all money deposited with the Trustee pursuant to Section 401 shall be held in trust and applied by it, in accordance with the provisions of the Securities, the coupons and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal (and premium, if any) and any interest for whose payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required by law.

SECTION 403. Satisfaction, Discharge and Defeasance of Securities of Any Series.

The Company shall be deemed to have paid and discharged the entire indebtedness on all the Outstanding Securities of any series and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of such indebtedness, when

(1) either

(A) with respect to all Outstanding Securities of such series,

(i) the Company has deposited or caused to be deposited

with the Trustee, as trust funds in trust for such purpose, an amount sufficient to pay and discharge the entire indebtedness on all Outstanding Securities of such series for principal (and premium, if any) and interest to the Stated Maturity or any Redemption Date as contemplated by the penultimate paragraph of this Section 403, as the case may be; or

(ii) with respect to any series of Securities which are denominated in Dollars, the Company has deposited or caused to be deposited with the Trustee, as obligations in trust for such purpose, such amount of direct obligations of, or obligations the timely payment of the principal of and interest on which are fully guaranteed by, the United States of America and which are not callable at the option of the issuer thereof as will, together with the income to accrue thereon without consideration of any reinvestment thereof, be sufficient to pay and discharge the entire indebtedness on all Outstanding Securities of such series for principal (and premium, if any) and interest to the Stated Maturity or any Redemption Date as contemplated by the penultimate paragraph of this Section 403; or

(B) the Company has properly fulfilled such other means of satisfaction and discharge as is specified, as contemplated by Section 301, to be applicable to the Securities of such series; and

(2) the Company has paid or caused to be paid all other sums payable hereunder with respect to the Outstanding Securities of such series; and

(3) the Company has delivered to the Trustee a certificate signed by a nationally recognized firm of independent public accountants (who may be the independent public accountants regularly retained by the Company or who may be other independent public accountants) certifying as to the sufficiency of the amounts deposited pursuant to Subsections (A) (i) or (ii) of this Section for payment of the principal (and premium, if any) and interest on the dates such payments are due, an Officers' Certificate and an Opinion of Counsel, each such Certificate and Opinion stating that all conditions precedent herein provided for relating to the satisfaction and discharge of the entire indebtedness on all Outstanding Securities of any such series have been complied with; and

(4) the Company has delivered to the Trustee

(A) an opinion of independent counsel that the holders of the Securities of such series will have no federal income

tax consequences as a result of such deposit and termination; and

(B) if the Securities of such series are then listed on the New York Stock Exchange, an opinion of counsel that the Securities of such series will not be delisted as a result of the exercise of this option.

Any deposits with the Trustee referred to in Section 403(1) (A) above shall be irrevocable and shall be made under the terms of an escrow trust agreement in form and substance satisfactory to the Trustee. If any Outstanding Securities of such series are to be redeemed prior to their Stated Maturity, whether pursuant to any optional redemption provisions or in accordance with any mandatory sinking fund requirement, the Company shall make such arrangements as are satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company.

Upon the satisfaction of the conditions set forth in this Section 403 with respect to all the Outstanding Securities of any series, the terms and conditions of such series, including the terms and conditions with respect thereto set forth in this Indenture, other than the provisions of Sections 305, 306, and 1002 and other than the right of Holders of Securities of such series to receive, from the trust fund described in this Section, payment of the principal (and premium, if any) of, the interest on such Securities when such payments are due, and the rights, powers, duties and immunities of the Trustee hereunder, shall no longer be binding upon, or applicable to, the Company; provided that the Company

shall not be discharged from any payment obligations in respect of Securities of such series which are deemed not be Outstanding under clause (iii) of the definition thereof if such obligations continue to be valid obligations of the Company under applicable law.

ARTICLE FIVE
REMEDIES

SECTION 501. Events of Default.

"Event of Default," wherever used herein with respect to Securities of any series, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or be effected by operation of law pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(1) A default in the payment of any interest upon any Security of that series when such interest becomes due and payable, and continuance of such default for a period of 30 days; or

(2) default in the payment of the principal of (and premium, if any, on) any Security of that series when it becomes due and payable at Maturity; or

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

(4) default in the performance, or breach, of any covenant or warranty of the Company in this Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section specifically dealt with or which has been expressly included in this Indenture solely for the benefit of series of Securities other than that series), and continuance of such default or breach for a period of 90 days after there has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25 percent in principal amount of the Outstanding Securities of that series a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" hereinunder; or

(5) a default in the payment of principal of or interest on any other obligation for borrowed money of the Company (including a default under any other series of Securities and including default by the Company on any guaranty of an obligation for borrowed money of a Restricted Subsidiary) beyond any period of grace with respect thereto if (i) the aggregate principal amount of any such obligation is in excess of $10,000,000 (or in the case of any such obligation in which the amount payable upon acceleration is less than the amount payable at stated maturity, the amount then payable upon acceleration is in excess of $10,000,000, (ii) the default in such payment is not being

contested by the Company in good faith and by appropriate proceedings, and (iii) the default in such payment has not been cured or waived prior to the notice in writing to the Company given pursuant to Section 502; or

(6) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or (B) a decree or order adjudging the Company a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company under any applicable Federal or State law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 60 consecutive days; or

(7) the commencement by the Company of a voluntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or of any other

case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by it to the entry of a decree or order for relief in respect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable Federal or State law, or the consent by it to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or similar official of the Company or of any substantial part of its property, or the making of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by the Company in furtherance of any such action; or

(8) any other Event of Default provided with respect to Securities of that series.

SECTION 502. Acceleration of Maturity; Rescission and Annulment.

If an Event of Default specified in Section 501(6) or (7) occurs, all unpaid principal of, premium, if any, and accrued interest on the Securities of any series at the time Outstanding shall ipso facto become and shall be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder, and if any other Event of Default with respect to Securities of any series occurs and is continuing, then the Trustee or the Holders of not less than 25 percent in principal amount of the Outstanding Securities of that series may declare the principal of all the Securities of that series, or such lesser amount as may be provided for in the Securities of that series, to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by the Holders), and upon any such declaration such principal or such lesser amount shall become immediately due and payable.

At any time after such a declaration of acceleration with respect to Securities of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Holders of a majority in principal amount of the Outstanding Securities of that series, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if

(1) the Company has paid or deposited with the Trustee a sum sufficient to pay

(A) all overdue installments of interest on all Securities of that series,

(B) the principal of (and premium, if any, on) any Securities of that series which have become due otherwise than by such declaration of acceleration and interest

thereon at the rate or rates borne by or provided for in such Securities,

(C) to the extent that payment of such interest is lawful, interest upon overdue installments of interest at the rate or rates borne by or provided for in such

Securities, and

(D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and

(2) all Events of Default with respect to Securities of that series, other than the non-payment of the principal of Securities of that series which has become due solely by such declaration of acceleration, have been cured or waived as provided in Section 513.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

SECTION 503. Collection of Indebtedness and Suits for Enforcement by Trustee.

The Company covenants that if

(1) default is made in the payment of any installment of interest on any Security when such interest shall have become due and payable and such default continues for a period of 30 days, or

(2) default is made in the payment of the principal of (or premium, if any, on) any Security at its Maturity,

the Company will, upon demand of the Trustee, pay to it, for the benefit of the Holders of such Securities and coupons, the whole amount then due and payable on such Securities and coupons for principal (and premium, if any) and interest, with interest upon the overdue principal (and premium, if any) and, to the extent that payment of such interest shall be legally enforceable, upon overdue installments of interest, at the rate or rates borne by or provided for in such Securities, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

If the Company fails to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the

sums so due and unpaid, and may prosecute such proceeding to judgment or final decree, and may enforce the same against the Company or any other obligor upon such Securities and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Company or any other obligor upon such Securities, wherever situated.

If an Event of Default with respect to Securities of any series occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders of Securities of such series and any related coupons by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

SECTION 504. Trustee May File Proofs of Claim.

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Company or any other obligor upon the Securities or the property of the Company or of such other obligor or their creditors, the Trustee (irrespective of whether the principal of the Securities shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Company for the payment of overdue principal or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise,

(i) to file and prove a claim for the whole amount or such lesser amount as may be provided for in the Securities of that series, of principal (and premium, if any) and interest owing and unpaid in respect of the Securities and to file such other papers or documents as may be necessary or advisable in order to have

the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents or counsel) and of the Holders allowed in such judicial proceeding, and

(ii) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any receiver, assignee, trustee, liquidator, sequestrator (or other similar official) in any such judicial proceeding is hereby authorized by each Holder of Securities and coupons to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders of Securities and coupons, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel and any other amounts due the Trustee under Section 607.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder of a Security or coupon any plan of reorganization, arrangement, adjustment or composition affecting the Securities or coupons or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder of a Security or coupon in any such proceeding.

SECTION 505. Trustee May Enforce Claims without Possession of Securities or Coupons.

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

SECTION 506. Application of Money Collected.

Any money collected by the Trustee pursuant to this Article shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (and premium, if any) or interest, upon presentation of the Securities or coupons, or both, as the case may be, and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

FIRST: To the payment of all amount due the Trustee under Section 607;

SECOND: To the payment of the amounts then due and unpaid upon the Securities and coupons for principal (and premium, if any) and interest payable in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the aggregate amounts due and payable on such Securities and coupons for principal (and premium, if any) and interest, respectively;

THIRD: The balance, if any, to the Person or Persons entitled thereto.

SECTION 507. Limitation on Suits.

No Holder of any Security of any series or any related coupons shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless

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

(2) the Holders of not less than 25 percent in aggregate principal amount of the Outstanding Securities of that series shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Holder or Holders have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities, to be incurred in compliance with such request;

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

(5) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in aggregate principal amount of the Outstanding Securities of that series;

it being understood and intended that no one or more of such Holders

shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or

prejudice the rights of any other such Holders or Holders of any other series, or to obtain or to seek to obtain priority or preference over any other Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all such Holders.

SECTION 508. Unconditional Right of Holders to Receive Principal, Premium and Interest.

Notwithstanding any other provision in this Indenture, the Holder of any Security or coupon shall have the right, which is absolute and unconditional, to receive payment of the principal of (and premium, if any) and (subject to Sections 305 and 307) interest on such Security or payment of such coupon on the respective Stated Maturity or Maturities expressed in such Security or coupon (or, in the case of redemption, on the Redemption Date) and to institute suit for the enforcement of any such payment, and such right shall not be impaired without the consent of such Holder.

SECTION 509. Restoration of Rights and Remedies.

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

SECTION 510. Rights and Remedies Cumulative.

Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities or coupons in the last paragraph of Section 306, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders of Securities or coupons is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted

by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

SECTION 511. Delay or Omission Not Waiver.

No delay or omission of the Trustee or of any Holder of any Security or coupon to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Holders of Securities or coupons may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders of Securities or coupons, as the case may be.

SECTION 512. Control by Holders of Securities.

The Holders of a majority in principal amount of the Outstanding Securities of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to the Securities of such series, provided that

(1) such direction shall not be in conflict with any rule of law or with this Indenture,

(2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and

(3) such direction is not unduly prejudicial to the rights of other Holders of Securities of such series.

SECTION 513. Waiver of Past Defaults.

The Holders of not less than a majority in principal amount of the Outstanding Securities of any series may on behalf of the Holders of all the Securities of such series and any related coupons waive any past default hereunder with respect to such series and its consequences, except a default

(1) in the payment of the principal of (and premium, if any) or interest on any Security of such series, or

(2) in respect of a covenant or provision hereof which under Article Nine cannot be modified or amended without the consent of the Holder of each Outstanding Security of such series affected.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

SECTION 514. Undertaking for Costs.

All parties to this Indenture agree, and each Holder of any Security or coupon by his acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, the filing by any party litigant in such suit, other than the Trustee, of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, including the Trustee, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Company, the Trustee or by any Holder, or group of Holders, holding in the aggregate more than 10 percent in principal amount of the Outstanding Securities of any series, or to any suit instituted by any Holder of any Security or coupon for the enforcement of the payment of the principal of (and premium, if any) or interest on any Security or the payment of any coupon on or after the respective Stated Maturities expressed in such Security (or, in the case of redemption, on or after the Redemption Date) or interest on any overdue principal of any Security.

ARTICLE SIX
THE TRUSTEE

SECTION 601. Certain Duties and Responsibilities.

(a) Except during the continuance of an Event of Default,

(1) the Trustee undertakes to perform such duties, and only such duties, as are specifically set forth in this Indenture, and

no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) In the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provisions hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.

(b) In case an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that

(1) this Subsection shall not be construed to limit the effect of Subsection (a) of this Section;

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(3) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of a majority in

principal amount of the Outstanding Securities of any series, relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture with respect to the Securities of such series, provided such direction shall not be in conflict with any rule of law or with this Indenture; and

(4) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

SECTION 602. Notice of Defaults.

Within 90 days after the occurrence of any default hereunder with respect to the Securities of any series, the Trustee shall transmit by mail to all Holders of Securities of such series entitled to receive reports pursuant to Section 703(c), notice of such default hereunder known to the Trustee, unless such default shall have been cured or waived; provided, however, that, except in the case of a default in the payment of the principal of (and premium, if any) or interest on any Security of such series or in the payment of any sinking fund installment with respect to Securities of such series, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors and/or Responsible Officers of the Trustee in good faith determine that the withholding of such notice is in the interests of the Holders of Securities and coupons of such series; and provided further, that in the case of any default of the character specified in Section 501(4) with respect to Securities of such series, no such

notice to Holders shall be given until at least 30 days after the occurrence thereof. For the purpose of this Section, the term "default" means any event which is, or after notice or lapse of time or both would become, an Event of Default, with respect to Securities of such series.

SECTION 603. Certain Rights of Trustee.

Except as otherwise provided in Section 601:

(a) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Company Request or Company Order (other than delivery of any Security to the Trustee for authentication and delivery pursuant to Section 303 which shall be sufficiently evidenced as provided therein) and any resolution of the Board of Directors may be sufficiently evidenced by a Board Resolution;

(c) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officers' Certificate;

(d) the Trustee may consult with counsel and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(e) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders of Securities of any series or any related coupons pursuant to this Indenture, unless such Holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(f) the Trustee shall not be bound to make any investigation

into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney; and

(g) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

SECTION 604. Not Responsible for Recitals or Issuance of Securities.

The recitals contained herein and in the Securities, except the Trustee's certificate of authentication, and in any coupons shall be taken as the statements of the Company, and the Trustee or any Authenticating Agent assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Securities or coupons. The Trustee or any Authenticating Agent shall not be accountable for the use or application by the Company of Securities or the proceeds thereof.

SECTION 605. May Hold Securities.

The Trustee, any Authenticating Agent, any Paying Agent, any Security Registrar or any other agent of the Company, in its individual or any other capacity, may become the owner or pledgee of Securities and coupons and, subject to Sections 608 and 613, may otherwise deal with the Company with the same rights it would have if it were not Trustee, Authenticating Agent, Paying Agent, Security Registrar or such other agent.

SECTION 606. Money Held in Trust.

Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Company.

SECTION 607. Compensation and Reimbursement.

The Company agrees

(1) to pay to the Trustee from time to time reasonable compensation for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(2) except as otherwise expressly provided herein, to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in

accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as may be attributable to its negligence or bad faith; and

(3) to indemnify the Trustee and its agents for, and to hold them harmless against, any loss, liability or expense incurred without negligence or bad faith on their part, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder, including the costs and expenses of defending themselves against any claim or liability in connection with the exercise or performance of any of their powers or duties hereunder; provided, that:

(i) with respect to any such claim, the Trustee shall have given the Company written notice thereof promptly after the Trustee shall have knowledge thereof, but failure by the Trustee to give such notice shall not affect the Trustee's right or the Company's obligation to indemnify hereunder;

(ii) while maintaining absolute control over its own defense, the Trustee shall cooperate and consult with the Company in preparing such defense; and

(iii) notwithstanding anything to the contrary in this Section 607(3), the Company shall not be liable for settlement of any such claim by the Trustee entered into without the prior consent of the Company, which consent

shall not be unreasonably withheld.

As security for the performance of the obligations of the Company under this Section, the Trustee shall have a lien prior to the Securities of any series upon all property and funds held or collected by the Trustee as such, except funds held in trust for the payment of principal of (or premium, if any) or interest on Securities.

SECTION 608. Disqualifications; Conflicting Interests.

(a) If the Trustee has or shall acquire any conflicting interest, as defined in this Section, with respect to the Securities of any series, it shall, within 90 days after ascertaining that it has such conflicting interest, either eliminate such conflicting interest or resign with respect to the Securities of that series, in the manner and with the effect hereinafter specified in this Article.

(b) In the event that the Trustee shall fail to comply with the provisions of Subsection (a) of this Section with respect to the Securities of any series, the Trustee shall, within ten days after the expiration of such 90-day period, transmit, in the manner and to the extent provided in Section 703(c) to all Holders of Securities of that series notice of such failure.

(c) For the purposes of this Section, the Trustee shall be deemed to have a conflicting interest with respect to the Securities of any series, if

(1) the Trustee is trustee under this Indenture with respect to the Outstanding Securities of any series other than that series or is trustee under another indenture under which any other securities, or certificates of interest or participation in any other securities, of the Company are outstanding, unless such other indenture is a collateral trust indenture under which the only collateral consists of Securities issued under this Indenture, provided that there shall be excluded from the operation of this paragraph (A) this Indenture with respect to the Securities of any series other than that series, and (B) any indenture or indentures (including the indenture dated March 1, 1987, relating to the Company's 9 1/8 percent Sinking Fund Debentures due March 1, 2017, and 8 3/8 percent Notes due March 1, 1997, and the indenture dated of even date herewith relating to the Company's guarantees of debt securities to be issued by Arvin Overseas Finance B.V.) under which other securities, or certificates of interest or participation in other securities, of

the Company are outstanding, if

(i) this Indenture and such other indenture or indentures are wholly unsecured and such other indenture or indentures are hereafter qualified under the Trust Indenture Act, unless

the Commission shall have found and declared by order pursuant to Section 305(b) or Section 307(c) of the Trust Indenture Act that differences exist between the provisions of this Indenture with respect to Securities of that series and one or more other series or the provisions of such other indenture or indentures which are so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify the Trustee from acting as such under this Indenture with respect to the Securities of that series and such other series or under such other indenture or indentures, or

(ii) the Company shall have sustained the burden of proving, on application to the Commission and after opportunity for hearing thereon, that trusteeship under this Indenture with respect to the Securities of that series and such other series or such other indenture or indentures is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify the Trustee from acting as such under this Indenture with respect to the Securities of that series and such other series under such other indenture or indentures;

(2) the Trustee or any of its directors or executive officers is an obligor upon the Securities or an underwriter for the Company;

(3) the Trustee directly or indirectly controls or is directly or indirectly controlled by or is under direct or indirect common control with the Company or an underwriter for the Company;

(4) the Trustee or any of its directors or executive officers is a director, officer, partner, employee, appointee or

representative of the Company, or of an underwriter (other than the Trustee itself) for the Company who is currently engaged in the business of underwriting, except that (i) one individual may be a director or an executive officer, or both, of the Trustee and a director or an executive officer, or both, of the Company but may not be at the same time an executive officer of both the Trustee and the Company; (ii) if and so long as the number of directors of the Trustee in office is more than nine, one additional individual may be a director or an executive officer, or both, of the Trustee and a director of the Company; and (iii) the Trustee may be designated by the Company or by any underwriter for the Company to act in the capacity of transfer agent, registrar, custodian, paying agent, fiscal agent, escrow agent, or depositary, or in any other similar capacity, or, subject to the provisions of paragraph (1) of this Subsection, to act as trustee, whether under an indenture or otherwise;

(5) 10 percent or more of the voting securities of the Trustee is beneficially owned either by the Company or by any director, partner, or executive officer thereof, or 20 percent or more of such voting securities is beneficially owned, collectively, by any two or more of such persons; or 10 percent or more of the voting securities of the Trustee is beneficially owned either by an underwriter for the Company or by any director, partner or executive officer thereof, or is beneficially owned, collectively, by any two or more such persons;

(6) the Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default (as hereinafter in this Subsection defined), (i) 5 percent or more of the voting securities, or 10 percent or more of any other class of security, of the Company not including the Securities issued under this Indenture and securities issued under any other indenture under which the Trustee is also trustee, or (ii) 10 percent or more of any class of security of an underwriter for the Company;

(7) the Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default (as hereinafter in this Subsection defined), 5 percent or more of the voting securities of any person who, to the knowledge of the Trustee, owns 10 percent or more of the voting securities of, or controls directly or indirectly or is under direct or indirect common control with, the Company;

(8) the Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default (as hereinafter in this Subsection defined), 10 percent or more of any class of security of any person who, to the knowledge of the Trustee, owns 50 percent or more of the voting securities of the Company; or

(9) the Trustee owns, on May 15 in any calendar year, in the capacity of executor, administrator, testamentary or inter vivos trustee, guardian, committee or conservator, or in any other similar capacity, an aggregate of 25 percent or more of the voting securities, or of any class of security, of any person, the beneficial ownership of a specified percentage of which would have constituted a conflicting interest under paragraph (6), (7) or (8) of this Subsection. As to any such securities of which the Trustee acquired ownership through becoming executor, administrator, or testamentary trustee of an estate which included them, the provisions of the preceding sentence shall not apply, for a period of two years from the date of such acquisition, to the extent that such securities included in such estate do not exceed 25 percent of such voting securities or 25 percent of any such class of security. Promptly after May 15 in each calendar year, the Trustee shall make a check of its holdings of such securities in any of the above-mentioned capacities as of such May 15. If the Company fails to make payment in full of the principal of (or premium, if any) or interest on any of the Securities when and as the same becomes due and payable, and such failure continues for 30 days thereafter, the Trustee shall make a prompt check of its holdings of such securities in any of the above-mentioned capacities as of the date of the expiration of such 30-day period, and after such date, notwithstanding the foregoing provisions of this paragraph, all such securities so held by the Trustee, with sole or joint control over such securities vested in it, shall, but only so long as such failure shall continue, be considered as though beneficially owned by the Trustee for the purposes of paragraphs (6), (7) and (8) of this Subsection.

The specification of percentages in paragraphs (5) to (9), inclusive, of this Subsection shall not be construed as indicating that the ownership of such percentages of the securities of a person is or is not necessary or sufficient to constitute direct or indirect

control for the purposes of paragraph (3) or (7) of this Subsection.

For the purposes of paragraphs (6), (7), (8) and (9) of this Subsection only, (i) the terms "security" and "securities" shall include only such securities as are generally known as corporate securities, but shall not include any note or other evidence of indebtedness issued to evidence an obligation to repay moneys lent to a person by one or more banks, trust companies or banking firms, or any certificate of interest or participation in any such note or evidence of indebtedness; (ii) an obligation shall be deemed to be "in default" when a default in payment of principal shall have continued for 30 days or more and shall not have been cured; and (iii) the

Trustee shall not be deemed to be the owner or holder of (A) any security which it holds as collateral security, as trustee or otherwise, for an obligation which is not in default as defined in clause (ii) above, or (B) any security which it holds as collateral security under this Indenture, irrespective of any default hereunder, or (C) any security which it holds as agent for collection, or as custodian, escrow agent, or depositary, or in any similar representative capacity.

(d) For the purposes of this Section:

(1) The term "underwriter," when used with reference to the Company, means every person who, within three years prior to the time as of which the determination is made, has purchased from the Company with a view to, or has offered or sold for the Company in connection with, the distribution of any security of the Company outstanding at such time, or has participated or has had a direct or indirect participation in any such undertaking, or has participated or has had a participation in the direct or indirect underwriting of any such undertaking, but such term shall not include a person whose interest was limited to a commission from an underwriter or dealer not in excess of the usual and customary distributors' or sellers' commission.

(2) The term "director" means any director of a corporation, or any individual performing similar functions with respect to any organization, whether incorporated or unincorporated.

(3) The term "person" means an individual, a corporation, a partnership, an association, a joint-stock company, a trust, an unincorporated organization, or a government or political subdivision thereof. As used in this paragraph, the term "trust" shall include only a trust where the interest or interests of the beneficiary or beneficiaries are evidenced by a security.

(4) The term "voting security" means any security presently entitling the owner or holder thereof to vote in the direction or management of the affairs of a person, or any security issued under or pursuant to any trust, agreement or arrangement whereby a trustee or trustees or agent or agents for the owner or holder of such security are presently entitled to vote in the direction or management of the affairs of a person.

(5) The term "Company" means any obligor upon the Securities.

(6) The term "executive officer" means the president, every vice president, every trust officer, the cashier, the secretary, and the treasurer of a corporation, and any individual customarily performing similar functions with respect to any organization whether incorporated or unincorporated, but shall not include the chairman of the board of directors.

(e) The percentages of voting securities and other securities specified in this Section shall be calculated in accordance with the following provisions:

(1) A specified percentage of the voting securities of the Trustee, the Company or any other person referred to in this Section (each of whom is referred to as a "person" in this paragraph) means such amount of the outstanding voting securities of such person as entitles the holder or holders thereof to cast such specified percentage of the aggregate votes which the holders of all the outstanding voting securities of such person are entitled to cast in the direction or management of the affairs of such person.

(2) A specified percentage of a class of securities of a person means such percentage of the aggregate amount of securities of the class outstanding.

(3) The term "amount," when used in regard to securities, means the principal amount if relating to evidences of indebtedness, the number of shares if relating to capital shares, and the number of units if relating to any other kind of

security.

(4) The term "outstanding" means issued and not held by or for the account of the issuer. The following securities shall not be deemed outstanding within the meaning of this definition:

(i) securities of an issuer held in a sinking fund relating to securities of the issuer of the same class;

(ii) securities of an issuer held in a sinking fund relating to another class of securities of the issuer, if the obligation evidenced by such other class of securities is not in default as to principal or interest or otherwise;

(iii) securities pledged by the issuer thereof as security for an obligation of the issuer not in default as to principal or interest or otherwise; and

(iv) securities held in escrow if placed in escrow by the issuer thereof;

provided, however, that any voting securities of an issuer shall be deemed outstanding if any person other than the issuer is entitled to exercise the voting rights thereof.

(5) A security shall be deemed to be of the same class as another security if both securities confer upon the holder or holders thereof substantially the same rights and privileges; provided, however, that, in the case of secured evidences of indebtedness, all of which are issued under a single indenture, differences in the interest rates or maturity dates of various series thereof shall not be deemed sufficient to constitute such series as different classes; and provided, further, that,

in the case of unsecured evidences of indebtedness, differences in the interest rates or maturity dates thereof shall not be deemed sufficient to constitute them securities of different

classes, whether or not they are issued under a single indenture.

SECTION 609. Corporate Trustee Required; Eligibility.

There shall at all times be a Trustee hereunder which shall be a corporation organized and doing business under the laws of the United States of America, any State or the District of Columbia, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least $50,000,000 and subject to supervision or examination by Federal or State authority. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

SECTION 610. Resignation and Removal; Appointment of Successor.

(a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under Section 611.

(b) The Trustee may resign at any time with respect to the Securities of one or more series by giving written notice thereof to the Company. If the instrument of acceptance by a successor Trustee required by Section 611 shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to such series.

(c) The Trustee may be removed at any time with respect to the Securities of any series by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series, delivered to the Trustee and to the Company.

(d) If at any time:

(1) the Trustee shall fall to comply with Section 608(a) after written request therefor by the Company or by any Holder of a Security who has been a bona fide Holder of a Security for at least six months, or

(2) the Trustee shall cease to be eligible under Section 609 and shall fail to resign after written request therefor by the Company or by any such Holder of a Security, or

(3) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (i) the Company by a Board Resolution may remove the Trustee with respect to all Securities, or (ii) subject to Section 514, any Holder of a Security who has been a bona fide Holder of a Security of any series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to all Securities of such series and the appointment of a successor Trustee or Trustees.

(e) If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, with respect to the Securities of one or more series, the Company, by a Board Resolution, shall promptly appoint a successor Trustee or Trustees with respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Securities of one or more or all of such series and that at any time there

shall be only one Trustee with respect to the Securities of any particular series) and shall comply with the applicable requirements of Section 611. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Securities of any series shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series delivered to the Company and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment in accordance with the applicable requirements of Section 611, become the successor Trustee with respect to the Securities of such series and to that extent supersede the successor Trustee appointed by the Company. If

no successor Trustee with respect to the Securities of any series shall have been so appointed by the Company or the Holders of Securities and accepted appointment in the manner required by Section 611, any Holder of a Security who has been a bona fide Holder of a Security of such series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

(f) The Company shall give notice of each resignation and each removal of the Trustee with respect to the Securities of any series and each appointment of a successor Trustee with respect to the Securities of any series by mailing written notice of such event by first-class mail, postage prepaid, to the Holders of Registered Securities, if any, of such series as their names and addresses appear in the Security Register and, if Securities of such series are issued as Bearer Securities, by publishing notice of such event once in an Authorized Newspaper in each Place of Payment located outside the United States. Each notice shall include the name of the successor Trustee with respect to the Securities of such series and the address of its Corporate Trust Office.

SECTION 611. Acceptance of Appointment by Successor.

(a) In case of the appointment hereunder of a successor Trustee with respect to all Securities, every such successor Trustee appointed shall execute, acknowledge and deliver to the Company and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective, and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on the request of the Company or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder.

(b) In case of the appointment hereunder of a successor Trustee with respect to the Securities of one or more (but not all) series, the Company, the retiring Trustee and each successor Trustee with

respect to the Securities of one or more series shall execute and deliver an indenture supplemental hereto wherein each successor

Trustee shall accept such appointment and which (1) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, each successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates, (2) if the retiring Trustee is not retiring with respect to all Securities, shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee, and (3) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustees co-trustees of the same trust, that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee and that no Trustee shall be responsible for any notice given to, or received by, or any act or failure to act on the part of any other Trustee hereunder, and upon the execution and delivery of such supplemental indenture the resignation or removal of the retiring Trustee shall become effective to the extent provided therein, such retiring Trustee shall with respect to the Securities of that

or those series to which the appointment of such successor Trustee relates have no further responsibility for the exercise of rights and powers or for the performance of the duties and obligations vested in the Trustee under this Indenture other than as hereinafter expressly set forth, and each such successor Trustee without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates; but, on request of the Company or any successor Trustee, such retiring Trustee shall duly assign, transfer and deliver to such successor Trustee, to the extent contemplated by such supplemental indenture, the property and money held by such retiring Trustee hereunder with respect to the Securities of that or those series to which the appointment of such successor Trustee relates.

(c) Upon request of any such successor Trustee, the Company shall execute any and all instruments for more fully and certainly

vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in paragraph (a) or (b) of this Section, as the case may be.

(d) No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

SECTION 612. Merger, Conversion, Consolidation or Succession to Business.

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities.

SECTION 613. Preferential Collection of Claims Against Company.

(a) Subject to Subsection (b) of this Section, if the Trustee shall be or shall become a creditor, directly or indirectly, secured or unsecured, of the Company within four months prior to a default, as defined in Subsection (c) of this Section, or subsequent to such a default, then, unless and until such default shall be cured, the Trustee shall set apart and hold in a special account for the benefit of the Trustee individually, the Holders of the Securities and coupons

and the holders of other indenture securities (as defined in Subsection (c) of this Section):

(1) an amount equal to any and all reductions in the amount due and owing upon any claim as such creditor in respect of principal or interest, effected after the beginning of such four-month period and valid as against the Company and its other creditors, except any such reduction resulting from the receipt or disposition of any property described in paragraph (2) of this

Subsection, or from the exercise of any right of set-off which the Trustee could have exercised if a petition in bankruptcy had been filed by or against the Company upon the date of such default; and

(2) all property received by the Trustee in respect of any claim as such creditor, either as security therefor, or in satisfaction or composition thereof, or otherwise, after the beginning of such four-month period, or an amount equal to the proceeds of any such property, if disposed of, subject, however, to the rights, if any, of the Company and its other creditors in such property or such proceeds.

Nothing herein contained, however, shall affect the right of the Trustee:

(A) to retain for its own account (i) payments made on account of any such claim by any Person (other than the Company) who is liable thereon, and (ii) the proceeds of the bona fide sale of any such claim by the Trustee to a third Person, and (iii) distributions made in cash, securities or other property in respect of claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the Federal Bankruptcy Code or applicable State law;

(B) to realize, for its own account, upon any property held by it as security for any such claim, if such property was so held prior to the beginning of such four-month period;

(C) to realize, for its own account, but only to the extent of the claim hereinafter mentioned, upon any property held by it as security for any such claim, if such claim was created after the beginning of such four-month period and such property was received as security therefor simultaneously with the creation thereof, and if the Trustee shall sustain the burden of proving that at the time such property was so received the Trustee had no reasonable cause to believe that a default, as defined in Subsection (c) of this Section, would occur within four months; or

(D) to receive payment on any claim referred to in

paragraph (B) or (C), against the release of any property held as security for such claim as provided in paragraph (B) or (C), as the case may be, to the extent of the fair value of such property.

For the purposes of paragraphs (B), (C) and (D), property substituted after the beginning of such four-month period for property held as security at the time of such substitution shall, to the extent of the fair value of the property released, have the same status as the property released, and, to the extent that any claim referred to in any of such paragraphs is created in renewal of or in substitution for or for the purpose of repaying or refunding any pre-existing claim of the Trustee as such creditor, such claim shall have the same status as such pre-existing claim.

If the Trustee shall be required to account, the funds and property held in such special account and the proceeds thereof shall be apportioned between the Trustee, the Holders of Securities and the holders of other indenture securities in such manner that the Trustee, the Holders of Securities and the holders of other indenture securities realize, as a result of payments from such special account and payments of dividends on claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the Federal Bankruptcy Code or applicable State law, the same percentage of their respective claims, figured before crediting to the claim of the Trustee anything on account of the receipt by it from the Company of the funds and property in such special account and before crediting to the respective claims of the Trustee and the Holders of Securities and the holders of other indenture securities dividends on claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the Federal Bankruptcy Code or applicable State law, but after crediting thereon receipts on account of the indebtedness represented by their respective claims from all sources other than from such dividends and from funds and property so held in such special account. As used in this paragraph, with respect to any claim, the term "dividends" shall include any distribution with respect to such claim, in bankruptcy or receivership or proceedings for reorganization pursuant to the Federal Bankruptcy Code or applicable State law, whether such distribution is made in cash, securities or other property, but shall not include any such distribution with respect to the secured portion, if any, of such claim. The court in which such bankruptcy, receivership or proceedings for reorganization is pending shall have jurisdiction (i) to apportion among the Trustee and the Holders of Securities and the

holders of other indenture securities, in accordance with the provisions of this paragraph, the funds and property held in such special account and proceeds thereof, or (ii) in lieu of such apportionment, in whole or in part, to give to the provisions of this paragraph due consideration in determining the fairness of the distributions to be made to the Trustee and the Holders of Securities and the holders of other indenture securities with respect to their respective

claims, in which event it shall not be necessary to liquidate or to appraise the value of any securities or other property held in such special account or as security for any such claim, or to make a specific allocation of such distributions as between the secured and unsecured portions of such claims, or otherwise to apply the provisions of this paragraph as a mathematical formula.

Any Trustee which has resigned or been removed after the beginning of such four-month period shall be subject to the provisions of this Subsection as though such resignation or removal had not occurred. If any Trustee has resigned or been removed prior to the beginning of such four-month period, it shall be subject to the provisions of this Subsection if and only if the following conditions exist:

(i) the receipt of property or reduction of claim, which would have given rise to the obligation to account, if such Trustee had continued as Trustee, occurred after the beginning of such four-month period; and

(ii) such receipt of property or reduction of claim occurred within four months after such resignation or removal.

(b) There shall be excluded from the operation of Subsection (a) of this Section a creditor relationship arising from:

(1) the ownership or acquisition of securities issued under any indenture, or any security or securities having a maturity of one year or more at the time of acquisition by the Trustee;

(2) advances authorized by a receivership or bankruptcy court of competent jurisdiction, or by this Indenture, for the purpose of preserving any property which shall at any time be subject to the lien of this Indenture or of discharging tax liens

or other prior liens or encumbrances thereon, if notice of such advances and of the circumstances surrounding the making thereof is given to the Holders of Securities at the time and in the manner provided in this Indenture;

(3) disbursements made in the ordinary course of business in the capacity of trustee under an indenture, transfer agent, registrar, custodian, paying agent, fiscal agent or depositary, or other similar capacity;

(4) an indebtedness created as a result of services rendered or premises rented; or an indebtedness created as a result of goods or securities sold in a cash transaction, as defined in Subsection (c) of this Section;

(5) the ownership of stock or of other securities of a corporation which is organized under the provisions of Section 25(a) of the Federal Reserve Act, as amended, and which is directly or indirectly a creditor of the Company; or

(6) the acquisition, ownership, acceptance or negotiation of any drafts, bills of exchange, acceptances or obligations which fall within the classification of self-liquidating paper as defined in Subsection (c) of this Section.

(c) For the purpose of this Section only:

(1) the term "default" means any failure to make payment in full of the principal of or interest on any of the Securities or upon the other indenture securities when and as such principal or interest becomes due and payable;

(2) the term "other indenture securities" means securities upon which the Company is an obligor outstanding under any other indenture (i) under which indenture and as to which securities the Trustee is also trustee, (ii) which contains provisions substantially similar to the provisions of this Section, and (iii) under which a default exists at the time of the apportionment of the funds and property held in such special account;

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

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

(5) the term "Company" means any obligor upon the Securities; and

(6) the term "Federal Bankruptcy Code" means the Bankruptcy Act or Title 11 of the United States Code.

SECTION 614. Appointment of Authenticating Agent.

The Trustee may appoint an Authenticating Agent or Agents with respect to one or more series of Securities which shall be authorized to act on behalf of the Trustee to authenticate Securities of such series issued upon original issue or exchange, registration of transfer or partial redemption thereof or pursuant to Section 306, and Securities so authenticated shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Wherever reference is made in this Indenture to the authentication and delivery of Securities by the Trustee or the Trustee's certificate of authentication, such reference shall be deemed to include authentication and delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent. Each Authenticating Agent shall be acceptable to the Company and shall at all times be a corporation organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia, authorized under such laws to act as Authenticating Agent, having a combined capital and surplus of not less than $10,000,000 and subject to supervision or examination by

Federal or State authority. If such Authenticating Agent publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Authenticating Agent shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time an Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, such Authenticating Agent shall resign immediately in the manner and with the effect specified in this Section.

Any corporation into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which such Authenticating Agent shall be a party, or any corporation succeeding to the corporate agency or corporate trust business of an Authenticating Agent, shall continue to be an Authenticating Agent, provided such corporation shall be otherwise eligible under this Section, without the execution or filing of any paper or any further act on the part of the Trustee or the Authenticating Agent.

An Authenticating Agent may resign at any time by giving written notice thereof to the Trustee and to the Company. The Trustee may at any time terminate the agency of an Authenticating Agent by giving written notice thereof to such Authenticating Agent and to the Company. Upon receiving such a notice of resignation or upon such a termination, or in case at any time such Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, the Trustee may appoint a successor Authenticating Agent which shall be acceptable to the Company and shall (i) mail written notice of such appointment by first-class mail, postage prepaid, to all Holders of Registered Securities,

if any, of the series with respect to which such Authenticating Agent will serve, as their names and addresses appear in the Security Register, and (ii) if Securities of the series are issued as Bearer

Securities, publish notice of such appointment at least once in an Authorized Newspaper in the place where such successor Authenticating Agent has its principal office if such office is located outside the United States. Any successor Authenticating Agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authenticating Agent. No successor Authenticating Agent shall be appointed unless eligible under the provisions of this Section.

The Company agrees to pay each Authenticating Agent from time to time reasonable compensation for its services under this Section. If the Trustee makes such payments, it shall be entitled to be reimbursed for such payments, subject to the provisions of Section 607.

The provisions of Sections 308, 604 and 605 shall be applicable to each Authenticating Agent.

If an appointment with respect to one or more series is made pursuant to this Section, the Securities of such series may have endorsed thereon, in addition to the Trustee's certificate of authentication, an alternate certificate of authentication in the following form:

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

[Trustee]
As Trustee

By_____
As Authenticating Agent

By_____
Authorized Signatory

If all of the Securities of any series may not be originally issued at one time, and if the Trustee does not have an office capable of authenticating Securities upon original issuance located in a Place of Payment where the Company wishes to have Securities of such series authenticated upon original issuance, the Trustee, if so requested in writing (which writing need not comply with Section 102) by the Company, shall appoint in accordance with this Section 614 an Authenticating Agent having an office in a Place of Payment designated by the Company with respect to such series of Securities.

The Trustee is hereby appointed as an Authenticating Agent.

ARTICLE SEVEN
HOLDER'S LISTS AND REPORTS BY TRUSTEE AND COMPANY

SECTION 701. Company to Furnish Trustee Names and Addresses of Holders.

The Company will furnish or cause to be furnished to the Trustee

(a) semi-annually, not later than 15 days after the Regular Record Date for interest for each series of Securities, a list, in such form as the Trustee may reasonably require, of the names and addresses of the Holders of Registered Securities of such series as of such Regular Record Date, or if there is no Regular Record Date for interest for such series of Securities, semi-annually, upon such dates as are set forth in the Board Resolution or indenture supplemental hereto authorizing such series, and

(b) at such other times the Trustee may request in writing, within 30 days after the receipt by the Company of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished,

provided, however, that, so long as the Trustee is the Security Registrar, no such list shall be required to be furnished.

SECTION 702. Preservation of Information; Communications to Holders.

(a) The Trustee shall preserve, in as current a form as is reasonably practicable, the names and addresses of Holders of Securities (i) contained in the most recent list furnished to the Trustee for each series as provided in Section 701, (ii) received by the Trustee for each series in the capacity of Security Registrar if the Trustee is then acting in such capacity and (iii) filed with it within the two preceding years pursuant to Section 703(c)(2). The Trustee may destroy any list furnished to it as provided in Section 701 upon receipt of a new list so furnished, and destroy not earlier

than two years after filing, any information filed with it pursuant to Section 703(c)(2).

(b) If three or more Holders of Securities of any series (hereinafter referred to as "applicants") apply in writing to the Trustee, and furnish to the Trustee reasonable proof that each such applicant has owned a Security of such series for a period of at least six months preceding the date of such application, and such application states that the applicants desire to communicate with other Holders of Securities of such series with respect to their rights under this Indenture or under the Securities and is accompanied by a copy of the form of proxy or other communication which such applicants propose to transmit, then the Trustee shall, within five business days after the receipt of such application, at its election, either

(i) afford such applicants access to the information preserved at the time by the Trustee in accordance with Section 702(a), or

(ii) inform such applicants as to the approximate number of Holders of Securities whose names and addresses appear in the information preserved at the time by the Trustee in accordance with Section 702(a), and as to the approximate cost of mailing to such Holders the form of proxy or other communication, if any, specified in such application.

If the Trustee shall elect not to afford such applicants access to such information, the Trustee shall, upon the written request of such applicants, mail to each Holder of Securities of such series whose name and address appears in the information preserved at the time by the Trustee in accordance with Section 702(a), a copy of the form of proxy or other communication which is specified in such request, with reasonable promptness after a tender to the Trustee of the material to be mailed and of payment, or provision for the payment, of the reasonable expenses of mailing, unless within five days after such tender the Trustee shall mail to such applicants and file with the Commission, together with a copy of the material to be mailed, a written statement to the effect that, in the opinion of the Trustee, such mailing would be contrary to the best interests of the Holders of Securities of such series or would be in violation of applicable law. Such written statement shall specify the basis of such opinion. If the Commission, after opportunity for a hearing upon the objections specified in the written statement so filed, shall

enter an order refusing to sustain any of such objections, or if, after the entry of an order sustaining one or more of such objections, the Commission shall find, after notice and opportunity for hearing, that all the objections so sustained have been met and shall enter an order so declaring, the Trustee shall mail copies of such material to all such Holders of Securities of such series with reasonable promptness after the entry of such order and the renewal of such tender.

(c) Every Holder of Securities or coupons, by receiving and holding the same, agrees with the Company and the Trustee that neither the Company nor the Trustee nor any Paying Agent nor any Security Registrar shall be held accountable by reason of the disclosure of any such information as to

the names and addresses of the Holders of Securities in accordance with Section 702(b), regardless of the source from which such information was derived, and that the Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under Section 702(b).

SECTION 703. Reports by Trustee.

(a) Within 60 days after May 15 of each year commencing with the year following the first issuance of Securities pursuant to Section 301, the Trustee shall transmit by mail to all Holders of Securities, as their names and addresses appear in the Security Register, a brief report dated as of such May 15 with respect to:

(1) its eligibility under Section 609 and its qualifications under Section 608, or in lieu thereof, if to the best of its knowledge it has continued to be eligible and qualified under said Sections, a written statement to such effect;

(2) the character and amount of any advances (and if the Trustee elects so to state, the circumstances surrounding the making thereof) made by the Trustee (as such) which remain unpaid on the date of such report, and for the reimbursement of which it claims or may claim a lien or charge, prior to that of the Securities, on any property or funds held or collected by it as Trustee, except that the Trustee shall not be required (but may elect) to report such advances if such advances so remaining

unpaid aggregate not more than 1/2 of 1 percent of the principal amount of the Securities Outstanding on the date of such report;

(3) the amount, interest rate and maturity date of all other indebtedness owing by the Company (or by any other obligor on the Securities) to the Trustee in its individual capacity, on the date of such report, with a brief description of any property held as collateral security therefor, except an indebtedness based upon a creditor relationship arising in any manner described in Section 613(b)(2), (3), (4) or (6);

(4) the property and funds, if any, physically in the possession of the Trustee as such on the date of such report;

(5) any additional issue of Securities which the Trustee has not previously reported; and

(6) any action taken by the Trustee in the performance of its duties hereunder which it has not previously reported and which in its opinion materially affects the Securities, except action in respect of a default, notice of which has been or is to be withheld by the Trustee in accordance with Section 602.

(b) The Trustee shall transmit by mail to all Holders of Securities, as provided in Subsection (c) of this Section, a brief report with respect to the character and amount of any advances (and if the Trustee elects so to state, the circumstances surrounding the making thereof) made by the Trustee (as such) since the date of the last report transmitted pursuant to Subsection (a) of this Section (or if no such report has yet been so transmitted, since the date of execution of this instrument) for the reimbursement of which it claims or may claim a lien or charge, prior to that of the Securities, on property or funds collected by it as Trustee, and which it has not previously reported pursuant to this Subsection, except that the Trustee shall not be required (but may elect) to report such advances if such advances remaining unpaid at any time aggregate 10 percent or less of the principal amount of the Securities Outstanding at such time, such report to be transmitted within 90 days after such time.

(c) Reports pursuant to this Section shall be transmitted by mail:

(1) to all Holders of Registered Securities, as the names and addresses of such Holders appear in the Security Register,

(2) to such Holders of Bearer Securities as have, within the two years preceding such transmission, filed their names and addresses with the Trustee for that purpose; and

(3) except in the case of reports pursuant to Subsection (b) of this Section, to each Holder of a Security whose name and address is preserved at the time by the Trustee, as provided in Section 702(a).

(d) A copy of each such report shall, at the time of such transmission to Holders of Securities, be filed by the Trustee with each stock exchange upon which the Securities are listed, with the Commission and with the Company. The Company will notify the Trustee when any Securities are listed on any stock exchange.

SECTION 704. Reports by the Company.

The Company shall:

(1) file with the Trustee, within 15 days after the Company is required to file the same with the Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which the Company may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934; or, if the Company is not required to file information, documents or reports pursuant to either of said Sections, then it shall file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Securities Exchange Act of 1934 in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations;

(2) file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such additional information, documents and reports with respect to compliance by the Company with the conditions and covenants of this Indenture as may be required from time to time

by such rules and regulations; and

(3) transmit within 30 days after the filing thereof with the Trustee, in the manner and to the extent provided in Section 703(c) with respect to reports pursuant to Section 703(a), such summaries of any information, documents and reports required to be filed by the Company pursuant to paragraphs (1) and (2) of this Section as may be required by rules and regulations prescribed from time to time by the Commission.

ARTICLE EIGHT
CONSOLIDATION, MERGER, SALE, LEASE OR CONVEYANCE

SECTION 801. Company May Consolidate, Etc., on Certain Terms.

Subject to the provisions of Section 802, nothing contained in this Indenture or in any of the Securities shall prevent any consolidation or merger of the Company with or into any other corporation or corporations (whether or not affiliated with the Company), or successive consolidations or mergers in which the Company or its successor or successors shall be a party or parties, or shall prevent any sale or conveyance of all or substantially all of the property of the Company to any other corporation (whether or not affiliated with the Company) authorized to acquire and operate the same; provided, however, and the Company hereby covenants and agrees, that any such consolidation, merger, sale or conveyance shall be upon the condition that (a) immediately after such consolidation, merger, sale or conveyance the corporation (whether the Company or such other corporation) formed by or surviving any such consolidation or merger, or to which such sale or conveyance shall have been made, shall not be in default in the performance or observance of any of the terms, covenants and conditions of this Indenture to be kept or performed by the Company; (b) the corporation (if other than the Company) formed by or surviving any such consolidation or merger, or to which such sale or conveyance shall have been made, shall be a corporation organized under the laws of the United States of America or any state

thereof; and (c) the due and punctual payment of the principal of and premium, if any, and interest on all of the Securities, according to their tenor, and the due and punctual performance and observance of all of the covenants and conditions of this Indenture to be performed or observed by the Company, shall be expressly assumed, by supplemental indenture satisfactory in form to the Trustee, executed and delivered to the Trustee by the corporation (if other than the Company) formed by such consolidation, or into which the Company shall have been merged, or by the corporation which shall have acquired such property.

SECTION 802 Securities to be Secured in Certain Events.

If, upon any such consolidation or merger, or upon any such sale or conveyance, or upon any acquisition by the Company by purchase or otherwise of all or any part of the properties of any other corporation, any Principal Facility owned by the Company or a Restricted Subsidiary immediately prior thereto would thereupon become subject to any Security Interest securing indebtedness not permitted to be incurred by Section 1005, the Company, prior to such consolidation, merger, sale, conveyance or acquisition, will by indenture supplemental hereto satisfactory in form to the Trustee secure the due and punctual payment of the principal of and premium, if any, and interest on the Securities of each series then Outstanding (equally and ratably with any other indebtedness of the Company then entitled thereto, subject to applicable priorities of payment) by a direct lien on such Principal Facility which would thereupon become subject to any such Security Interest, prior in rank (subject to the preceding parenthetical) to all liens other than any theretofore existing thereon.

SECTION 803. Successor Corporation to be Substituted.

In case of any such consolidation, merger, sale or conveyance and upon the assumption by the successor corporation, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the due and punctual payment of the principal of and premium, if any, and interest on all of the Securities and the due and punctual performance and observance of all of the covenants and conditions of this Indenture to be performed or observed by the Company, such successor corporation shall succeed to and be substituted for the Company, with the same effect as if it had been named herein as the party of the first part, and (except in the event of a conveyance by way of lease) the predecessor corporation shall be relieved of any further obligation under this Indenture and the Securities. Such successor corporation thereupon may cause to be signed, and may issue either in its own name or in the name of Arvin Industries, Inc. any or all of the Securities issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee; and upon the order of such successor corporation instead of the Company and subject to all the terms, conditions and

limitations in this Indenture prescribed, the Trustee shall authenticate and shall deliver any Securities which previously shall have been signed and delivered by the officers of the Company to the

Trustee for authentication, and any Securities which such successor corporation thereafter shall cause to be signed and delivered to the Trustee for that purpose. All the Securities of each series so issued shall in all respects have the same legal rank and benefit under this Indenture as the Securities of such series theretofore or thereafter issued in accordance with the terms of this Indenture as though all of such Securities had been issued at the date of the execution hereof.

In case of any such consolidation, merger, sale or conveyance such changes in phraseology and form (but not in substance) may be made in the Securities thereafter to be issued as may be appropriate.

SECTION 804. Opinion of Counsel to be Given Trustee.

The Trustee, subject to Sections 601 and 603, may receive an Opinion of Counsel as conclusive evidence that any such consolidation, merger, sale or conveyance and any such assumption complies with the provisions of this Article Eight.

ARTICLE NINE
SUPPLEMENTAL INDENTURES

SECTION 901. Supplemental Indentures without Consent of Holders.

Without the consent of any Holders of Securities or coupons, the Company, when authorized by a Board Resolution, and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee, for any of the following purposes:

(1) to evidence the succession of another Person to the Company, and the assumption by any such successor of the covenants of the Company herein and in the Securities contained;

or

(2) to add to the covenants of the Company for the benefit of the Holders of all or any series of Securities (and if such covenants are to be for the benefit of less than all series of Securities, stating that such covenants are expressly being included solely for the benefit of such series) or to surrender any right or power herein conferred upon the Company; or

(3) to add to or change any of the provisions of this Indenture to provide that Bearer Securities may be registrable as to principal, to change or eliminate any restrictions on the payment of principal (or premium, if any) on Registered Securities or of principal (or premium, if any) or any interest on Bearer Securities, to permit Registered Securities to be exchanged for Bearer Securities or to permit the issuance of Securities in uncertified form, provided any such action shall not adversely affect the interests of the Holders of Securities of any series or any related coupons in any material respect; or

(4) to establish the form or terms of Securities of any series as permitted by Sections 201 and 301; or

(5) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Securities of one or more series and to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirements of Section 611(b); or

(6) to cure any ambiguity, to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Indenture which shall not be inconsistent with the provisions of this Indenture and which shall not adversely affect the interest of the Holders of Securities of any series or any related coupons in any material respect; or

(7) to add to, delete from or revise the conditions, limitations and restrictions on the authorized amount, terms or purposes of issue, authentication and delivery of Securities, as herein set forth; or

(8) to secure the Securities pursuant to Section 802 or 1005; or

(9) to modify, eliminate or add to the provisions of this Indenture to such extent as shall be necessary to effect the qualification of this Indenture under the Trust Indenture Act or under any similar federal statute hereafter enacted and to add to this Indenture such other provisions as may be expressly required under the Trust Indenture Act.

SECTION 902. Supplemental Indentures with Consent of Holders.

With the consent of the Holders of not less than a majority in aggregate principal amount of the Outstanding Securities of each series affected by such supplemental indenture, by Act of said Holders delivered to the Company and the Trustee, the Company, when authorized by a Board Resolution, and the Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of

modifying in any manner the rights of the Holders of Securities of such series under this Indenture; provided, however, that no such supplemental Indenture shall, without the consent of the Holder of each Outstanding Security affected thereby,

(1) change the Stated Maturity of the principal of, or any installment of interest on, any Security, or reduce the principal amount thereof or the rate of interest thereon, or any premium payable upon the redemption thereof, or reduce the amount of the principal of an Original Issue Discount Security that would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 502, or change the coin or currency in which any Security or any premium or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date), or

(2) reduce the percentage in principal amount of the Outstanding Securities of any series, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of

compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture, or

(3) modify any of the provisions of this Section, or Section 513, or Section 1009, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Security affected thereby.

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

It shall not be necessary for any Act of Holders of Securities under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

SECTION 903. Execution of Supplemental Indentures.

In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modifications thereby of the trust created by this Indenture, the Trustee shall be entitled to receive, and (subject to Section 601) shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

SECTION 904. Effect of Supplemental Indentures.

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

SECTION 905. Conformity with Trust Indenture Act.

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

SECTION 906. Reference in Securities to Supplemental Indentures.

Securities of any series authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company

shall so determine, new Securities of any series so modified as to conform, in the opinion of the Trustee and the Company, to any such supplemental indenture may be prepared and executed by the Company and authenticated and delivered by the Trustee in exchange for Outstanding Securities of such series.

ARTICLE TEN
COVENANTS

SECTION 1001. Payment of Principal, Premium, if any, and Interest.

The Company covenants and agrees for the benefit of the Holders of each series of Securities that it will duly and punctually pay the principal of (and premium, if any), interest on the Securities of that series in accordance with the terms of such series of Securities, any coupons appertaining thereto and this Indenture. Any interest due on Bearer Securities on or before Maturity shall be payable only upon presentation and surrender of the several coupons for such interest installments as are evidenced thereby as they severally mature.

SECTION 1002. Maintenance of Office or Agency.

The Company will maintain in each Place of Payment for any series of Securities an office or agency where Securities of that series (but not Bearer Securities, except as otherwise provided below, unless such Place of Payment is located outside the United States) may be presented or surrendered for payment, where Securities of that series may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Company in respect of the

Securities of that series and this Indenture may be served. If Securities of a series are issuable as Bearer Securities, the Company will maintain, subject to any laws or regulations applicable thereto, an office or agency in a Place of Payment for such series which is located outside the United States where Securities of such series and the related coupons may be presented and surrendered for payment; provided, however, that if the Securities of such series are listed on The Stock Exchange of the United Kingdom and the Republic of Ireland or the Luxembourg Stock Exchange or any other stock exchange located outside the United States and such stock exchange shall so require, the Company will maintain a Paying Agent in London, Luxembourg or any other required city located outside the United States, as the case may be, so long as the Securities of such series are listed on such exchange. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fall to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, except that Bearer Securities of that series and the related coupons may be presented and surrendered for payment at the place specified for the purpose pursuant to Section 301, and the Company hereby appoints the Trustee as its agent to receive all such presentations, surrenders, notices and demands.

Except as otherwise provided in the form of Bearer Security of any particular series pursuant to the provisions of this Indenture, no payment of principal, premium or interest on Bearer Securities shall be made at any office or agency of the Company in the United States or by check mailed to any address in the United States or by transfer to an account maintained with a bank located in the United States; provided, however, payment of principal of and any premium and interest in U.S. dollars on any Bearer Security may be made at the office of the Paying Agent in the Borough of Manhattan, The City of New York if (but only if) payment of the full amount of such principal, premium or interest at all offices outside the United States maintained for the purpose by the Company in accordance with this Indenture is illegal or effectively precluded by exchange controls or other similar restrictions.

The Company may also from time to time designate one or more other offices or agencies where the Securities of one or more series may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in each Place of Payment for Securities of any series for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency. Unless otherwise set forth in a Board Resolution or indenture supplemental hereto with respect to a series of Securities, the Company hereby designates as the Place of Payment for each series of Securities the Corporate Trust Office of the Trustee in the City of Chicago, Illinois, and the corporate trust office of Bank of Montreal Trust Company in the Borough of Manhattan, The City of New York.

SECTION 1003. Money for Securities Payments to Be Held in Trust.

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

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

The Company will cause each Paying Agent for any series of Securities other than the Trustee to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will:

(1) hold all sums held by it for the payment of the principal of (and premium, if any) or interest on Securities of that series in trust for the benefit of the Persons entitled

thereto until such sums shall be paid to such Persons or otherwise disposed of as herein provided;

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

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

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

Except as otherwise provided in the form of Securities of any particular series pursuant to the provisions of this Indenture, any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of (and premium, if any) or Interest on any Security of any series and remaining unclaimed for two years after such principal (and premium, if any) or interest has become due and payable shall be paid to the Company on Company Request, or (if then held by the Company) shall be discharged from such trust; and the Holder of such Security or any

coupon appertaining thereto shall thereafter, as an unsecured general creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof,

shall thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in an Authorized Newspaper in each Place of Payment or to be mailed to Holders of Registered Securities, or both, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication or mailing nor shall it be later than two years after such principal (and premium, if any) or interest has become due and payable, any unclaimed balance of such money then remaining will be repaid to the Company.

SECTION 1004. Corporate Existence.

Subject to Article Eight, the Company will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence, rights (charter and statutory) and franchises; provided, however, that the Company shall not be required to preserve any such right or franchise if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and that the loss thereof is not disadvantageous in any material respect to the Holders.

SECTION 1005. Restriction on Creation of Secured Debt.

So long as the Securities of any series remain Outstanding, the Company will not at any time create, incur, assume or guarantee, and will not cause or permit a Restricted Subsidiary to create, incur, assume or guarantee, any Secured Debt, and the Company will not at any time create, and will not cause or permit a Restricted Subsidiary to create, any Security Interest securing any indebtedness existing on the date hereof which would constitute Secured Debt if it were secured by a Security Interest in a Principal Facility, without first making effective provision (and the Company covenants that in such case it will first make or cause to be made effective provision) whereby the Securities of each series then Outstanding and any other indebtedness of or guaranteed by the Company or such Restricted Subsidiary then entitled thereto, subject to applicable priorities of payment, shall be secured by the Security Interest securing such Secured Debt equally and ratably with any and all other obligations and indebtedness thereby secured, so long as any such other obligations and indebtedness shall be so secured, provided, however, that the foregoing covenants shall not be applicable to Secured Debt secured solely by one or more of the following Security Interests:

(a) (i) Any Security Interest upon any property hereafter acquired, constructed, developed or improved by the Company or a Restricted Subsidiary and created prior to or contemporaneously with, or within 180 days after, (1) in the case of the acquisition of property which is a parcel of real property, a manufacturing plant, a warehouse or an office building, the completion of such acquisition

and (2) in the case of the acquisition, construction, development or improvement of any other Principal Facility, the later to occur of such acquisition, construction, development or improvement and commencement of operation, use or commercial production (exclusive of test and start-up periods) of the property which was acquired, constructed, developed or improved, which Security Interest secures or provides for the payment of all or any part of the acquisition cost of such property or the cost of construction, development or improvement thereof, as the case may be; or (ii) the acquisition by the Company or a Restricted Subsidiary of property subject to any Security Interest upon such property existing at the time of the acquisition thereof, which Security Interest secures obligations assumed by the Company or a Restricted Subsidiary; or (iii) any conditional sales agreement or other title retention agreement with respect to any property acquired by the Company or a Restricted Subsidiary; or (iv) any Security Interest existing on the property or on the outstanding shares or indebtedness of a corporation or firm at the time such corporation or firm shall become a Restricted Subsidiary or is merged into or consolidated with the Company or a Restricted Subsidiary or at the time of a sale, lease or other disposition of the properties of a corporation or firm as an entirety or substantially as an entirety to the

Company or a Restricted Subsidiary; provided in each case that any such Security Interest described in clause (ii), (iii) or (iv) does not attach to or affect property owned by the Company or such Restricted Subsidiary prior to the creation thereof; or

(b) Any Security Interest to secure indebtedness of a Restricted Subsidiary to the Company or to another Restricted Subsidiary; or

(c) Mechanics', materialmen's, carriers' or other like liens arising in the ordinary course of business (including construction of facilities) in respect of obligations which are not due or which are being contested in good faith; or

(d) Any Security Interest arising by reason of deposits with, or

the giving of any form of security to, any governmental agency or any body created or approved by law or governmental regulations, which is required by law or governmental regulation as a condition to the transaction of any business, or the exercise of any privilege, franchise or license; or

(e) Security Interests for taxes, assessments or governmental charges or levies not yet delinquent, or the Security Interests for taxes, assessments or governmental charges or levies already delinquent but the validity of which is being contested in good faith; or

(f) Security Interests (including judgment liens) arising in connection with legal proceedings so long as such proceedings are being contested in good faith and, in the case of judgment liens, execution thereon is stayed; or

(g) Landlords' liens on fixtures located on the premises leased by the Company or a Restricted Subsidiary in the ordinary course of business; or

(h) Security Interests arising in connection with contracts and subcontracts with or made at the request of Canada, or any province thereof, the United States of America, or any state thereof, or any department, agency or instrumentality of Canada or the United States; or

(i) Security Interests in property of the Company or a Restricted Subsidiary to secure partial, progress, advance or other payments or any indebtedness incurred for the purpose of financing all or any part of the purchase price or the cost of construction, development, or substantial repair, alteration or improvement of the property subject to such Security Interests if the commitment for the financing is obtained not later than 180 days after the later of the completion of or the placing into operation (exclusive of test and start-up periods) of such constructed, developed, repaired, altered or improved property; or

(j) Any Security Interest in favor of Canada, or any province thereof, the United States of America, or any state, county or local government, or any agency of Canada or the United States, or any holder of bonds or other securities thereof issued, in connection with the financing of the cost of acquiring, constructing or improving property of the Company or any Restricted Subsidiary (including,

without limitation, any such property designed primarily for the purpose of pollution control), and any transfers of title to any such property and any related property or Security Interest in any such property and any related property, in favor of such government or governmental agency or any such security holders in connection with the acquisition, construction, improvement, attachment or removal of such property; provided that such transfer of title and the lien of any such Security Interest does not apply to any Principal Facility now or hereafter owned by the Company or any Restricted Subsidiary; or

(k) Any extension, renewal or refunding (or successive extensions, renewals or refundings) in whole or in part of any Secured Debt secured by any Security Interest referred to in the foregoing subparagraphs (a) through (j), inclusive, provided that the principal amount of such Secured Debt secured thereby shall not exceed the principal amount outstanding at the time of such extension,

renewal or refunding, and that the Security Interest securing such Secured Debt shall be limited to the property which secured the Secured Debt so extended, renewed or refunded and additions to such property.

Notwithstanding the foregoing provisions of this Section 1005, the Company and any one or more Restricted Subsidiaries may issue, incur, assume or guarantee Secured Debt (not including Secured Debt permitted to be secured under subparagraphs (a) through (k), inclusive, above) in an aggregate amount which, together with all other Secured Debt (not including Secured Debt to be secured under subparagraphs (a) through (k), inclusive, above) of the Company and its Restricted Subsidiaries which is issued incurred, assumed or guaranteed after the date hereof and the aggregate value of the Sale and Leaseback Transactions entered into after the date hereof (not including Sale and Leaseback Transactions referred to in clause (b) of Section 1006), does not at the time exceed 10 percent of Consolidated Net Tangible Assets. The term "value" shall mean, with respect to a Sale and Leaseback Transaction, as of any particular time, the amount equal to the net proceeds of the property sold or transferred or to be sold or to be transferred pursuant to such Sale and Leaseback Transaction divided first by the number of full years of the term of the lease and then multiplied by the number of full years of such term remaining at the time of determination, without regard to any renewal or extension options contained in the lease.

SECTION 1006. Restriction on Sale and Leaseback Transactions.

So long as the Securities of any series remain Outstanding, the Company will not, and will not permit any Restricted Subsidiary to, enter into any Sale and Leaseback Transaction, unless (a) the Company or such Restricted Subsidiary would be entitled to incur Secured Debt only by reason of the last paragraph of Section 1005 equal in amount to the net proceeds of the property sold or transferred or to be sold or to be transferred pursuant to such Sale and Leaseback Transaction and secured by a Security Interest on the property to be leased without equally and ratably securing the Securities of any series as provided in said Section, or (b) the Company or a Restricted Subsidiary shall apply, within 180 days after the effective date of such sale or transfer, an amount equal to such net proceeds to (i) the acquisition, construction, development or improvement of properties, facilities or equipment which are, or, upon such acquisition, construction, development or improvement will be, a Principal Facility or Facilities or a part thereof or (ii) the redemption of Securities in accordance with the provisions of Article Eleven, or to the repayment of Senior Funded Debt of the Company or of any Restricted Subsidiary (other than Senior Funded Debt owed to any Restricted Subsidiary), or in part to such acquisition, construction, development or improvement and in part to such redemption and/or repayment, provided that, in lieu of applying an amount equal to such net proceeds to such redemption, the Company may, within 180 days after such sale or transfer, deliver to the Trustee Securities (other than Securities made the basis of a reduction in a mandatory sinking fund payment pursuant to Section 1202) for cancellation and thereby reduce the amount to be applied to the redemption of Securities pursuant to clause (ii) above by an amount equivalent to the aggregate principal amount of Securities so delivered (for the purposes of making such calculation the principal amount of Original Issue Discount Securities so cancelled shall mean the portion thereof that could have been declared due and payable pursuant to Section 502 at the time cancelled). Redemption of Securities pursuant to this Section 1006 shall not be used as credits against mandatory sinking fund payments.

SECTION 1007. Restriction on Transfer of Principal Facility to Unrestricted Subsidiaries.

So long as the Securities of any series remain Outstanding, the Company will not itself, and will not cause, suffer or permit any Restricted Subsidiary to, transfer (whether by merger, consolidation or otherwise) any Principal Facility to any Unrestricted Subsidiary,

unless it shall apply, within 180 days after the effective date of such transaction, an amount equal to the fair value of such Principal Facility at the time of such transfer, as determined by the Board of Directors, to (a) the acquisition, construction, development or improvement of properties, facilities or equipment which are, or, upon such acquisition, construction, development or improvement will be, a Principal Facility or Facilities or a part thereof or (b) the redemption of Securities of any series in accordance with the provisions of

Article Eleven, or to the repayment of Senior Funded Debt of the Company or of any Restricted Subsidiary (other than any Senior Funded Debt owed to any Restricted Subsidiary), or in part to such acquisition, construction, development or improvement and in part to such redemption and/or repayment; provided that, in lieu of applying an amount equivalent to all or any part of such fair value to such redemption, the Company may, within 180 days after such transfer, deliver to the Trustee Securities (other than Securities made the basis of a reduction in a mandatory sinking fund payment pursuant to Section 1202) for cancellation and thereby reduce the amount to be applied to the redemption of the Securities of that series pursuant to clause (b) above by an amount equivalent to the aggregate principal amount of Securities so delivered (for purposes of making such calculation the principal amount of Original Issue Discount Securities so cancelled shall mean the portion thereof that could have been declared due and payable pursuant to Section 502 at the time cancelled). Redemption of Securities pursuant to this Section 1009 shall not be used as credits against mandatory sinking fund payments.

SECTION 1008. Statement by Officers as to Default.

(a) The Company will deliver to the Trustee, within 120 days after the end of each fiscal year of the Company ending after the date hereof, an Officers' Certificate, stating whether or not to the best knowledge of the signers thereof the Company is in default in the performance and observance of any of the terms, provisions and conditions of this Indenture, setting forth the arithmetical computations required to show compliance with the provisions of Sections 1005 to 1007 during the previous year, and, if the Company shall be in default, specifying all such defaults and the nature and status thereof of which they may have knowledge.

(b) The Company will deliver to the Trustee, within five days

after the occurrence thereof, written notice of any event which after notice or lapse of time or both would become an Event of Default pursuant to Clause (4) of Section 501.

SECTION 1009. Waiver of Certain Covenants.

The Company may omit in any particular instance to comply with any term, provision or condition set forth in Sections 1005 to 1007, inclusive, with respect to the Securities of any series if before the time for such compliance the Holders of at least a majority in principal amount of the Outstanding Securities of such series shall, by Act of such Holders, either waive such compliance in such instance or generally waive compliance with such term, provision or condition, but no such waiver shall extend to or affect such term, provision or condition except to the extent so expressly waived, and, until such waiver shall become effective, the obligations of the Company and the duties of the Trustee in respect of any such term, provision or condition shall remain in full force and effect.

ARTICLE ELEVEN
REDEMPTION OF SECURITIES

SECTION 1101. Applicability of Article.

Redemption of Securities of any series at the option of the Company as permitted or required by the terms of such Securities shall be made in accordance with the terms of such Securities and this Article.

SECTION 1102. Election to Redeem; Notice to Trustee.

The election of the Company to redeem any Securities shall be evidenced by a Board Resolution. In case of any redemption at the election of the Company of the Securities of any series, with the same issue date, interest rate and Stated Maturity, the Company shall, at least 45 days prior to the Redemption Date fixed by the Company (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date and of the principal amount of Securities of such series to be redeemed.

SECTION 1103. Selection by Trustee of Securities to be Redeemed.

If less than all the Securities of any series with the same issue date, interest rate, and Stated Maturity are to be redeemed, the particular Securities to be redeemed shall be selected not more than 60 days prior to the Redemption Date by the Trustee from the Outstanding Securities of such series not previously called for redemption, by such method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions of the principal amount of Registered Securities of such series; provided, however, that no such partial redemption shall reduce the portion of the principal amount of a Registered Security of such series not redeemed to less than the minimum denomination for a Security of that series established pursuant to Section 302.

The Trustee shall promptly notify the Company and the Security Registrar (if other than itself) in writing of the Securities selected for redemption and, in the case of any Securities selected for partial redemption, the principal amount thereof to be redeemed.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Securities redeemed or to be redeemed only in part, to the portion of the principal of such Securities which has been or is to be redeemed.

SECTION 1104. Notice of Redemption.

Notice of redemption shall be given in the manner provided in Section 106, not less than 30 nor more than 60 days prior to the Redemption Date, unless a shorter period is specified in the Securities to be redeemed, to the Holders of Securities to be redeemed. Failure to give notice by mailing in the manner herein provided to the Holder of any Registered Securities designated for redemption as a whole or in part, or any defect in the notice to any such Holder, shall not affect the validity of the proceedings for the redemption of any other Securities or portion thereof.

Any notice that is mailed to the Holder of any Registered Securities in the manner herein provided shall be conclusively presumed to have been duly given, whether or not such Holder receives the notice.

All notices of redemption shall state:

(1) the Redemption Date,

(2) the Redemption Price,

(3) if less than all Outstanding Securities of any series are to be redeemed, the identification (and, in the case of partial redemption, the principal amount) of the particular Securities to be redeemed,

(4) in case any Registered Security is to be redeemed in part only, the notice which relates to such Security shall state that on and after the Redemption Date, upon surrender of such Security, the Holder of such Security will receive, without charge, a new Registered Security or Registered Securities of authorized denominations for the principal amount thereof remaining unredeemed,

(5) that on the Redemption Date the Redemption Price will become due and payable upon each such Security to be redeemed, and, if applicable, that interest thereon shall cease to accrue on and after said date,

(6) the place or places where such Securities, together, in the case of Bearer Securities with all coupons appertaining thereto, if any, maturing after the Redemption Date, are to be surrendered for payment of the Redemption Price, and

(7) that the redemption is for a sinking fund, if such is the case.

A notice of redemption published as contemplated by Section 106 need not identify particular Registered Securities to be redeemed.

Notice of redemption of Securities to be redeemed at the election of the Company shall be given by the Company or, at the Company's request, by the Trustee in the name and at the expense of the Company.

SECTION 1105. Deposit of Redemption Price.

On or prior to any Redemption Date, the Company shall deposit

with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 1003) an amount of money sufficient to pay the Redemption Price of, and (except if the Redemption Date shall be an Interest Payment Date) accrued interest on, all the Securities or portions thereof which are to be redeemed on that date.

SECTION 1106. Securities Payable on Redemption Date.

Notice of redemption having been given as aforesaid, the Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Company shall default in the payment of the Redemption Price and accrued interest) such Securities shall cease to bear interest and the coupons for such interest appertaining to any Bearer Securities so to be redeemed, except to the extent provided below, shall be void. Upon surrender of any such Security for redemption in accordance with said notice, together with all coupons, if any, appertaining thereto maturing after the Redemption Date, such Security shall be paid by the Company at the Redemption Price, together with accrued interest to the Redemption Date; provided, however, that installments of interest on Bearer Securities whose Stated Maturity is on or prior to the Redemption Date shall be payable only upon presentation and surrender of coupons for such interest (at an office or agency located outside the United States except as otherwise provided in Section 1002), and provided, further, that installments of interest on Registered Securities whose Stated Maturity is on or prior to the Redemption Date shall be payable to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the Regular Record Dates according to their terms and the provisions of Section 307.

If any Bearer Security surrendered for redemption shall not be accompanied by all appurtenant coupons maturing after the Redemption Date, such Security may be paid after deducting from the Redemption Price an amount equal to the face amount of all such missing coupons, or the surrender of such missing coupon or coupons may be waived by the Company and the Trustee if there be furnished to them such security or indemnity as they may require to save each of them and any Paying Agent harmless. If thereafter the Holder of such Security shall surrender to the Trustee or any Paying Agent any such missing coupon in respect of which a deduction shall have been made from the Redemption Price, such Holder shall be entitled to receive the amount so deducted; provided, however, that interest represented by coupons shall be payable only upon presentation and surrender of those coupons at an office or agency located outside of the United States except as otherwise provided in Section 1002.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal (and premium, if any) shall, until paid, bear interest from the Redemption Date at the rate prescribed therefor in the Security.

SECTION 1107. Securities Redeemed in Part.

Any Registered Security which is to be redeemed only in part shall be surrendered at any office or agency of the Company maintained for that purpose pursuant to Section 1002 (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing) and the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such Security without service charge, a new Registered Security or Securities of the same series, containing identical terms and provisions, of any authorized denomination as requested by such Holder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered. If a Security in global form is so surrendered, the Company shall execute, and the Trustee shall authenticate and deliver to the U.S. Depository or other depository

for such Security in global form as shall be specified in the Company Order with respect thereto to the Trustee, without service charge, a new Security in global form in a denomination equal to and in exchange for the unredeemed portion of the principal of the Security in global form so surrendered.

ARTICLE TWELVE
SINKING FUNDS

SECTION 1201. Applicability of Article.

The provisions of this Article shall be applicable to any sinking fund for the retirement of Securities of a series, except as otherwise permitted or required by any form of Security of such series issued pursuant to this Indenture.

The minimum amount of any sinking fund payment provided for by

the terms of Securities of any series is herein referred to as a "mandatory sinking fund payment," and any payment in excess of such minimum amount provided for by the terms of Securities of such series is herein referred to as an "optional sinking fund payment." If provided for by the terms of Securities of any series, the cash amount of any sinking fund payment may be subject to reduction as provided in Section 1202. Each sinking fund payment shall be applied to the redemption of Securities of any series as provided for by the terms of Securities of such series.

SECTION 1202. Satisfaction of Sinking Fund Payments with Securities.

The Company may, in satisfaction of all or any part of any sinking fund payment with respect to the Securities of such series to be made pursuant to the terms of such Securities as provided for by the terms of such series (1) deliver Outstanding Securities of such series (other than any of such Securities previously called for redemption or any of such Securities in respect of which cash shall have been released to the Company), together in the case of any Bearer Securities of such series with all unmatured coupons appertaining thereto, and (2) apply as a credit Securities of such series which have been redeemed either at the election of the Company pursuant to the terms of such series of Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Securities, provided that such series of Securities have not been previously so credited. Such Securities shall be received and credited for such purpose by the Trustee at the Redemption Price specified in such Securities for redemption through operation of the sinking fund and the amount of such sinking fund payment shall be reduced accordingly. If as a result of the delivery or credit of Securities of any series in lieu of cash payments pursuant to this Section 1202, the principal amount of Securities of such series to be redeemed in order to exhaust the aforesaid cash payment shall be less than $100,000, the Trustee need not call Securities of such series for redemption, except upon Company Request, and such cash payment shall be held by the Trustee or a Paying Agent and applied to the next succeeding sinking fund payment, provided, however, that the Trustee

or such Paying Agent shall at the request of the Company from time to time pay over and deliver to the Company any cash payment so being held by the Trustee or such Paying Agent upon delivery by the Company to the Trustee of Securities of that series purchased by the Company having an unpaid principal amount equal to the cash payment requested to be released to the Company.

SECTION 1203. Redemption of Securities for Sinking Fund.

Not less than 45 days prior to each sinking fund payment date for any series of Securities, the Company will deliver to the Trustee an Officers' Certificate specifying the amount of the next ensuing mandatory

sinking fund payment for that series pursuant to the terms of that series, the portion thereof, if any, which is to be satisfied by payment of cash and the portion thereof, if any, which is to be satisfied by delivering and crediting of Securities of that series pursuant to Section 1202, and the optional amount, if any, to be added in cash to the next ensuing mandatory sinking fund payment, and will also deliver to the Trustee any Securities to be so credited and not theretofore delivered. If such Officers' Certificate shall specify an optional amount to be added in cash to the next ensuing mandatory sinking fund payment, the Company shall thereupon be obligated to pay the amount therein specified. Not less than 30 days before each such sinking fund payment date, the Trustee shall select the Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 1103 and cause notice of the redemption thereof to be given in the name of and at the expense of the Company in the manner provided in Section 1104. Such notice having been duly given, the redemption of such Securities shall be made upon the terms and in the manner stated in Sections 1106 and 1107.

ARTICLE THIRTEEN
REPAYMENT AT THE OPTION OF HOLDERS

SECTION 1301. Applicability of Article.

Securities of any series which are repayable at the option of the Holders thereof before their Stated Maturity shall be repaid in accordance with the terms of the Securities of such series. The repayment of any principal amount of Securities pursuant to such option of the Holder to require repayment of Securities before their Stated Maturity, for purposes of Section 309, shall not operate as a payment, redemption or satisfaction of the indebtedness represented by such Securities unless and until the Company, at its option, shall deliver or surrender the same to the Trustee with a directive that such Securities be cancelled. Notwithstanding anything to the contrary contained in this Article Thirteen, in connection with any repayment of Securities, the Company may arrange for the purchase of

any Securities by an agreement with one or more investment bankers or other purchasers to purchase such Securities by paying to the Holders of such Securities on or before the close of business on the repayment date an amount not less than the repayment price payable by the Company on repayment of such Securities, and the obligation of the Company to pay the repayment price of such Securities shall be satisfied and discharged to the extent such payment is so paid by such purchasers.

ARTICLE FOURTEEN
MISCELLANEOUS PROVISIONS

SECTION 1401. Securities in Foreign Currencies.

Whenever this Indenture provides for (i) any action by, or the determination of any of the rights of, Holders of Securities of any series in which not all of such Securities are denominated in the same currency, or (ii) any distribution to Holders of Securities, in the absence of any provision to the contrary in the form of Security of any particular series, any amount in respect of any Security denominated in a currency other than Dollars shall be treated for any such action or distribution as that amount of Dollars that could be obtained for such amount on such reasonable basis of exchange and as of the record date with respect to Registered Securities of such series (if any) for such action, determination of rights or distribution (or, if there shall be no applicable record date, such other date reasonably proximate to the date of such action, determination of rights or distribution) as the Company may specify in a written notice to the Trustee or, in the absence of such written notice, as the Trustee may determine.

* * * *

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

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed, and their respective corporate seals to be hereunto affixed, all as of the day and year first above written.

ARVIN INDUSTRIES, INC.

[SEAL]

By /s/ V. William Hunt

Vice President-Administration

Attest:

/s/ Page E. Gifford

Assistant Secretary

HARRIS TRUST AND SAVINGS BANK

[SEAL]

By /s/ R. G. Mason

Authorized Officer

Attest:

/s/ C. Potter

Assistant Secretary

STATE OF _____)
) ss.:
COUNTY OF _____)

On the ____ day of _____, before me personally came _____ to me known, who, being by me duly sworn, did depose and say that he resides at _____, that he is Vice President-Administration of Arvin Industries, Inc., one of the corporations

described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation, and that he signed his name thereto by like authority.

_____
Notary Public

STATE OF _____)
) ss.:
COUNTY OF _____)

On the ____ day of _____, before me personally came _____ to me known, who, being by me duly sworn, did depose and say that he resides at _____, that he is a _____ of Harris Trust and Savings Bank, one of the corporations described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation, and that he signed his name thereto by like authority.

_____
Notary Public

EXHIBIT 4-5

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ARVIN INDUSTRIES, INC.

AND

NBD BANK, NATIONAL ASSOCIATION,

Trustee

_____

Indenture

Dated as of _____, 1994

_____

CONVERTIBLE AND NON-CONVERTIBLE SUBORDINATED DEBT SECURITIES

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ARVIN INDUSTRIES, INC.

Reconciliation and tie between Trust Indenture Act of 1939
and Indenture, dated as of _____, 1994

Trust Indenture Act Section	Indenture Section
Section 310(a)(1)	609
(a)(2)	609
(a)(3)	Not Applicable
(a)(4)	Not Applicable
(a)(5)	609
(b)	608, 610
(c)	Not Applicable
Section 311(a)	613(a), (c), (d)
(b)	613(b), (c)
(c)	Not Applicable
Section 312(a)	701, 702(a)
(b)	702(b)
(c)	702(c)
Section 313(a)	703(a)
(b)(1)	Not Applicable
(b)(2)	703(b)
(c)	703(c)
(d)	703(d)
Section 314(a)	704
(b)	Not Applicable
(c)(1)	102
(c)(2)	102
(c)(3)	Not Applicable
(d)	Not Applicable
(e)	102
(f)	Not Applicable
Section 315(a)	601(a)
(b)	602, 703(a)(7)
(c)	601(b)
(d)	601(c)

(d)(1)	601(c)(1)
(d)(2)	601(c)(2)
(d)(3)	601(c)(3)
(e)	514
Section 316(a)	101
(a)(1)(A)	502, 512
(a)(1)(B)	513
(a)(2)	Not Applicable
(b)	508
(c)	104
Section 317(a)(1)	503
(a)(2)	504
(b)	1003
Section 318(a)	108

NOTE: This reconciliation and tie shall not, for any purpose, be deemed to be a part of the Indenture

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INDENTURE, dated as of _____, 1994, between ARVIN INDUSTRIES, INC., an Indiana corporation (hereinafter called the "Company"), having its principal executive office at One Noblitt Plaza, Columbus, Indiana 47202, and NBD Bank, N.A., a banking organization organized under the laws of Michigan (hereinafter called the "Trustee"), having its Corporate Trust Office at 611 Woodward Avenue, Detroit, Michigan 48226.

RECITALS OF THE COMPANY

The Company has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of its unsecured and subordinated debentures, notes or other evidences of indebtedness (such debt securities being hereinafter called the "Securities"), unlimited as to principal amount, to bear such rates of interest, to mature at such time or times, to be issued in one or more series and to have such other provisions as shall be fixed as hereinafter provided.

The Company has duly authorized the execution and delivery of this Indenture, and all things necessary to make this Indenture a valid agreement of the Company, in accordance with its terms, have been done.

NOW, THEREFORE, in consideration of the premises and the sum of one dollar duly paid by the Company to the Trustee, the receipt of which is hereby acknowledged, it is mutually covenanted and agreed,

for the equal and proportionate benefit of all Holders of Securities, as follows:

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities by the Holders (as defined below) thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Securities or of series thereof, as follows:

ARTICLE ONE
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

SECTION 101. Definitions.

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) the terms defined in this Article have the meanings assigned to them in this Article, and include the plural as well as the singular;

(2) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, have the meanings assigned to them therein;

(3) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles and, except as otherwise herein expressly provided, the term "generally accepted accounting principles" with respect to any computation required or permitted hereunder shall mean such accounting principles as are generally accepted at the date of such computation; and

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

Certain terms, used principally in Article Six, are defined in that Article.

"Act" when used with respect to any Holders has the meaning specified in Section 104.

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

"Authenticating Agent" means the Trustee or any Person authorized by the Trustee pursuant to Section 614 to act on behalf of the Trustee to authenticate Securities of one or more series.

"Authorized Newspaper" means a newspaper, in an official language of the country of publication or in the English language, customarily published on each Business Day, whether or not published on Saturdays, Sundays or holidays, and of general circulation in the place in connection with which the term is used or in the financial community of such place. Where successive publications are required to be made in Authorized Newspapers, the successive publications may be made in the same or in different newspapers in the same city meeting the foregoing requirements and in each case on any Business Day.

"Bearer Security" means any Security in the form established pursuant to Section 201 which is payable to bearer.

"Board of Directors" means the Board of Directors of the Company or a duly authorized Committee thereof.

"Board Resolution" means a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors or a duly authorized Committee

thereof and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"Business Day," except as may otherwise be provided in the form of Securities of any particular series pursuant to the provisions of this Indenture, with respect to any Place of Payment, means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on

which banking institutions or trust companies in that Place of Payment are authorized or obligated by law to close.

"Commission" means the Securities and Exchange Commission, as from time to time constituted, created under the Securities Exchange Act of 1934, or if at any time after the execution of this instrument such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties at such time.

"Common Shares" means shares of the class designated as Common Shares, $2.50 par value, of the Company at the date of this Indenture or shares of any class or classes resulting from any reclassification or reclassifications thereof.

"Company" means the Person named as the "Company" in the first paragraph of this instrument until a successor corporation shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Company" shall mean such successor corporation, and any other obligor upon the Securities.

"Company Request" and "Company Order" mean, respectively, a written request or order signed in the name of the Company by the Chairman, the Vice Chairman, the President, a Vice President or the Treasurer, and by a Vice President, an Assistant Treasurer, the Secretary or an Assistant Secretary of the Company, and delivered to the Trustee.

"Corporate Trust Office" means the principal office of the Trustee, at which at any particular time its corporate trust business shall be administered, which office at the date of original execution of this Indenture is located at 611 Woodward Avenue, 11th Floor, Detroit, Michigan 48226.

"Corporation" includes corporations, associations, companies and business trusts.

"Coupon" means any interest coupon appertaining to a Bearer Security.

"Defaulted Interest" has the meaning specified in Section 307.

"Dollars" or "$" or any similar reference shall mean the currency of the United States, except as may otherwise be provided in the form

of Securities of any particular series pursuant to the provisions of this Indenture.

"Event of Default" has the meaning specified in Section 501.

"Holder," when used with respect to any Security, means, in the case of a Registered Security, the Person in whose name the Security is registered in the Security Register, and, in the case of a Bearer Security, the bearer thereof and, when used with respect to any coupon, means the bearer thereof.

"Indebtedness," as applied to any Person, means all indebtedness, whether or not represented by bonds, debentures, notes or other securities, created or assumed by such Person for the repayment of money borrowed, and obligations, computed in accordance with generally accepted accounting principles, as lessee under leases that should be, in accordance with generally accepted accounting principles, treated as capital leases. All Indebtedness secured by a lien upon property owned by the Company or any Subsidiary and upon which Indebtedness such Person customarily pays interest, although such Person has not assumed or become liable for the payment of such Indebtedness, shall be deemed to be Indebtedness of such Person. All Indebtedness of others guaranteed as to payment of principal by such Person or in effect guaranteed by such Person through a contingent agreement to purchase such Indebtedness shall also be deemed to be Indebtedness of such Person.

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

"Interest," when used with respect to an Original Issue Discount Security which by its terms bears interest only after Maturity, means interest payable after Maturity.

"Interest Payment Date" means the Stated Maturity of an installment of interest on the applicable Securities.

"Maturity" when used with respect to any Security means the date on which the principal of such Security or an installment of principal becomes due and payable as therein or herein provided, whether at the Stated Maturity or by declaration of acceleration, notice of redemption, request for repayment or otherwise.

"Officers' Certificate" means a certificate signed by the Chairman of the Board, the Vice Chairman of the Board, the President or a Vice President and by the Treasurer, an Assistant Treasurer, the

Secretary or an Assistant Secretary of the Company, and delivered to the Trustee.

"Opinion of Counsel" means a written opinion of counsel, who may (except as otherwise expressly provided in this Indenture) be an employee of or counsel for the Company, or other counsel who shall be reasonably acceptable to the Trustee.

"Original Issue Discount Security" means a Security issued pursuant to this Indenture which provides for declaration of an amount less than the principal thereof to be due and payable upon acceleration pursuant to Section 502.

"Outstanding" when used with respect to Securities means, as of the date of determination, all Securities theretofore authenticated and delivered under this Indenture, except:

(i) Securities theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;

(ii) Securities for whose payment or redemption money in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Company) in trust or set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent) for the Holders of such Securities and any coupons thereto appertaining, provided that, if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made; and

(iii) Securities which have been paid pursuant to Section 306 or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Securities are held by a bona fide purchaser in whose hands such Securities are valid obligations of the Company; provided, however, that in determining whether the Holders of the requisite principal amount of Outstanding Securities have given any request, demand, authorization, direction, notice, consent or waiver hereunder, the principal amount of an Original Issue

Discount Security that may be counted in making such determination and that shall be deemed to be Outstanding for such purposes shall be equal to the amount of the principal thereof that could be declared to be due and payable pursuant to the terms of such Original Issue Discount Security at the time the taking of such action by the Holders of such requisite principal amount is evidenced to the Trustee as provided in Section 104(a), and, provided further, that Securities owned by the Company or any other obligor upon the Securities or any Affiliate of the Company or such other obligor, shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Securities which the Trustee knows to be so owned shall be so

disregarded. Securities so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Securities and that the pledgee is not the Company or any other obligor upon the Securities or any Affiliate of the Company or such other obligor.

"Paying Agent" means any Person authorized by the Company to pay the principal of (and premium, if any) or interest on any Securities on behalf of the Company.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Place of Payment," when used with respect to the Securities of any series, means the place or places where the principal of (and premium, if any) and interest on the Securities of that series are payable as specified as provided pursuant to Section 301.

"Predecessor Security" of any particular Security means every previous Security evidencing all or a portion of the same debt as that evidenced by such particular Security; and, for the purposes of this definition, any Security authenticated and delivered under Section 306 in exchange for or in lieu of a lost, destroyed, mutilated or stolen Security or a Security to which a mutilated, destroyed, lost or stolen coupon appertains shall be deemed to evidence the same debt as the

lost, destroyed, mutilated or stolen Security or the Security to which a mutilated, destroyed, lost or stolen coupon appertains.

"Redemption Date" when used with respect to any Security to be redeemed means the date fixed for such redemption by or pursuant to this Indenture.

"Redemption Price" when used with respect to any Security to be redeemed means the price at which it is to be redeemed as determined pursuant to the provisions of this Indenture.

"Registered Security" means any Security established pursuant to Section 201 which is registered in the Security Register.

"Regular Record Date" for the interest payable on a Registered Security on any Interest Payment Date means the date, if any, specified in such Security as the "Regular Record Date."

"Responsible Officer" when used with respect to the Trustee means any officer of the Trustee in its Corporate Trust Office and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Rights" has the meaning specified in Section 1514.

"Rights Agreement" means the Rights Agreement dated as of May 29, 1986, as amended February 23, 1989, between the Company and Harris Trust and Savings Bank, as Rights Agent.

"Security" or "Securities" means any Security or Securities, as the case may be, authenticated and delivered under this Indenture.

"Security Register" and "Security Registrar" have the respective meanings specified in Section 305.

"Senior Indebtedness" means Indebtedness of the Company, either outstanding as of the date of this Indenture or issued subsequent to the date of this Indenture, that by its terms is not subordinated in right of payment to any unsecured Indebtedness of the Company or is pari passu with subordinated Indebtedness of any series of the Company.

"Special Record Date" for the payment of any Defaulted Interest on the Registered Securities of any series means a date fixed by the Trustee pursuant to Section 307.

"Stated Maturity" when used with respect to any Security or any installment of principal thereof or interest thereon means the date specified in such Security or a coupon representing such installment of interest as the fixed date on which the principal of such Security or such installment of principal or interest is due and payable.

"Subsidiary" means any corporation of which at the time of determination the Company and/or one or more Subsidiaries owns or controls directly or indirectly more than 50 percent of the shares of Voting Stock.

"Trustee" means the Person named as the "Trustee" in the first paragraph of this instrument until a successor Trustee shall have become such with respect to one or more series of Securities pursuant to the applicable provisions of this Indenture, and thereafter "Trustee" shall mean each Person who is then a Trustee hereunder, and if at any time there is more than one such Person, "Trustee" shall mean each such Person and as used with respect to the Securities of any series shall mean the Trustee with respect to the Securities of that series.

"Trust Indenture Act" means the Trust Indenture Act of 1939 as in force at the date as of which this instrument was executed, except as provided in Section 905.

"United States" means the United States of America (including the States and the District of Columbia), its territories and possessions and other areas subject to its jurisdiction.

"U.S. Depository" or "Depository" means, with respect to the Securities of any series issuable or issued in whole or in part in the form of one or more global Securities, the Person designated as U.S. Depository by the Company pursuant to Section 301, which must be a clearing agency registered under the Securities Exchange Act of 1934, as amended, and, if so provided pursuant to Section 301 with respect to the Securities of any series, any successor to such Person. If at any time there is more than one such Person, "U.S. Depository" shall

mean, with respect to any series of Securities, the qualifying entity which has been appointed with respect to the Securities of that series.

"U.S. Government Obligations" means direct obligations of the United States for the payment of which its full faith and credit is pledged, or obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States and the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States which, in either case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank (as defined in Section 3(a) (2) of the Securities Act of 1933, as amended) as custodian with respect to any such U.S. Government Obligations or a specific payment of principal of or interest on any such U.S. Government Obligations held by such custodian for the account of the holder of such depository receipt, provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligations or the specific payment of principal of or interest on the U.S. Government Obligations evidenced by such depository receipt.

"Vice President" when used with respect to the Company shall mean any Vice President of the Company whether or not designated by a number or a word or words added before or after the title "Vice President."

"Voting Stock" means stock of the class or classes having general voting power under ordinary circumstances to elect at least a majority of the board of directors, managers or trustees of such corporation provided that, for the purposes hereof, stock which carries only the right to vote conditionally on the happening of an event shall not be considered voting stock whether or not such event shall have happened.

SECTION 102. Compliance Certificates and Opinions.

Upon any application or request by the Company to the Trustee to take any action under any provision of this Indenture, the Company shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with, except that in

the case of any such application or request as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or opinion need be furnished.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (other than certificates provided pursuant to Section 704(4)) shall include:

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

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

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

(4) a statement as to whether, in the opinion of each such individual, such condition or covenant has been complied with.

SECTION 103. Form of Documents Delivered to Trustee.

In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an officer of the Company may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Company stating that the information with respect to such factual matters is in the possession of the Company, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or

opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

SECTION 104. Acts of Holders.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by agent duly appointed in writing. Except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments or record or both are delivered to the Trustee and, where it is hereby expressly required, to the Company. Such instrument or instruments and any such record (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Holders signing such instrument or instruments and so voting at any such meeting. Proof of execution of any such instrument or of a writing appointing as such agent, or of the holding by any Person of a Security, shall be sufficient for any purpose of this Indenture and (subject to Section 601) conclusive in favor of the Trustee and the Company and any agent of the Trustee or the Company, if made in the manner provided in this Section 104.

Without limiting the generality of this Section 104, unless otherwise established in or pursuant to a Board Resolution or set forth or determined in an Officers' Certificate, or established in one or more indentures supplemental hereto, pursuant to Section 301, a Holder, including a U.S. Depository that is a Holder of a global Security, may make, give or take, by a proxy, or proxies, duly appointed in writing, any request, demand, authorization, direction, notice, consent, waiver or other action provided in this Indenture to be made, given or taken by Holders, and a U.S. Depository that is a Holder of a global Security may provide its proxy or proxies to the beneficial owners of interests in any such global Security through such U.S. Depository's standing instructions and customary practices.

The Trustee shall fix a record date for the purpose of

determining the Persons who are beneficial owners of interest in any permanent global Security held by a U.S. Depository entitled under the procedures of such U.S. Depository to make, give or take, by a proxy or proxies duly appointed in writing, any request, demand, authorization, direction, notice, consent, waiver or other action provided in this Indenture to be made, given or taken by Holders. If such a record date is fixed, the Holders on such record date or their duly appointed proxy or proxies, and only such Persons, shall be entitled to make, give or take such request, demand, authorization, direction, notice, consent, waiver or other action, whether or not such Holders remain Holders after such record date. No such request, demand, authorization, direction, notice, consent, waiver or other

action shall be valid or effective if made, given or taken more than 90 days after such record date.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved in any reasonable manner which the Trustee deems sufficient and in accordance with such reasonable rules as the Trustee may determine; and the Trustee may in any instance require further proof with respect to any of the matters referred to in this Section 104.

(c) The ownership of Registered Securities and the principal amount and serial numbers of Registered Securities held by any Person, and the date of holding the same, shall be proved by the Security Register.

(d) The principal amount and serial numbers of Bearer Securities held by any Person, and the date of holding the same, may be proved by the production of such Bearer Securities or by a certificate executed, as depositary, by any trust company, bank, banker or other depositary reasonably acceptable to the Company, wherever situated, if such certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned such Person had on deposit with such depositary, or exhibited to it, the Bearer Securities therein described; or such facts may be proved by the certificate or affidavit of the Person holding such Bearer Securities, if such certificate or affidavit is deemed by the Trustee to the satisfactory. The Trustee and the Company may assume that such ownership of any Bearer Security continues until (1) another certificate or affidavit bearing a later date issued in respect of the same Bearer Security is produced, or (2)

such Bearer Security is produced to the Trustee by some other Person or (3) such Bearer Security is surrendered in exchange for a Registered Security, or (4) such Bearer Security is no longer Outstanding. The principal amount and serial numbers of Bearer Securities held by the Person so executing such instrument or writing and the date of holding the same may also be proved in any other manner which the Trustee deems sufficient.

(e) If the Company shall solicit from the Holders of any Registered Securities any request, demand, authorization, direction, notice, consent, waiver or other Act, the Company may, at its option, by Board Resolution, fix in advance a record date for the determination of Holders of Registered Securities entitled to give such request, demand, authorization, direction, notice, consent, waiver or other Act, but the Company shall have no obligation to do so. If such a record date is fixed, such request, demand, authorization, direction, notice, consent, waiver or other Act may be given before or after such record date, but only the Holders of Registered Securities of record at the close of business on such record date shall be deemed to be Holders for the purposes of determining whether Holders of the requisite proportion of Outstanding Securities have authorized or agreed or consented to such request, demand, authorization, direction, notice, consent, waiver or other

Act, and for that purpose the Outstanding Securities shall be computed as of such record date; provided that no such authorization, agreement or consent by the Holders of Registered Securities on such record date shall be deemed effective unless such authorization, agreement or consent shall be given no later than six months after the record date fixed pursuant to the provisions of this Section 104.

(f) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Security shall bind every future Holder of the same Security and the Holder of every Security issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done or suffered to be done by the Trustee, any Security Registrar, any Paying Agent or the Company in reliance thereon, whether or not notation of such action is made upon such Security.

SECTION 105. Notices, etc., to Trustee and Company.

Any request, demand, authorization, direction, notice, consent,

waiver or Act of Holders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with,

(1) the Trustee by any Holder or by the Company shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing to or with the Trustee at its Corporate Trust Office, or

(2) the Company by the Trustee or by any Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to the Company addressed to the attention of its Treasurer at the address of its principal office specified in the first paragraph of this instrument or at any other address previously furnished in writing to the Trustee by the Company.

SECTION 106. Notice to Holders of Securities; Waiver.

Except as otherwise expressly provided herein or in the form of Securities of any particular series pursuant to the provisions of this Indenture, where this Indenture provides for notice to Holders of Securities of any event,

(1) such notice shall be sufficiently given to Holders of Registered Securities if in writing and mailed, first-class postage prepaid, to each Holder of a Registered Security affected by such event, at his address as it appears in the Security Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such Notice; and

(2) such notice shall be sufficiently given to Holders of Bearer Securities, if any, if published in an Authorized Newspaper in The City of New York and, if the Securities of such

series are then listed on any stock exchange outside the United States, in an Authorized Newspaper in such city as the Company shall advise the Trustee that such stock exchange so requires, on a Business Day at least twice, the first such publication to be not earlier than the earliest date and not later than the latest date prescribed for the giving of such notice.

In any case where notice to Holders of Registered Securities is given by mail, neither the failure to mail such notice, nor any defect

in any notice so mailed, to any particular Holder of a Registered Security shall affect the sufficiency of such notice with respect to other Holders of Registered Securities or the sufficiency of any notice to Holders of Bearer Securities given as provided herein. Any notice which is mailed in the manner herein provided shall be conclusively presumed to have been duly given or provided. In the case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice by mail, then such notification as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder.

In case by reason of the suspension of publication of any Authorized Newspaper or Authorized Newspapers or by reason of any other cause it shall be impracticable to publish any notice to Holders of Bearer Securities as provided above, then such notification to Holders of Bearer Securities as shall be given with the approval of the Trustee shall constitute sufficient notice to such Holders for every purpose hereunder. Neither failure to give notice by publication to Holders of Bearer Securities as provided above, nor any defect in any notice so published, shall affect the sufficiency of any notice mailed to Holders of Registered Securities as provided above.

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

SECTION 107. Language of Notices.

Any request, demand, authorization, direction, notice, consent, election or waiver required or permitted under this Indenture shall be in the English language, except that, if the Company so elects, any published notice may be in an official language of the country of publication.

SECTION 108. Conflict with Trust Indenture Act.

If any provision hereof limits, qualifies or conflicts with another provision hereof which is required to be included in this

Indenture by any of the provisions of the Trust Indenture Act, such required provisions shall control.

SECTION 109. Effect of Headings and Table of Contents.

The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 110. Successors and Assigns.

All covenants and agreements in this Indenture by the Company shall bind its successors and assigns, whether so expressed or not.

SECTION 111. Separability Clause.

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

SECTION 112. Benefits of Indenture.

Nothing in this Indenture or in the Securities or coupons, express or implied, shall give to any Person, other than the parties hereto, any Security Registrar, any Paying Agent and their successors hereunder and the Holders of Securities or coupons, any benefit or any legal or equitable right, remedy or claim under this Indenture.

SECTION 113. Governing Law.

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

SECTION 114. Legal Holidays.

In any case where any Interest Payment Date, Redemption Date or Stated Maturity of any Security shall not be a Business Day at any Place of Payment, then (notwithstanding any other provision of this Indenture or the Securities or coupons other than a provision in the Securities which specifically states that such provision shall apply in lieu of this Section 114) payment of interest or principal (and premium, if any) need not be made at such Place of Payment on such date, but may be made on the next succeeding Business Day at such Place of Payment with the same force and effect as if made on the Interest Payment Date or Redemption Date, or at the Stated Maturity, and no interest shall accrue on the amount so payable for the period from and after such Interest Payment Date, Redemption Date or Stated Maturity, as the case may be.

ARTICLE TWO

SECTION 201. Forms Generally.

The Registered Securities, if any, of each series and the Bearer Securities, if any, of each series and related coupons, if any, and temporary global Securities, if any, shall be in the form established by or pursuant to a Board Resolution or in one or more indentures supplemental hereto, shall have appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture or any indenture supplemental hereto and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may, consistently herewith, be determined by the officers of the Company executing such Securities, as evidenced by their execution of such Securities.

Unless otherwise provided as contemplated by Section 301 with respect to any series of Securities, the Securities of each series shall be issuable in registered form without coupons. If so provided as contemplated by Section 301, the Securities of a series also shall be issuable in bearer form, with or without interest coupons attached.

The definitive Securities and coupons shall be printed, lithographed or engraved or produced by any combination of these methods on a steel engraved border or steel engraved borders or may be produced in any other manner, all as determined by the officers of the Company executing such Securities, as evidenced by their execution of such Securities or coupons.

SECTION 202. Form of Trustee's Certificate of Authentication.

The Trustee's certificate of authentication on all Securities shall be in substantially the following form:

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

[Trustee], as Trustee

By _____
Authorized Officer

SECTION 203. Securities in Global Form.

If Securities of a series are issuable in global form, any such Security may provide that it shall represent the aggregate amount of Outstanding Securities from time to time endorsed thereon and may also provide that the aggregate amount of Outstanding Securities represented thereby may from time to time be reduced to reflect exchanges. Any endorsement of a Security in global form to reflect the amount, or any increase or decrease in the amount or changes in the rights of Holders of Outstanding Securities represented thereby shall be made in such manner and by such Person or Persons as shall be

specified therein. Any instructions by the Company with respect to a Security in global form shall be in writing but need not comply with Section 102.

ARTICLE THREE
THE SECURITIES

SECTION 301. Amount Unlimited; Issuable in Series.

The aggregate principal amount of Securities which may be authenticated and delivered under this Indenture is unlimited. The Securities shall be subordinated in right of payment to the Senior Indebtedness of the Company to the extent and in the manner set forth in Article Thirteen (as the provisions of such Article may be revised pursuant to Section 301(17)).

The Securities shall rank equally and pari passu and may be issued in one or more series. There shall be established in or pursuant to a Board Resolution, and set forth in an Officers' Certificate, or established in one or more indentures supplemental hereto:

(1) the title of the Securities and the series in which such Securities shall be included;

(2) any limit upon the aggregate principal amount of the Securities of such title or the Securities of such series which may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration or transfer of, or in exchange for, or in lieu of, other Securities of the series

pursuant to Section 304, 305, 306, 906 or 1107);

(3) whether Securities of the series are to be issuable as Registered Securities, Bearer Securities (with or without coupons) or both; any restrictions applicable to the offer, sale or delivery of Bearer Securities and the terms upon which Bearer Securities of the series may be exchanged for Registered Securities of the series and vice versa; and whether any Securities of the series are to be issuable initially in global form and, if so, (i) whether beneficial owners of interests in any such global Security may exchange such interest for Securities of such series and of like tenor of any authorized form and denomination and the circumstances under which any such exchanges may occur, if other than in the manner specified in Section 305 and (ii) the name of the depository or the U.S. Depository, as the case may be, with respect to any global Security;

(4) the date as of which any Bearer Securities of the series and any temporary global Security representing Outstanding Securities of the series shall be dated if other than the date of original issuance of the first Security of the series to be issued;

(5) if Securities of the series are to be issuable as Bearer Securities, whether interest in respect of any portion of a temporary Bearer Security in global form (representing all of the Outstanding Bearer Securities of the series) payable in respect of an Interest Payment Date prior to the exchange of such temporary Bearer Security for definitive Securities of the series shall be paid to any clearing organization with respect to the portion of such temporary Bearer Security held for its account and, in such event, the terms and conditions (including any certification requirements) upon which any such interest payment received by a clearing organization will be credited to the Persons entitled to interest payable on such Interest Payment Date;

(6) the date or dates on which the principal of such Securities is payable;

(7) the rate or rates at which such Securities shall bear interest, if any, or method in which such rate or rates are determined, the date or dates from which such interest shall accrue, the Interest Payment Dates on which such interest shall be payable and

the Regular Record Date for the interest payable on Registered Securities on any Interest Payment Date, and the basis upon which interest shall be calculated if other than that of a 360-day year of twelve 30-day months;

(8) the place or places, if any, in addition to or other than the Borough of Manhattan, The City of New York and the City of Detroit, Michigan, where the principal of (and premium, if any) and interest on such Securities shall be payable;

(9) the period or periods within which, the price or prices at which and the terms and conditions upon which such Securities may be redeemed, in whole or in part, at the option of the Company;

(10) the obligation, if any, of the Company to redeem or purchase such Securities pursuant to any sinking fund or at the option of a Holder thereof and the period or periods within which, the price or prices at which and the terms and conditions upon which such Securities shall be redeemed or purchased, in whole or in part, pursuant to such obligation, and any provisions for the remarketing of such Securities;

(11) the denominations in which Registered Securities of the series, if any, shall be issuable if other than denominations of $1,000 and any integral multiple thereof, and the denominations in which Bearer Securities of the series, if any, shall be issuable if other than the denomination of $5,000;

(12) if other than the principal amount thereof, the portion of the principal amount of such Securities which shall be payable upon declaration of acceleration of the Maturity thereof pursuant to Section 502;

(13) if other than such coin or currency of the United States of America as at the time of payment is legal tender for payment of public or private debts, the coin or currency, including composite currencies, in which payment of the principal of (and premium, if any) or interest, if any, on such Securities shall be payable;

(14) if the principal of (and premium, if any) or interest, if any, on such Securities are to be payable, at the election of the Company or a Holder thereof, in a coin or currency, including composite currencies, other than that in which the Securities are

stated to be payable, the period or periods within which, and the terms and conditions upon which, such election may be made;

(15) if the amount of payments of principal of (and premium, if any) or interest, if any, on such 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 Securities are stated to be payable, the manner in which such amounts shall be determined;

(16) if the Securities of such series are to be issuable in definitive form (whether upon original issue or upon exchange of a temporary Security of such series) only upon receipt of certain certificates or other documents or satisfaction of other conditions, then the form and terms of such certificates, documents or conditions;

(17) any provisions in modification of, in addition to or in lieu of the provisions of Article Thirteen (or the definition of the term "Senior Indebtedness" contained in Section 101 or any other term used in such definition or in Article Thirteen) that shall be applicable to the Securities of such series;

(18) any provisions in modification of, in addition to or in lieu of the provisions of Article Fifteen for the conversion of Securities of the series into or for another security or securities of the Company, including the security or securities into which, the period or periods within which, the price or prices, including any adjustments thereto, at which and other terms and conditions upon which any Securities of the series shall be converted;

(19) any additions to the covenants of the Company for the benefit of the Holders of Securities of such series; and

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

All Securities of any one series and coupons appertaining to Bearer Securities of such series, if any, shall be substantially identical except as to denomination and the rate or rates of interest, if any, and Stated Maturity, the date from which interest, if any, shall accrue and except as may otherwise be provided in or pursuant to such Board Resolution and set forth in such Officers' Certificate or in any such indenture supplemental hereto. All Securities of any one

series need not be issued at the same time and, unless otherwise provided, a series may be reopened for issuances of additional Securities of such series.

If any of the terms of the Securities of any series were established by action taken pursuant to a Board Resolution, a copy of an appropriate record of such action shall be certified by the Secretary or an Assistant Secretary of the Company and delivered to the Trustee at or prior to the delivery of the Officers' Certificate setting forth the terms of such series.

SECTION 302. Denominations.

Unless other denominations and amounts may from time to time be fixed by or pursuant to a Board Resolution, the Registered Securities of each series, if any, shall be issuable in registered form without coupons in denominations of $1,000 and any integral multiple thereof, and the Bearer Securities of each series, if any, shall be issuable in the denomination of $5,000, or in such other denominations and amounts as may from time to time be fixed by or pursuant to a Board Resolution.

SECTION 303. Execution, Authentication, Delivery and Dating.

The Securities shall be executed on behalf of the Company by its Chairman of the Board, Vice Chairman of the Board, President, Vice President serving as Chief Financial Officer or its Treasurer under its corporate seal reproduced thereon and attested by its Secretary or one of its Assistant Secretaries. The signature of any of these officers on the Securities may be manual or facsimile. Coupons shall bear the facsimile signature of the Treasurer or any Assistant Treasurer of the Company.

Securities and coupons bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Company shall bind the Company, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Securities or did not hold such offices at the date of such Securities.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities of any series, together with any coupons appertaining thereto, executed by the Company to the Trustee for authentication, together with the Board Resolution and Officers' Certificate or supplemental indenture with respect to such Securities referred to in Section 301 and a Company Order for the authentication and delivery of such Securities, and the Trustee in accordance with the Company Order and subject to the provisions hereof shall authenticate and deliver such Securities. In authenticating such Securities, and accepting the additional responsibilities under this Indenture in relation to such Securities,

the Trustee shall be entitled to receive, and (subject to Section 601)

shall be fully protected in relying upon, an Opinion of Counsel stating, to the effect that

(a) the form and terms of such Securities and coupons, if any, have been established in conformity with the provisions of this Indenture;

(b) all necessary corporate action for the issuance and delivery of such Securities together with the coupons, if any, appertaining thereto, has been taken and that such Securities, and coupons, when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute legally valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally, and subject to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law); such Opinion of Counsel need express no opinion as to the availability of equitable remedies; and

(c) as to such other matters as the Trustee may reasonably request.

The Trustee shall not be required to authenticate such Securities if the issue of such Securities pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under the Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee or if the Trustee, being advised by counsel, determines that such action may not lawfully be taken.

Each Registered Security shall be dated the date of its authentication. Each Bearer Security and any temporary Bearer Security in global form shall be dated as of the date specified as contemplated by Section 301.

No Security or coupon appertaining thereto shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose, unless there appears on such Security a certificate of authentication substantially in the form provided for in Section 202

or 614 executed by or on behalf of the Trustee by the manual signature of one of its authorized officers, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder. Except as permitted by Section 305 or 306, the Trustee shall not authenticate and deliver any Bearer Security unless all appurtenant coupons for interest then matured have been detached and cancelled.

SECTION 304. Temporary Securities.

Pending the preparation of definitive Securities of any series, the Company may execute and deliver to the Trustee, and upon Company Order the Trustee shall authenticate and deliver, in the manner provided in Section 303, temporary Securities of such series which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities in lieu of which they are issued, in registered form, or, if authorized, in bearer form with one or more coupons or without coupons and with such appropriate insertions, omissions, substitutions and other variations as the officers of the Company executing such Securities may determine, as evidenced by their execution of such Securities. In the case of Bearer Securities of any series, such temporary Securities may be in global form, representing all of the Outstanding Bearer Securities of such series.

Except in the case of temporary Securities in global form, which shall be exchanged in accordance with the provisions thereof, if temporary Securities of any series are issued, the Company will cause definitive Securities of that series to be prepared without unreasonable delay. After the preparation of definitive Securities, the temporary Securities of such series shall be exchangeable upon request for definitive Securities of such series containing identical terms and provisions upon surrender of the temporary Securities of such series at an office or agency of the Company maintained for such purpose pursuant to Section 1002, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Securities of any series (accompanied by any unmatured coupons appertaining thereto), the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of definitive Securities of authorized denominations of the same series containing identical terms and provisions; provided, however, that no definitive

Bearer Security, except as provided pursuant to Section 301, shall be delivered in exchange for a temporary Registered Security; and provided, further, that a definitive Bearer Security shall be delivered in exchange for a temporary Bearer Security only in compliance with the conditions set forth therein. Unless otherwise specified as contemplated by Section 301 with respect to a temporary global Security, until so exchanged the temporary Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of such series.

SECTION 305. Registration, Transfer and Exchange.

With respect to the Registered Securities of each series, if any, the Company shall cause to be kept, at an office or agency of the Company maintained pursuant to Section 1002, a register (herein sometimes referred to as the "Security Register") in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of the Registered Securities of each series and of transfers of the Registered Securities of each series. In the event that the Trustee shall not be the Security Registrar, it

shall have the right to examine the Security Register at all reasonable times.

Upon surrender for registration of transfer of any Registered Security of any series at any office or agency of the Company maintained for that series pursuant to Section 1002, the Company shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Registered Securities of the same series of any authorized denominations, of a like aggregate principal amount bearing a number not contemporaneously outstanding and containing identical terms and provisions.

At the option of the Holder, Registered Securities of any series may be exchanged for other Registered Securities of the same series containing identical terms and provisions, in any authorized denominations, and of a like aggregate principal amount, upon surrender of the Securities to be exchanged at any such office or agency. Whenever any Registered Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Registered Securities which the Holder

making the exchange is entitled to receive.

If so provided with respect to Securities of a series, at the option of the Holder, Bearer Securities of any such series may be exchanged for Registered Securities of the same series containing identical terms and provisions, of any authorized denominations and aggregate principal amount, upon surrender of the Bearer Securities to be exchanged at any such office or agency, with all unmatured coupons and all matured coupons in default thereto appertaining. If the Holder of a Bearer Security is unable to produce any such unmatured coupon or coupons or matured coupon or coupons in default, such exchange may be effected if the Bearer Securities are accompanied by payment in funds acceptable to the Company and the Trustee in an amount equal to the face amount of such missing coupon or coupons, or the surrender of such missing coupon or coupons may be waived by the Company and the Trustee if there is furnished to them such security or indemnity as they may require to save each of them and any Paying Agent harmless. If thereafter the Holder of such Security shall surrender to any Paying Agent any such missing coupon in respect of which such a payment shall have been made, such Holder shall be entitled to receive the amount of such payment; provided, however, that, except as otherwise provided in Section 1002, interest represented by coupons shall be payable only upon presentation and surrender of those coupons at an office or agency located outside the United States. Notwithstanding the foregoing, in case a Bearer Security of any series is surrendered at any such office or agency in exchange for a Registered Security of the same series and like tenor after the close of business at such office or agency on (i) any Regular Record Date and before the opening of business at such office or agency on the relevant Interest Payment Date, or (ii) any Special Record Date and before the opening of business at such office or

agency on the related date for payment of Defaulted Interest, such Bearer Security shall be surrendered without the coupon relating to such Interest Payment Date or proposed date of payment, as the case may be (or, if such coupon is so surrendered with such Bearer Security, such coupon shall be returned to the person so surrendering the Bearer Security), and interest or Defaulted Interest, as the case may be, will not be payable on such Interest Payment Date or proposed date for payment, as the case may be, in respect of the Registered Security issued in exchange for such Bearer Security, but will be payable only to the Holder of such coupon when due in accordance with the provisions of this Indenture.

If expressly provided with respect to the Securities of any series, at the option of the Holder, Registered Securities of such series may be exchanged for Bearer Securities upon such terms and conditions as may be provided with respect to such series.

Whenever any Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Securities which the Holder making the exchange is entitled to receive.

Notwithstanding the foregoing, except as otherwise specified as contemplated by Section 301, any global Security shall be exchangeable only if (i) the Depository is at any time unwilling or unable to continue as Depository and a successor depository is not appointed by the Company within 60 days, (ii) the Company executes and delivers to the Trustee a Company Order to the effect that such global Security shall be so exchangeable, or (iii) an Event of Default has occurred and is continuing with respect to the Securities. If the beneficial owners of interests in a global Security are entitled to exchange such interests for Securities of such series and of like tenor and principal amount of any authorized form and denomination, as specified as contemplated by Section 301, then without unnecessary delay but in any event not later than the earliest date on which such interests may be so exchanged, the Company shall deliver to the Trustee definitive Securities of that series in aggregate principal amount equal to the principal amount of such global Security, executed by the Company. On or after the earliest date on which such Interests may be so exchanged, such global Securities shall be surrendered from time to time by the U.S. Depository or such other depository as shall be specified in the Company Order with respect thereto, and in accordance with instructions given to the Trustee and the U.S. Depository or such depository, as the case may be (which instructions shall be in writing but need not comply with Section 102 or be accompanied by an Opinion of Counsel), as shall be specified in the Company Order with respect thereto to the Trustee, as the Company's agent for such purpose, to be exchanged, in whole or in part, for definitive Securities of the same series without charge. The Trustee shall authenticate and make available for delivery, in exchange for each portion of such surrendered global Security, a like aggregate principal amount of definitive Securities of the same series of authorized denominations

and of like tenor as the portion of such global Security to be

exchanged which (unless the Securities of the series are not issuable both as Bearer Securities and as Registered Securities, in which case the definitive Securities exchanged for the global Security shall be issuable only in the form in which the Securities are issuable, as specified as contemplated by Section 301) shall be in the form of Bearer Securities or Registered Securities, or any combination thereof, as shall be specified by the beneficial owner thereof; provided, however, that no such exchanges may occur during a period beginning at the opening of business 15 days before any selection of Securities of that series to be redeemed and ending on the relevant Redemption Date; and provided, further, that (unless other-wise specified as contemplated by Section 301) no Bearer Security delivered in exchange for a portion of a global Security shall be mailed or otherwise delivered to any location in the United States. Promptly following any such exchange in part, such global Security shall be returned by the Trustee to such depository or the U.S. Depository, as the case may be, or such other depository or U.S. Depository referred to above in accordance with the instructions of the Company referred to above. If a Registered Security is issued in exchange for any portion of a global Security after the close of business at the office or agency where such exchange occurs on (i) any Regular Record Date and before the opening of business at such office or agency on the relevant Interest Payment Date, or (ii) any Special Record Date and before the opening of business at such office or agency on the related proposed date for payment of interest or Defaulted Interest, as the case may be, interest will not be payable on such Interest Payment Date or proposed date for payment, as the case may be, in respect of such Registered Security, but will be payable on such Interest Payment Date or proposed date for payment, as the case may be, only to the Person to whom interest in respect of such portion of such global Security is payable in accordance with the provisions of this Indenture.

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

Every Registered Security presented or surrendered for registration of transfer or for exchange or redemption shall (if so required by the Company or the Security Registrar for such series of Security presented) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company and such Security Registrar duly executed by the Holder thereof or his attorney duly authorized in writing.

No service charge shall be made for any registration of transfer or exchange, or redemption of Securities, 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 Securities, other than exchanges pursuant to Section 304, 906 or 1107 not involving any transfer.

The Company shall not be required (i) to issue, register the transfer of or exchange any Securities of any series during a period beginning at the opening of business 15 days before the day of the selection for redemption of Securities of that series under Section 1103 and ending at the close of business on the day of such selection, or (ii) to register the transfer of or exchange any Registered Security so selected for redemption in whole or in part, except in the case of any Security to be redeemed in part, the portion thereof not to be redeemed, or (iii) to exchange any Bearer Security so selected for redemption except, to the extent provided with respect to Securities of a series, that such a Bearer Security may be exchanged for a Registered Security of that series, provided that such Registered Security shall be immediately surrendered for redemption with written instruction for payment consistent with the provisions of this Indenture.

SECTION 306. Mutilated, Destroyed, Lost and Stolen Securities.

If any mutilated Security or a Security with a mutilated coupon appertaining to it is surrendered to the Trustee, the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a new Security of the same series containing identical terms and of like principal amount and bearing a number not contemporaneously outstanding, with coupons corresponding to the coupons, if any, appertaining to the surrendered Security.

Upon delivery to the Company and to the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Security or coupon, and (ii) such security or indemnity as may be required by them to save each of them and any agent of either of them harmless, then, in the absence of notice to the Company or the Trustee that such Security or coupon has been acquired by a bona fide purchaser, the Company shall execute and upon its request the Trustee shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Security or in exchange for the Security to which a destroyed, lost or stolen coupon appertains with all appurtenant coupons not destroyed, lost or stolen, a new Security of the same series containing identical terms and of like principal amount and bearing a number not contemporaneously outstanding, with

coupons corresponding to the coupons, if any, appertaining to such destroyed, lost or stolen Security or to the Security to which such destroyed, lost or stolen coupon appertains.

In case any such mutilated, destroyed, lost or stolen Security or coupon has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Security, pay such Security or coupon; provided, however, that payment of principal of (and premium, if any) and any interest on Bearer Securities shall, except as otherwise provided in Section 1002, be payable only at an

office or agency located outside the United States and, unless otherwise specified as contemplated by Section 301, any interest on Bearer Securities shall be payable only upon presentation and surrender of the coupons appertaining thereto.

Upon the issuance of any new Security under this Section 306, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Security of any series, with its coupons, if any, issued pursuant to this Section 306 in lieu of any destroyed, lost or stolen Security and its coupons, if any, or the destroyed, lost or stolen coupon shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of that series and their coupons, if any, duly issued hereunder.

The provisions of this Section 306 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities or coupons.

SECTION 307. Payment of Interest; Interest Rights Preserved.

Interest on any Security which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall, if so provided in such Security, be paid, in the case of Registered Securities, to the Person in whose name that Security (or one or more Predecessor Securities) is registered as of the close of business on the Regular Record Date for such interest and, in the case of Bearer

Securities, upon surrender of the coupon appertaining thereto in respect of the interest due on such Interest Payment Date. In case a Bearer Security of any series is surrendered in exchange for a Registered Security of such series after the close of business (at an office or agency in a Place of Payment for such series) on any Regular Record Date and before the opening of business (at such office or agency) on the next succeeding Interest Payment Date, such Bearer Security shall be surrendered without the coupon relating to such Interest Payment Date and interest will not be payable on such Interest Payment Date in respect of the Registered Security issued in exchange of such Bearer Security, but will be payable only to the Holder of such coupon when due in accordance with the provisions of this Indenture.

Any interest on any Registered Security of any series which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date for such Registered Security (herein called "Defaulted Interest") shall forthwith cease to be payable to the Holder on the relevant Regular Record Date by virtue of having been

such Holder; and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in Clause (1) or (2) below:

(1) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names the Registered Securities affected (or their respective Predecessor Securities) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each such Registered Security and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this Clause provided. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the

notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder of such Registered Securities at his address as it appears in the Security Register not less than 10 days prior to such Special Record Date. The Trustee may, in its discretion, in the name and at the expense of the Company, cause a similar notice to be published at least once in a newspaper, customarily published in the English language on each Business Day and of general circulation in the Borough of Manhattan, The City of New York, but such publication shall not be a condition precedent to the establishment of such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the Persons in whose names such Registered Securities (or their respective Predecessor Securities) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following Clause (2).

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

At the option of the Company, interest on Registered Securities of any series that bear interest may be paid by mailing a check to the address of the person entitled thereto as such address shall appear in the Security Register.

In the case of any Security that is converted after the close of business on any Regular Record Date and on or prior to the next succeeding Interest Payment Date (other than any Security whose Maturity is prior to such Interest Payment Date), interest whose Stated Maturity is on such Interest Payment Date shall be payable on such Interest Payment Date notwithstanding such conversion (and consequent cancellation pursuant to Section 309) or, subject to the

proviso below and the provisions of Section 1105, any call of such Security for redemption, and such interest (whether or not punctually paid or duly provided for) shall be paid to the Person in whose name the Security (or one or more Predecessor Securities) is registered at the close of business on such Regular Record Date; provided, however, that Securities so surrendered for conversion shall (except in the case of Securities or portions thereof which have been called for redemption on a Redemption Date that is prior to such Interest Payment Date) be accompanied by payment in New York Clearing House funds or other funds acceptable to the Company of an amount equal to the interest payable on such Interest Payment Date on the principal amount being surrendered for conversion. Except as otherwise expressly provided in the immediately preceding sentence, in the case of any Security which is converted, interest whose Stated Maturity is after the date of conversion of such Security shall not be payable.

Subject to the foregoing provisions of this Section 307 and Section 305, each Security delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Security shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Security.

SECTION 308. Persons Deemed Owners.

Prior to due presentment of a Registered Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name such Registered Security is registered as the owner of such Registered Security for the purpose of receiving payment of principal of (and premium, if any), and (subject to Sections 305 and 307) interest on such Registered Security and for all other purposes whatsoever, whether or not such Registered Security be overdue, and neither the Company, the Trustee nor any agent of the Company or the Trustee shall be affected by notice to the contrary.

The Company, the Trustee and any agent of the Company or the Trustee may treat the bearer of any Bearer Security and the bearer of any coupon as the absolute owner of such Security or coupon for the purpose of receiving payment thereof or on account thereof and for all other purposes whatsoever, whether or not such Security or coupon be

overdue, and neither the Company, the Trustee nor any agent of the Company or the Trustee shall be affected by notice to the contrary.

SECTION 309. Cancellation.

All Securities and coupons surrendered for payment, redemption, conversion, registration of transfer or exchange or for credit against any sinking fund payment shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee, and any such Securities and coupons and Securities and coupons surrendered directly to the Trustee for any such purpose shall be promptly cancelled by it. The Company may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and all Securities so delivered shall be promptly canceled by the Trustee. No Securities shall be authenticated in lieu of or in exchange for any Securities cancelled as provided in this Section 309, except as expressly permitted by this Indenture. All cancelled Securities and coupons held by the Trustee shall be destroyed by it unless by a Company Order the Company directs their return to it.

SECTION 310. Computation of Interest.

Except as otherwise specified as contemplated by Section 301 for Securities of any series, interest on the Securities of each series shall be computed on the basis of a 360-day year of twelve 30-day months.

ARTICLE FOUR
SATISFACTION AND DISCHARGE

SECTION 401. Satisfaction and Discharge of Indenture.

Upon the direction of the Company by a Company Order, this Indenture shall cease to be of further effect (except as to any surviving rights of registration of transfer or exchange of Securities herein expressly provided for), and the Trustee, on demand of and at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when

(1) either

(A) all Securities theretofore authenticated and delivered and all coupons appertaining thereto (other than (i) coupons appertaining to Bearer Securities surrendered for exchange for Registered Securities and maturing after such exchange, whose surrender is not required or has been waived as provided in Section 305, (ii) Securities and coupons which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 306, (iii) coupons appertaining to Securities called for redemption and maturing after the relevant Redemption Date, whose surrender

has been waived as provided in Section 1107, and (iv) Securities and coupons for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in Section 1003) have been delivered to the Trustee for cancellation; or

(B) all such Securities and, in the case of (i) or (ii) below, any such coupons appertaining thereto not theretofore delivered to the Trustee for cancellation

(i) have become due and payable, or

(ii) will become due and payable at their Stated Maturity within one year, or

(iii) if redeemable at the option of the Company, are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company,

and the Company, in the case of (i), (ii) or (iii) above, has deposited or caused to be deposited with the Trustee as trust funds in trust for the purpose, lawful money of the United States, U.S. Government Obligations which through the payment of interest and principal in respect thereof in accordance with their terms will provide not later than the opening of business on the due dates of any payment of principal (and premium, if any) and interest, or a combination thereof, in an amount sufficient to pay and discharge the entire indebtedness on such Securities and coupons not theretofore delivered to the Trustee for cancellation, for principal (and premium, if any) and interest, to the date of such deposit (in the case of Securities which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be;

(2) the Company has paid or caused to be paid all other sums payable hereunder by the Company; and

(3) the Company has delivered to the Trustee an Officers'

Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been complied with.

In the event there are Securities of two or more series hereunder, the Trustee shall be required to execute an instrument acknowledging satisfaction and discharge of this Indenture only if requested to do so with respect to Securities of all series as to which it is Trustee and if the other conditions thereto are met. In

the event there are two or more Trustees hereunder, then the effectiveness of any such instrument shall be conditioned upon receipt of such instruments from all Trustees hereunder.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee under Section 607 and, if money shall have been deposited with the Trustee pursuant to subclause (B) of Clause (1) of this Section 401, the obligations of the Trustee under Section 402 and the last paragraph of Section 1003 shall survive.

SECTION 402. Application of Trust Money.

Subject to the provisions of Section 1302, Section 1303 and the last paragraph of Section 1003, all money deposited with the Trustee pursuant to Section 401 shall be held in trust and applied by it, in accordance with the provisions of the Securities, the coupons and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal (and premium, if any) and any interest for whose payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required by law.

SECTION 403. Satisfaction, Discharge and Defeasance of Securities of Any Series.

The Company shall be deemed to have paid and discharged the entire indebtedness on all the Outstanding Securities of any series and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of such indebtedness, when

(1) either

(A) with respect to all Outstanding Securities of such series,

(i) the Company has deposited or caused to be deposited with the Trustee, as trust funds in trust for such purpose, an amount sufficient to pay and discharge the entire indebtedness on all Outstanding Securities of such series for principal (and premium, if any) and interest to the Stated Maturity or any Redemption Date as contemplated by the penultimate paragraph of this Section 403, as the case may be; or

(ii) with respect to any series of Securities which are denominated in Dollars, the Company has deposited or caused to be deposited with the Trustee, as obligations in trust for such purpose, such amount of U.S. Government Obligations as will, together with

the income to accrue thereon without consideration of any reinvestment thereof, be sufficient to pay and discharge the entire indebtedness on all Outstanding Securities of such series for principal (and premium, if any) and interest to the Stated Maturity or any Redemption Date as contemplated by the penultimate paragraph of this Section 403; or

(B) the Company has properly fulfilled such other means of satisfaction and discharge as is specified, as contemplated by Section 301, to be applicable to the Securities of such series; and

(2) the Company has paid or caused to be paid all other sums payable hereunder with respect to the Outstanding Securities of such series; and

(3) the Company has delivered to the Trustee a certificate signed by a nationally recognized firm of independent public accountants (who may be the independent public accountants regularly retained by the Company or who may be other independent public accountants) certifying as to the sufficiency of the

amounts deposited pursuant to Subsections (A) (i) or (ii) of this Section 403 for payment of the principal (and premium, if any) and interest on the dates such payments are due, an Officers' Certificate and an Opinion of Counsel, each such Certificate and Opinion stating that all conditions precedent herein provided for relating to the satisfaction and discharge of the entire indebtedness on all Outstanding Securities of any such series have been complied with; and

(4) the Company has delivered to the Trustee

(A) an opinion of independent counsel that the holders of the Securities of such series will have no federal income tax consequences as a result of such deposit and termination; and

(B) if the Securities of such series are then listed on the New York Stock Exchange, an opinion of counsel that the Securities of such series will not be delisted as a result of the exercise of this option.

Any deposits with the Trustee referred to in Section 403(1) (A) above shall be irrevocable and shall be made under the terms of an escrow trust agreement in form and substance satisfactory to the Trustee. If any Outstanding Securities of such series are to be redeemed prior to their Stated Maturity, whether pursuant to any optional redemption provisions or in accordance with any mandatory sinking fund requirement, the Company shall make such arrangements as are satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company.

Upon the satisfaction of the conditions set forth in this Section 403 with respect to all the Outstanding Securities of any series, the terms and conditions of such series, including the terms and conditions with respect thereto set forth in this Indenture, other than the provisions of Sections 305, 306, and 1002 and other than the right of Holders of Securities of such series to receive, from the trust fund described in this Section 403, payment of the principal (and premium, if any) of, the interest on such Securities when such payments are due, and the rights, powers, duties and immunities of the Trustee hereunder, shall no longer be binding upon, or applicable to, the Company; provided that the Company shall not be discharged from any payment obligations in respect of Securities of such series which

are deemed not be Outstanding under clause (iii) of the definition thereof if such obligations continue to be valid obligations of the Company under applicable law.

ARTICLE FIVE
REMEDIES

SECTION 501. Events of Default.

"Event of Default," wherever used herein with respect to Securities of any series, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or be effected by operation of law pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(1) A default in the payment of any interest upon any Security of that series when such interest becomes due and payable, and continuance of such default for a period of 30 days; or

(2) default in the payment of the principal of (and premium, if any, on) any Security of that series when it becomes due and payable at Maturity; or

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

(4) default in the performance, or breach, of any covenant or warranty of the Company in this Indenture or as specified in relation to the Securities of such series pursuant to Section 301 (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section 501 specifically dealt with or which has been expressly included in this Indenture solely for the benefit of series of Securities other than that series), and continuance of such default or breach for a period of 90 days after there has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25 percent in principal amount of the Outstanding Securities of that series a written notice

specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default"

hereinunder; or

(5) a default in the payment of principal of or interest on any other obligation for borrowed money of the Company (including a default under any other series of Securities) beyond any period of grace with respect thereto if (i) the aggregate principal amount of any such obligation is in excess of $10,000,000 (or in the case of any such obligation in which the amount payable upon acceleration is less than the amount payable at stated maturity, the amount then payable upon acceleration is in excess of $10,000,000), (ii) the default in such payment is not being contested by the Company in good faith and by appropriate proceedings, and (iii) the default in such payment has not been cured or waived prior to the notice in writing to the Company given pursuant to Section 502; provided, however, that subject to the provisions of Section 601, the Trustee shall not be charged with knowledge of any such event of default unless either (i) a Responsible Officer of the Trustee assigned to its corporate trust department shall, as such officer, have actual knowledge of such default or (ii) written notice thereof shall have been given to the Trustee by the Company, by the holder or an agent of the holder of any such indebtedness, by the trustee then acting under any indenture or other instrument under which such default shall have occurred, or by the Holders of not less than 25 percent in aggregate principal amount of Outstanding Securities of any series; or

(6) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or (B) a decree or order adjudging the Company a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company under any applicable Federal or State law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 120 consecutive days; or

(7) the commencement by the Company of a voluntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by it to the entry of a decree or order for relief in respect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency,

reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable Federal or State law, or the consent by it to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or similar official of the Company or of any substantial part of its property, or the making of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by the Company in furtherance of any such action; or

(8) any other Event of Default provided with respect to Securities of that series.

SECTION 502. Acceleration of Maturity; Rescission and Annulment.

If an Event of Default specified in Section 501(6) or (7) occurs, all unpaid principal of, premium, if any, and accrued interest on the Securities of any series at the time Outstanding shall ipso facto become and shall be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder, and if any other Event of Default with respect to Securities of any series occurs and is continuing, then the Trustee or the Holders of not less than 25 percent in principal amount of the Outstanding Securities of that series may declare the principal of all the Securities of that series, or such lesser amount as may be provided for in the Securities of that series, to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by the Holders), and upon any such declaration such principal or such lesser amount shall become immediately due and payable.

At any time after such a declaration of acceleration with respect to Securities of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Holders of a majority in principal amount of the Outstanding Securities of that series, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if

(1) the Company has paid or deposited with the Trustee a sum

sufficient to pay

(A) all overdue installments of interest on all Securities of that series,

(B) the principal of (and premium, if any, on) any Securities of that series which have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates borne by or provided for in such Securities,

(C) to the extent that payment of such interest is lawful, interest upon overdue installments of interest at the rate or rates borne by or provided for in such Securities, and

(D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and

(2) all Events of Default with respect to Securities of that series, other than the non-payment of the principal of Securities of that series which has become due solely by such declaration of acceleration, have been cured or waived as provided in Section 513.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

SECTION 503. Collection of Indebtedness and Suits for Enforcement by Trustee.

The Company covenants that if

(1) default is made in the payment of any installment of interest on any Security when such interest shall have become due and payable and such default continues for a period of 30 days, or

(2) default is made in the payment of the principal of (or premium, if any, on) any Security at its Maturity,

the Company will, upon demand of the Trustee, pay to it, for the

benefit of the Holders of such Securities and coupons, the whole amount then due and payable on such Securities and coupons for principal (and premium, if any) and interest, with interest upon the overdue principal (and premium, if any) and, to the extent that payment of such interest shall be legally enforceable, upon overdue installments of interest, at the rate or rates borne by or provided for in such Securities, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

If the Company fails to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, and may prosecute such proceeding to judgment or final decree, and may enforce the same against the Company or any other obligor upon such Securities and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Company or any other obligor upon such Securities, wherever situated.

If an Event of Default with respect to Securities of any series occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders of Securities of such series and any related coupons by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

SECTION 504. Trustee May File Proofs of Claim.

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Company or any other obligor upon the Securities or the property of the Company or of such other obligor or their creditors, the Trustee (irrespective of whether the principal of the Securities shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Company for the payment of overdue principal or interest) shall be entitled and empowered, by intervention in such proceeding or

otherwise,

(i) to file and prove a claim for the whole amount or such lesser amount as may be provided for in the Securities of that series, of principal (and premium, if any) and interest owing and unpaid in respect of the Securities and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents or counsel) and of the Holders allowed in such judicial proceeding, and

(ii) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any receiver, assignee, trustee, liquidator, sequestrator (or other similar official) in any such judicial proceeding is hereby authorized by each Holder of Securities and coupons to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders of Securities and coupons, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel and any other amounts due the Trustee under Section 607.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder of a Security or coupon any plan of reorganization, arrangement, adjustment or composition affecting the Securities or coupons or the

rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder of a Security or coupon in any such proceeding.

SECTION 505. Trustee May Enforce Claims without Possession of Securities or Coupons.

All rights of action and claims under this Indenture or any of the Securities or coupons may be prosecuted and enforced by the Trustee without the possession of any of the Securities or coupons or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own

name as trustee of an express trust, and any recovery or judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Securities and coupons in respect of which such judgment has been recovered.

SECTION 506. Application of Money Collected.

Subject to the provisions of Section 1302 and Section 1303, any money collected by the Trustee pursuant to this Article shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (and premium, if any) or interest, upon presentation of the Securities or coupons, or both, as the case may be, and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

FIRST: To the payment of all amount due the Trustee under Section 607;

SECOND: To the payment of the amounts then due and unpaid upon the Securities and coupons for principal (and premium, if any) and interest payable in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the aggregate amounts due and payable on such Securities and coupons for principal (and premium, if any) and interest, respectively;

THIRD: The balance, if any, to the Person or Persons entitled thereto.

SECTION 507. Limitation on Suits.

No Holder of any Security of any series or any related coupons shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless

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

Securities of that series;

(2) the Holders of not less than 25 percent in aggregate principal amount of the Outstanding Securities of that series shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Holder or Holders have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities, to be incurred in compliance with such request;

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

(5) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in aggregate principal amount of the Outstanding Securities of that series;

it being understood and intended that no one or more of such Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other such Holders or Holders of any other series, or to obtain or to seek to obtain priority or preference over any other Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all such Holders.

SECTION 508. Unconditional Right of Holders to Receive Principal, Premium and Interest.

Subject to the provisions of Article Thirteen hereof, but notwithstanding any other provision in this Indenture, the Holder of any Security or coupon shall have the right, which is absolute and unconditional, to receive payment of the principal of (and premium, if any) and (subject to Sections 305 and 307) interest on such Security or payment of such coupon on the respective Stated Maturity or Maturities expressed in such Security or coupon (or, in the case of redemption, on the Redemption Date) and to institute suit for the enforcement of any such payment, and such right shall not be impaired without the consent of such Holder.

SECTION 509. Restoration of Rights and Remedies.

If the Trustee or any Holder of a Security or coupon has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such

Holder, then and in every such case the Company, the Trustee and the Holders of Securities and coupons shall, subject to any determination in such proceeding, be restored severally and respectively to their former positions hereunder, and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

SECTION 510. Rights and Remedies Cumulative.

Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities or coupons in the last paragraph of Section 306, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders of Securities or coupons is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

SECTION 511. Delay or Omission Not Waiver.

No delay or omission of the Trustee or of any Holder of any Security or coupon to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Holders of Securities or coupons may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders of Securities or coupons, as the case may be.

SECTION 512. Control by Holders of Securities.

The Holders of a majority in principal amount of the Outstanding Securities of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to the Securities of such series, provided that

(1) such direction shall not be in conflict with any rule of law or with this Indenture,

(2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and

(3) such direction is not unduly prejudicial to the rights of other Holders of Securities of such series.

SECTION 513. Waiver of Past Defaults.

The Holders of not less than a majority in principal amount of the Outstanding Securities of any series may on behalf of the Holders of all the Securities of such series and any related coupons waive any past default hereunder with respect to such series and its consequences, except a default

(1) in the payment of the principal of (and premium, if any) or interest on any Security of such series, or

(2) in respect of a covenant or provision hereof which under Article Nine cannot be modified or amended without the consent of the Holder of each Outstanding Security of such series affected.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

SECTION 514. Undertaking for Costs.

All parties to this Indenture agree, and each Holder of any Security or coupon by his acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, the filing by any party litigant in such suit, other than the Trustee, of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, including the Trustee, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but

the provisions of this Section 514 shall not apply to any suit instituted by the Company, the Trustee or by any Holder, or group of Holders, holding in the aggregate more than 10 percent in principal amount of the Outstanding Securities of any series, or to any suit instituted by any Holder of any Security or coupon for the enforcement of the payment of the principal of (and premium, if any) or interest on any Security or the payment of any coupon on or after the respective Stated Maturities expressed in such Security (or, in the case of redemption, on or after the Redemption Date) or interest on any overdue principal of any Security.

ARTICLE SIX
THE TRUSTEE

SECTION 601. Certain Duties and Responsibilities.

(a) Except during the continuance of an Event of Default,

(1) the Trustee undertakes to perform such duties, and only such duties, as are specifically set forth in this Indenture, and

no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) In the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provisions hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.

(b) In case an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that

(1) this Subsection shall not be construed to limit the effect of Subsection (a) of this Section 601;

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(3) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of a majority in principal amount of the Outstanding Securities of any series, relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture with respect to the Securities of such series, provided such direction shall not be in conflict with any rule of law or with this Indenture; and

(4) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the

liability of or affording protection to the Trustee shall be subject to the provisions of this Section 601.

SECTION 602. Notice of Defaults.

Within 90 days after the occurrence of any default hereunder with respect to the Securities of any series, the Trustee shall transmit by mail to all Holders of Securities of such series entitled to receive reports pursuant to Section 703(c), notice of such default hereunder known to the Trustee, unless such default shall have been cured or waived; provided, however, that, except in the case of a default in the payment of the principal of (and premium, if any) or interest on

any Security of such series or in the payment of any sinking fund installment with respect to Securities of such series, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors and/or Responsible Officers of the Trustee in good faith determine that the withholding of such notice is in the interests of the Holders of Securities and coupons of such series; and provided further, that in the case of any default of the character specified in Section 501(4) with respect to Securities of such series, no such notice to Holders shall be given until at least 30 days after the occurrence thereof. For the purpose of this Section 602, the term "default" means any event which is, or after notice or lapse of time or both would become, an Event of Default, with respect to Securities of such series.

SECTION 603. Certain Rights of Trustee.

Except as otherwise provided in Section 601:

(a) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Company Request or Company Order (other than delivery of any Security to the Trustee for authentication and delivery pursuant to Section 303 which shall be sufficiently evidenced as provided therein) and any resolution of the Board of Directors may be sufficiently evidenced by a Board Resolution;

(c) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officers' Certificate;

(d) the Trustee may consult with counsel and the written advice of such counsel or any Opinion of Counsel shall be full

and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(e) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders of Securities of any series or any related coupons pursuant to this Indenture, unless such Holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(f) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney; and

(g) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

SECTION 604. Not Responsible for Recitals or Issuance of Securities.

The recitals contained herein and in the Securities, except the Trustee's certificate of authentication, and in any coupons shall be taken as the statements of the Company, and the Trustee or any Authenticating Agent assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Securities or coupons. The Trustee or any Authenticating Agent shall not be accountable for the use or application by the Company of Securities or the proceeds thereof.

SECTION 605. May Hold Securities.

The Trustee, any Authenticating Agent, any Paying Agent, any Security Registrar or any other agent of the Company, in its individual or any other capacity, may become the owner or pledgee of Securities and coupons and, subject to Sections 608 and 613, may otherwise deal with the Company with the same rights it would have if it were not Trustee, Authenticating Agent, Paying Agent, Security Registrar or such other agent.

SECTION 606. Money Held in Trust.

Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Company.

SECTION 607. Compensation and Reimbursement.

The Company agrees

(1) to pay to the Trustee from time to time reasonable compensation for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(2) except as otherwise expressly provided herein, to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as may be attributable to its negligence or bad faith; and

(3) to indemnify the Trustee and its agents for, and to hold them harmless against, any loss, liability or expense incurred without negligence or bad faith on their part, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder, including the costs and expenses of defending themselves against any claim or liability in connection with the exercise or performance of any of their powers or duties hereunder; provided, that:

(i) with respect to any such claim, the Trustee shall have given the Company written notice thereof promptly after the Trustee shall have knowledge thereof, but failure by the Trustee to give such notice shall not affect the Trustee's right or the Company's obligation to indemnify hereunder;

(ii) while maintaining absolute control over its own defense, the Trustee shall cooperate and consult with the

Company in preparing such defense; and

(iii) notwithstanding anything to the contrary in this Section 607(3), the Company shall not be liable for settlement of any such claim by the Trustee entered into without the prior consent of the Company, which consent shall not be unreasonably withheld.

As security for the performance of the obligations of the Company under this Section 607, the Trustee shall have a lien prior to the

Securities of any series upon all property and funds held or collected by the Trustee as such, except funds held in trust for the payment of principal of (or premium, if any) or interest on Securities.

SECTION 608. Disqualifications; Conflicting Interests.

If the Trustee has or shall acquire a conflicting interest within the meaning of the Trust Indenture Act, the Trustee shall either eliminate such interest or resign, to the extent and in the manner provided by, and subject to the provisions of, the Trust Indenture Act and this Indenture.

SECTION 609. Corporate Trustee Required; Eligibility.

There shall at all times be a Trustee hereunder which shall be a corporation organized and doing business under the laws of the United States of America, any State or the District of Columbia, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least $50,000,000 and subject to supervision or examination by Federal or State authority. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section 609, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. No obligor upon the Securities or an Affiliate of such obligor shall serve as Trustee upon the Securities. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section 609, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

SECTION 610. Resignation and Removal; Appointment of Successor.

(a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under Section 611.

(b) The Trustee may resign at any time with respect to the Securities of one or more series by giving written notice thereof to the Company. If the instrument of acceptance by a successor Trustee required by Section 611 shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to such series.

(c) The Trustee may be removed at any time with respect to the Securities of any series by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series, delivered to the Trustee and to the Company.

(d) If at any time:

(1) the Trustee shall fall to comply with Section 608 after written request therefor by the Company or by any Holder of a Security who has been a bona fide Holder of a Security for at least six months, or

(2) the Trustee shall cease to be eligible under Section 609 and shall fail to resign after written request therefor by the Company or by any such Holder of a Security, or

(3) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (i) the Company by a Board Resolution may remove the Trustee with respect to all Securities, or (ii) subject to Section 514, any Holder of a Security who has been a bona fide Holder of a Security of any series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to

all Securities of such series and the appointment of a successor Trustee or Trustees.

(e) If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, with respect to the Securities of one or more series, the Company, by a Board Resolution, shall promptly appoint a successor Trustee or Trustees with respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Securities of one or more or all of such series and that at any time there shall be only one Trustee with respect to the Securities of any particular series) and shall comply with the applicable requirements of Section 611. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Securities of any series shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series delivered to the Company and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment in accordance with the applicable requirements of Section 611, become the successor Trustee with respect to the Securities of such series and to that extent supersede the successor Trustee appointed by the Company. If no successor Trustee with respect to the Securities of any series shall have been so appointed by the Company or the Holders of Securities and accepted appointment in the manner required by Section 611, any Holder of a Security who has been a bona fide Holder of a Security of such series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

(f) The Company shall give notice of each resignation and each removal of the Trustee with respect to the Securities of any series and each appointment of a successor Trustee with respect to the Securities of any series by mailing written notice of such event by first-class mail, postage prepaid, to the Holders of Registered Securities, if any, of such series as their names and addresses appear in the Security Register and, if Securities of such series are issued as Bearer Securities, by publishing notice of such event once in an Authorized Newspaper in each Place of Payment located outside the United States. Each notice shall include the name of the successor Trustee with respect to the Securities of such series and the address of its Corporate Trust Office.

SECTION 611. Acceptance of Appointment by Successor.

(a) In case of the appointment hereunder of a successor Trustee with respect to all Securities, every such successor Trustee appointed shall execute, acknowledge and deliver to the Company and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective, and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on the request of the Company or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder.

(b) In case of the appointment hereunder of a successor Trustee with respect to the Securities of one or more (but not all) series, the Company, the retiring Trustee and each successor Trustee with respect to the Securities of one or more series shall execute and deliver an indenture supplemental hereto wherein each successor Trustee shall accept such appointment and which (1) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, each successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates, (2) if the retiring Trustee is not retiring with respect to all Securities, shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee, and (3) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustees co-trustees of the same trust, that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart

from any trust or trusts hereunder administered by any other such Trustee and that no Trustee shall be responsible for any notice given

to, or received by, or any act or failure to act on the part of any other Trustee hereunder, and upon the execution and delivery of such supplemental indenture the resignation or removal of the retiring Trustee shall become effective to the extent provided therein, such retiring Trustee shall with respect to the Securities of that or those series to which the appointment of such successor Trustee relates have no further responsibility for the exercise of rights and powers or for the performance of the duties and obligations vested in the Trustee under this Indenture other than as hereinafter expressly set forth, and each such successor Trustee without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates; but, on request of the Company or any successor Trustee, such retiring Trustee shall duly assign, transfer and deliver to such successor Trustee, to the extent contemplated by such supplemental indenture, the property and money held by such retiring Trustee hereunder with respect to the Securities of that or those series to which the appointment of such successor Trustee relates.

(c) Upon request of any such successor Trustee, the Company shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in paragraph (a) or (b) of this Section 611, as the case may be.

(d) No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

SECTION 612. Merger, Conversion, Consolidation or Succession to Business.

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities.

SECTION 613. Preferential Collection of Claims Against Company.

(a) Subject to Subsection (b) of this Section 613, if the Trustee shall be, or shall become, a creditor, directly or indirectly, secured or unsecured, of the Company within three months prior to a default, as defined in Subsection (c) of this Section 613, or subsequent to such a default, then, unless and until such default shall be cured, the Trustee shall set apart and hold in a special account for the benefit of the Trustee individually, the Holders of the Securities and coupons and the holders of other indenture securities (as defined in Subsection (c) of this Section 613):

(1) an amount equal to any and all reductions in the amount due and owing upon any claim as such creditor in respect of principal or interest, effected after the beginning of such three-month period and valid as against the Company and its other creditors, except any such reduction resulting from the receipt or disposition of any property described in paragraph (2) of this Subsection, or from the exercise of any right of set-off which the Trustee could have exercised if a petition in bankruptcy had been filed by or against the Company upon the date of such default; and

(2) all property received by the Trustee in respect of any claim as such creditor, either as security therefor, or in satisfaction or composition thereof, or otherwise, after the beginning of such three-month period, or an amount equal to the proceeds of any such property, if disposed of, subject, however, to the rights, if any, of the Company and its other creditors in such property or such proceeds.

Nothing herein contained, however, shall affect the right of the Trustee:

(A) to retain for its own account (i) payments made on account of any such claim by any Person (other than the Company) who is liable thereon, and (ii) the proceeds of the bona fide sale of any such claim by the Trustee to a third Person, and (iii) distributions made in cash, securities or other property in respect of claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the Federal Bankruptcy Code or applicable State law;

(B) to realize, for its own account, upon any property held by it as security for any such claim, if such property was so held prior to the beginning of such three-month period;

(C) to realize, for its own account, but only to the extent of the claim hereinafter mentioned, upon any property held by it as security for any such claim, if such claim was created after the beginning of such three-month period and such property was received as security therefor

simultaneously with the creation thereof, and if the Trustee shall sustain the burden of proving that at the time such property was so received the Trustee had no reasonable cause to believe that a default, as defined in Subsection (c) of this Section 613, would occur within three months; or

(D) to receive payment on any claim referred to in paragraph (B) or (C), against the release of any property held as security for such claim as provided in paragraph (B) or (C), as the case may be, to the extent of the fair value of such property.

For the purposes of paragraphs (B), (C) and (D), property substituted after the beginning of such three-month period for property held as security at the time of such substitution shall, to the extent of the fair value of the property released, have the same status as the property released, and, to the extent that any claim referred to in any of such paragraphs is created in renewal of or in substitution for or for the purpose of repaying or refunding any pre-existing claim of the Trustee as such creditor, such claim shall have the same status as such pre-existing claim.

If the Trustee shall be required to account, the funds and property held in such special account and the proceeds thereof shall be apportioned between the Trustee, the Holders of Securities and the holders of other indenture securities in such manner that the Trustee, the Holders of Securities and the holders of other indenture securities realize, as a result of payments from such special account and payments of dividends on claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the Federal Bankruptcy Code or applicable State law, the same percentage of their respective claims, figured before crediting

to the claim of the Trustee anything on account of the receipt by it from the Company of the funds and property in such special account and before crediting to the respective claims of the Trustee and the Holders of Securities and the holders of other indenture securities dividends on claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the Federal Bankruptcy Code or applicable State law, but after crediting thereon receipts on account of the indebtedness represented by their respective claims from all sources other than from such dividends and from funds and property so held in such special account. As used in this paragraph, with respect to any claim, the term "dividends" shall include any distribution with respect to such claim, in bankruptcy or receivership or proceedings for reorganization pursuant to the Federal Bankruptcy Code or applicable State law, whether such distribution is made in cash, securities or other property, but shall not include any such distribution with respect to the secured portion, if any, of such claim. The court in which such bankruptcy, receivership or proceedings for reorganization is pending shall have jurisdiction (i) to apportion among the Trustee and the Holders of Securities and the holders of other indenture securities, in accordance with the

provisions of this paragraph, the funds and property held in such special account and proceeds thereof, or (ii) in lieu of such apportionment, in whole or in part, to give to the provisions of this paragraph due consideration in determining the fairness of the distributions to be made to the Trustee and the Holders of Securities and the holders of other indenture securities with respect to their respective claims, in which event it shall not be necessary to liquidate or to appraise the value of any securities or other property held in such special account or as security for any such claim, or to make a specific allocation of such distributions as between the secured and unsecured portions of such claims, or otherwise to apply the provisions of this paragraph as a mathematical formula.

Any Trustee which has resigned or been removed after the beginning of such three-month period shall be subject to the provisions of this Subsection as though such resignation or removal had not occurred. If any Trustee has resigned or been removed prior to the beginning of such three-month period, it shall be subject to the provisions of this Subsection if and only if the following conditions exist:

(i) the receipt of property or reduction of claim, which

would have given rise to the obligation to account, if such Trustee had continued as Trustee, occurred after the beginning of such three-month period; and

(ii) such receipt of property or reduction of claim occurred within three months after such resignation or removal.

(b) There shall be excluded from the operation of Subsection (a) of this Section 613, a creditor relationship arising from:

(1) the ownership or acquisition of securities issued under any indenture, or any security or securities having a maturity of one year or more at the time of acquisition by the Trustee;

(2) advances authorized by a receivership or bankruptcy court of competent jurisdiction, or by this Indenture, for the purpose of preserving any property which shall at any time be subject to the lien of this Indenture or of discharging tax liens or other prior liens or encumbrances thereon, if notice of such advances and of the circumstances surrounding the making thereof is given to the Holders of Securities at the time and in the manner provided in this Indenture;

(3) disbursements made in the ordinary course of business in the capacity of trustee under an indenture, transfer agent, registrar, custodian, paying agent, fiscal agent or depositary, or other similar capacity;

(4) an indebtedness created as a result of services rendered or premises rented; or an indebtedness created as a result of

goods or securities sold in a cash transaction, as defined in Subsection (c) of this Section 613;

(5) the ownership of stock or of other securities of a corporation which is organized under the provisions of Section 25(a) of the Federal Reserve Act, as amended, and which is directly or indirectly a creditor of the Company; or

(6) the acquisition, ownership, acceptance or negotiation of any drafts, bills of exchange, acceptances or obligations which fall within the classification of self-liquidating paper as defined in Subsection (c) of this Section 613.

(c) For the purpose of this Section 613 only:

(1) the term "default" means any failure to make payment in full of the principal of or interest on any of the Securities or upon the other indenture securities when and as such principal or interest becomes due and payable;

(2) the term "other indenture securities" means securities upon which the Company is an obligor outstanding under any other indenture (i) under which indenture and as to which securities the Trustee is also trustee, (ii) which contains provisions substantially similar to the provisions of this Section 613, and (iii) under which a default exists at the time of the apportionment of the funds and property held in such special account;

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

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

(5) the term "Company" means any obligor upon the Securities; and

(6) the term "Federal Bankruptcy Code" means the Bankruptcy Act or Title 11 of the United States Code.

(d) In any case commenced under the Bankruptcy Act of July 1, 1898, or any amendment thereto prior to November 6, 1978, all references in this Section 613 to periods of three months shall be deemed to be references to four months.

SECTION 614. Appointment of Authenticating Agent.

The Trustee may appoint an Authenticating Agent or Agents with respect to one or more series of Securities which shall be authorized to act on behalf of the Trustee to authenticate Securities of such series issued upon original issue or exchange, registration of transfer or partial redemption thereof or pursuant to Section 306, and Securities so authenticated shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Wherever reference is made in this Indenture to the authentication and delivery of Securities by the Trustee or the Trustee's certificate of authentication, such reference shall be deemed to include authentication and delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent. Each Authenticating Agent shall be acceptable to the Company and shall at all times be a corporation organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia, authorized under such laws to act as Authenticating Agent, having a combined capital and surplus of not less than $10,000,000 and subject to supervision or examination by Federal or State authority. If such Authenticating Agent publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section 614, the combined capital and surplus of such Authenticating Agent shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time an Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section 614, such Authenticating Agent shall resign immediately in the manner and with the effect specified in this Section 614.

Any corporation into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which such Authenticating Agent shall be a party, or any corporation succeeding to the corporate agency or corporate trust business of an Authenticating Agent, shall continue to be an Authenticating Agent, provided such corporation shall be otherwise eligible under this Section 614, without the execution or filing of any paper or any further act on the part of the Trustee or the Authenticating Agent.

An Authenticating Agent may resign at any time by giving written notice thereof to the Trustee and to the Company. The Trustee may at

any time terminate the agency of an Authenticating Agent by giving written notice thereof to such Authenticating Agent and to the Company. Upon receiving such a notice of resignation or upon such a termination, or in case at any time such Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section 614, the Trustee may appoint a successor Authenticating Agent which shall be acceptable to the Company and shall (i) mail written notice of such appointment by first-class mail, postage prepaid, to all Holders of Registered Securities, if any, of the series with respect to which such Authenticating Agent will serve, as their names and addresses appear in the Security Register, and (ii) if Securities of the series are issued as Bearer Securities, publish notice of such appointment at least once in an Authorized Newspaper in the place where such successor Authenticating Agent has its principal office if such office is located outside the United States. Any successor Authenticating Agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authenticating Agent. No successor Authenticating Agent shall be appointed unless eligible under the provisions of this Section 614.

The Company agrees to pay each Authenticating Agent from time to time reasonable compensation for its services under this Section 614. If the Trustee makes such payments, it shall be entitled to be reimbursed for such payments, subject to the provisions of Section 607.

The provisions of Sections 308, 604 and 605 shall be applicable to each Authenticating Agent.

If an appointment with respect to one or more series is made pursuant to this Section 614, the Securities of such series may have endorsed thereon, in addition to the Trustee's certificate of authentication, an alternate certificate of authentication in the following form:

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

[Trustee]
As Trustee

By _____
As Authenticating Agent

By _____
Authorized Signatory

If all of the Securities of any series may not be originally issued at one time, and if the Trustee does not have an office capable

of authenticating Securities upon original issuance located in a Place of Payment where the Company wishes to have Securities of such series authenticated upon original issuance, the Trustee, if so requested in writing (which writing need not comply with Section 102) by the Company, shall appoint in accordance with this Section 614 an Authenticating Agent having an office in a Place of Payment designated by the Company with respect to such series of Securities.

The Trustee is hereby appointed as an Authenticating Agent.

ARTICLE SEVEN
HOLDER'S LISTS AND REPORTS BY TRUSTEE AND COMPANY

SECTION 701. Company to Furnish Trustee Names and Addresses of Holders.

The Company will furnish or cause to be furnished to the Trustee

(a) semi-annually, not later than 15 days after the Regular Record Date for interest for each series of Securities, a list, in such form as the Trustee may reasonably require, of the names and addresses of the Holders of Registered Securities of such series as of such Regular Record Date, or if there is no Regular Record Date for interest for such series of Securities, semi-annually, upon such dates as are set forth in the Board Resolution or indenture supplemental hereto authorizing such series, and

(b) at such other times the Trustee may request in writing, within 30 days after the receipt by the Company of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished,

provided, however, that, so long as the Trustee is the Security Registrar, no such list shall be required to be furnished.

SECTION 702. Preservation of Information; Communications to Holders.

(a) The Trustee shall preserve, in as current a form as is reasonably practicable, the names and addresses of Holders of Securities (i) contained in the most recent list furnished to the Trustee for each series as provided in Section 701, (ii) received by the Trustee for each series in the capacity of Security Registrar if the Trustee is then acting in such capacity and (iii) filed with it within the two preceding years pursuant to Section 703(c)(2). The Trustee may destroy any list furnished to it as provided in Section 701 upon receipt of a new list so furnished, and destroy not earlier than two years after filing, any information filed with it pursuant to Section 703(c) (2).

(b) If three or more Holders of Securities of any series (hereinafter referred to as "applicants") apply in writing to the

Trustee, and furnish to the Trustee reasonable proof that each such applicant has owned a Security of such series for a period of at least six months preceding the date of such application, and such application states that the applicants desire to communicate with other Holders of Securities of such series with respect to their rights under this Indenture or under the Securities and is accompanied by a copy of the form of proxy or other communication which such applicants propose to transmit, then the Trustee shall, within five business days after the receipt of such application, at its election, either

(i) afford such applicants access to the information preserved at the time by the Trustee in accordance with Section 702(a), or

(ii) inform such applicants as to the approximate number of Holders of Securities whose names and addresses appear in the information preserved at the time by the Trustee in accordance with Section 702(a), and as to the approximate cost of mailing to such Holders the form of proxy or other communication, if any, specified in such application.

If the Trustee shall elect not to afford such applicants access to such information, the Trustee shall, upon the written request of such applicants, mail to each Holder of Securities of such series whose name and address appears in the information preserved at the time by the Trustee in accordance with Section 702(a), a copy of the form of proxy or other communication which is specified in such request, with reasonable promptness after a tender to the Trustee of the material to be mailed and of payment, or provision for the payment, of the reasonable expenses of mailing, unless within five days after such tender the Trustee shall mail to such applicants and file with the Commission, together with a copy of the material to be mailed, a written statement to the effect that, in the opinion of the Trustee, such mailing would be contrary to the best interests of the Holders of Securities of such series or would be in violation of applicable law. Such written statement shall specify the basis of such opinion. If the Commission, after opportunity for a hearing upon the objections specified in the written statement so filed, shall enter an order refusing to sustain any of such objections, or if, after the entry of an order sustaining one or more of such objections, the Commission shall find, after notice and opportunity for hearing, that all the objections so sustained have been met and shall enter an order so declaring, the Trustee shall mail copies of such material to all such Holders of Securities of such series with reasonable promptness after the entry of such order and the renewal of such tender.

(c) Every Holder of Securities or coupons, by receiving and holding the same, agrees with the Company and the Trustee that neither the Company nor the Trustee nor any Paying Agent nor any Security Registrar shall be held accountable by reason of the disclosure of any

such information as to the names and addresses of the Holders of Securities in accordance with Section 702(b), regardless of the source from which such information was derived, and that the Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under Section 702(b).

SECTION 703. Reports by Trustee.

(a) Within 60 days after May 15 of each year commencing with the year following the first issuance of Securities pursuant to Section 301, the Trustee shall transmit by mail to all Holders of Securities, as their names and addresses appear in the Security

Register, a brief report dated as of such May 15 with respect to any of the following events which may have occurred within the previous 12 months (but if no such event has occurred within such period, no report need be transmitted):

(1) any change to its eligibility under Section 609 and its qualifications under Section 608;

(2) the creation of or any material change to a relationship specified in paragraphs (1) through (10) of Section 310(b) of the Trust Indenture Act;

(3) the character and amount of any advances (and if the Trustee elects so to state, the circumstances surrounding the making thereof) made by the Trustee (as such) which remain unpaid on the date of such report, and for the reimbursement of which it claims or may claim a lien or charge, prior to that of the Securities, on any property or funds held or collected by it as Trustee, except that the Trustee shall not be required (but may elect) to report such advances if such advances so remaining unpaid aggregate not more than 1/2 of 1 percent of the principal amount of the Securities Outstanding on the date of such report;

(4) the amount, interest rate and maturity date of all other indebtedness owing by the Company (or by any other obligor on the Securities) to the Trustee in its individual capacity, on the date of such report, with a brief description of any property held as collateral security therefor, except an indebtedness based upon a creditor relationship arising in any manner described in Section 613(b)(2), (3), (4) or (6);

(5) any change to the property and funds, if any, physically in the possession of the Trustee as such on the date of such report;

(6) any additional issue of Securities which the Trustee has not previously reported; and

(7) any action taken by the Trustee in the performance of its duties hereunder which it has not previously reported and

which in its opinion materially affects the Securities, except action in respect of a default, notice of which has been or is to

be withheld by the Trustee in accordance with Section 602.

(b) The Trustee shall transmit by mail to all Holders of Securities, as provided in Subsection (c) of this Section 703, a brief report with respect to the character and amount of any advances (and if the Trustee elects so to state, the circumstances surrounding the making thereof) made by the Trustee (as such) since the date of the last report transmitted pursuant to Subsection (a) of this Section 703 (or if no such report has yet been so transmitted, since the date of execution of this instrument) for the reimbursement of which it claims or may claim a lien or charge, prior to that of the Securities, on property or funds collected by it as Trustee, and which it has not previously reported pursuant to this Subsection, except that the Trustee shall not be required (but may elect) to report such advances if such advances remaining unpaid at any time aggregate 10 percent or less of the principal amount of the Securities Outstanding at such time, such report to be transmitted within 90 days after such time.

(c) Reports pursuant to this Section 703 shall be transmitted by mail:

(1) to all Holders of Registered Securities, as the names and addresses of such Holders appear in the Security Register,

(2) to such Holders of Bearer Securities as have, within the two years preceding such transmission, filed their names and addresses with the Trustee for that purpose; and

(3) except in the case of reports pursuant to Subsection (b) of this Section 703, to each Holder of a Security whose name and address is preserved at the time by the Trustee, as provided in Section 702(a).

(d) A copy of each such report shall, at the time of such transmission to Holders of Securities, be filed by the Trustee with each stock exchange upon which the Securities are listed, with the Commission and with the Company. The Company will notify the Trustee when any Securities are listed on any stock exchange.

SECTION 704. Reports by the Company.

The Company shall:

(1) file with the Trustee, within 15 days after the Company is required to file the same with the Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which the Company may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the

Securities Exchange Act of 1934; or, if the Company is not required to file information, documents or reports pursuant to either of said Sections, then it shall file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Securities Exchange Act of 1934 in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations;

(2) file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such additional information, documents and reports with respect to compliance by the Company with the conditions and covenants of this Indenture as may be required from time to time by such rules and regulations;

(3) transmit to the Holders of Securities within 30 days after the filing thereof with the Trustee, in the manner and to the extent provided in Section 703(c) with respect to reports pursuant to Section 703(a), such summaries of any information, documents and reports required to be filed by the Company pursuant to paragraphs (1) and (2) of this Section 704 as may be required by rules and regulations prescribed from time to time by the Commission; and

(4) furnish to the Trustee, not less than annually, a brief certificate from the principal executive officer, principal financial officer or principal accounting officer as to his or her knowledge of the Company's compliance with all conditions and covenants under this Indenture. For purposes of this Section 704, such compliance shall be determined without regard to any period of grace or requirement of notice provided under this Indenture.

ARTICLE EIGHT
CONSOLIDATION, MERGER, SALE, LEASE OR CONVEYANCE

SECTION 801. Company May Consolidate, Etc., on Certain Terms.

Nothing contained in this Indenture or in any of the Securities

shall prevent any consolidation or merger of the Company with or into any other corporation or corporations (whether or not affiliated with the Company), or successive consolidations or mergers in which the Company or its successor or successors shall be a party or parties, or shall prevent any sale or conveyance of all or substantially all of the property of the Company to any other corporation (whether or not affiliated with the Company) authorized to acquire and operate the same; provided, however, and the Company hereby covenants and agrees, that any such consolidation, merger, sale or conveyance shall be upon the condition that (a) immediately after such consolidation, merger,

sale or conveyance the corporation (whether the Company or such other corporation) formed by or surviving any such consolidation or merger, or to which such sale or conveyance shall have been made, shall not be in default in the performance or observance of any of the terms, covenants and conditions of this Indenture to be kept or performed by the Company; (b) the corporation (if other than the Company) formed by or surviving any such consolidation or merger, or to which such sale or conveyance shall have been made, shall be a corporation organized under the laws of the United States of America or any state thereof; and (c) the due and punctual payment of the principal of and premium, if any, and interest on all of the Securities, according to their tenor, and the due and punctual performance and observance of all of the covenants and conditions of this Indenture to be performed or observed by the Company, shall be expressly assumed, by supplemental indenture satisfactory in form to the Trustee, executed and delivered to the Trustee by the corporation (if other than the Company) formed by such consolidation, or into which the Company shall have been merged, or by the corporation which shall have acquired such property.

SECTION 802. Successor Corporation to be Substituted.

In case of any such consolidation, merger, sale or conveyance and upon the assumption by the successor corporation, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the due and punctual payment of the principal of and premium, if any, and interest on all of the Securities and the due and punctual performance and observance of all of the covenants and conditions of this Indenture to be performed or observed by the Company, such successor corporation shall succeed to and be substituted for the Company, with the same effect as if it had been named herein as the party of the first part, and (except in the event of a conveyance by way of lease) the predecessor corporation shall be

relieved of any further obligation under this Indenture and the Securities. Such successor corporation thereupon may cause to be signed, and may issue either in its own name or in the name of Arvin Industries, Inc. any or all of the Securities issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee; and upon the order of such successor corporation instead of the Company and subject to all the terms, conditions and limitations in this Indenture prescribed, the Trustee shall authenticate and shall deliver any Securities which previously shall have been signed and delivered by the officers of the Company to the Trustee for authentication, and any Securities which such successor corporation thereafter shall cause to be signed and delivered to the Trustee for that purpose. All the Securities of each series so issued shall in all respects have the same legal rank and benefit under this Indenture as the Securities of such series theretofore or thereafter issued in accordance with the terms of this Indenture as though all of such Securities had been issued at the date of the execution hereof.

In case of any such consolidation, merger, sale or conveyance such changes in phraseology and form (but not in substance) may be made in the Securities thereafter to be issued as may be appropriate.

SECTION 803. Opinion of Counsel to be Given Trustee.

The Trustee, subject to Sections 601 and 603, may receive an Opinion of Counsel as conclusive evidence that any such consolidation, merger, sale or conveyance and any such assumption complies with the provisions of this Article Eight.

ARTICLE NINE
SUPPLEMENTAL INDENTURES

SECTION 901. Supplemental Indentures without Consent of Holders.

Without the consent of any Holders of Securities or coupons, the Company, when authorized by a Board Resolution, and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee, for any of the following purposes:

(1) to evidence the succession of another Person to the Company, and the assumption by any such successor of the covenants of the Company herein and in the Securities contained; or

(2) to add to the covenants of the Company for the benefit of the Holders of all or any series of Securities (and if such covenants are to be for the benefit of less than all series of Securities, stating that such covenants are expressly being included solely for the benefit of such series) or to surrender any right or power herein conferred upon the Company; or

(3) to add to or change any of the provisions of this Indenture to provide that Bearer Securities may be registrable as to principal, to change or eliminate any restrictions on the payment of principal (or premium, if any) on Registered Securities or of principal (or premium, if any) or any interest on Bearer Securities, to permit Registered Securities to be exchanged for Bearer Securities or to permit the issuance of Securities in uncertificated form, provided any such action shall not adversely affect the interests of the Holders of Securities of any series or any related coupons in any material respect; or

(4) to establish the form or terms of Securities of any series as permitted by Sections 201 and 301; or

(5) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Securities of one or more series and to add to or change any of the provisions of this Indenture as shall be necessary to provide

for or facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirements of Section 611(b); or

(6) to cure any ambiguity, to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Indenture which shall not be inconsistent with the provisions of this Indenture and which shall not adversely affect the interest of the Holders of Securities of any series or any related coupons in any material respect; or

(7) to add to, delete from or revise the conditions, limitations and restrictions on the authorized amount, terms or purposes of issue, authentication and delivery of Securities, as herein set forth; or

(8) to modify, eliminate or add to the provisions of this Indenture to such extent as shall be necessary to effect the qualification of this Indenture under the Trust Indenture Act or under any similar federal statute hereafter enacted and to add to this Indenture such other provisions as may be expressly required under the Trust Indenture Act.

SECTION 902. Supplemental Indentures with Consent of Holders.

With the consent of the Holders of not less than a majority in aggregate principal amount of the Outstanding Securities of each series affected by such supplemental indenture, by Act of said Holders delivered to the Company and the Trustee, the Company, when authorized by a Board Resolution, and the Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights of the Holders of Securities of such series under this Indenture; provided, however, that no such supplemental Indenture shall, without the consent of the Holder of each Outstanding Security affected hereby,

(1) change the Stated Maturity of the principal of, or any installment of interest on, any Security, or reduce the principal amount thereof or the rate of interest thereon, or any premium payable upon the redemption thereof, or reduce the amount of the principal of an Original Issue Discount Security that would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 502, or change the coin or currency in which any Security or any premium or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date), or

(2) reduce the percentage in principal amount of the Outstanding Securities of any series, the consent of whose

Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture, or

(3) modify any of the provisions of this Section 902, or Section 513, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Security affected thereby, or

(4) modify any of the provisions of this Indenture relating to the subordination of the Securities in a manner adverse to the Holders.

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

It shall not be necessary for any Act of Holders of Securities under this Section 902 to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

SECTION 903. Execution of Supplemental Indentures.

In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modifications thereby of the trust created by this Indenture, the Trustee shall be entitled to receive, and (subject to Section 601) shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

SECTION 904. Effect of Supplemental Indentures.

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

SECTION 905. Conformity with Trust Indenture Act.

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

SECTION 906. Reference in Securities to Supplemental Indentures.

Securities of any series authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company shall so determine, new Securities of any series so modified as to conform, in the opinion of the Trustee and the Company, to any such supplemental indenture may be prepared and executed by the Company and authenticated and delivered by the Trustee in exchange for Outstanding Securities of such series.

ARTICLE TEN
COVENANTS

SECTION 1001. Payment of Principal, Premium, if any, and Interest.

The Company covenants and agrees for the benefit of the Holders of each series of Securities that it will duly and punctually pay the principal of (and premium, if any), interest on the Securities of that series in accordance with the terms of such series of Securities, any coupons appertaining thereto and this Indenture. Any interest due on Bearer Securities on or before Maturity shall be payable only upon presentation and surrender of the several coupons for such interest installments as are evidenced thereby as they severally mature.

SECTION 1002. Maintenance of Office or Agency.

The Company will maintain in each Place of Payment for any series of Securities an office or agency where Securities of that series (but not Bearer Securities, except as otherwise provided below, unless such Place of Payment is located outside the United States) may be presented or surrendered for payment, where Securities of that series may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Company in respect of the Securities of that series and this Indenture may be served. If

Securities of a series are issuable as Bearer Securities, the Company will maintain, subject to any laws or regulations applicable thereto, an office or agency in a Place of Payment for such series which is located outside the United States where Securities of such series and the related coupons may be presented and surrendered for payment; provided, however, that if the Securities of such series are listed on The Stock Exchange of the United Kingdom and the Republic of Ireland or the Luxembourg Stock Exchange or any other stock exchange located outside the United States and such stock exchange shall so require, the Company will maintain a Paying Agent in London, Luxembourg or any

other required city located outside the United States, as the case may be, so long as the Securities of such series are listed on such exchange. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fall to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, except that Bearer Securities of that series and the related coupons may be presented and surrendered for payment at the place specified for the purpose pursuant to Section 301, and the Company hereby appoints the Trustee as its agent to receive all such presentations, surrenders, notices and demands.

Except as otherwise provided in the form of Bearer Security of any particular series pursuant to the provisions of this Indenture, no payment of principal, premium or interest on Bearer Securities shall be made at any office or agency of the Company in the United States or by check mailed to any address in the United States or by transfer to an account maintained with a bank located in the United States; provided, however, payment of principal of and any premium and interest in U.S. dollars on any Bearer Security may be made at the office of the Paying Agent in the Borough of Manhattan, The City of New York and the City of Detroit, Michigan if (but only if) payment of the full amount of such principal, premium or interest at all offices outside the United States maintained for the purpose by the Company in accordance with this Indenture is illegal or effectively precluded by exchange controls or other similar restrictions and the Trustee and each Paying Agent other than the Trustee is advised of such illegality, preclusion or other restriction in writing by the Company.

The Company may also from time to time designate one or more

other offices or agencies where the Securities of one or more series may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in each Place of Payment for Securities of any series for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency. Unless otherwise set forth in a Board Resolution or indenture supplemental hereto with respect to a series of Securities, the Company hereby designates as the Place of Payment for each series of Securities, 611 Woodward Avenue, 11th floor, Detroit, Michigan 48226, and 61 Broadway TP, Concourse Level, New York, New York 10006.

SECTION 1003. Money for Securities Payments to Be Held in Trust.

If the Company shall at any time act as its own Paying Agent with respect to any series of Securities, it will, on or before each due date of the principal of (and premium, if any), or interest on, any of

the Securities of that series, segregate and hold in trust for the benefit of the Person entitled thereto a sum sufficient to pay the principal (and premium, if any) or interest so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided, and will promptly notify the Trustee of its action or failure so to act.

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

The Company will cause each Paying Agent for any series of Securities other than the Trustee to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section 1003, that such

Paying Agent will:

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

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

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

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

Except as otherwise provided in the form of Securities of any particular series pursuant to the provisions of this Indenture, any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of (and

premium, if any) or Interest on any Security of any series and remaining unclaimed for two years after such principal (and premium, if any) or interest has become due and payable shall be paid to the Company on Company Request, or (if then held by the Company) shall be discharged from such trust; and the Holder of such Security or any coupon appertaining thereto shall thereafter, as an unsecured general creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such

Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in an Authorized Newspaper in each Place of Payment or to be mailed to Holders of Registered Securities, or both, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication or mailing nor shall it be later than two years after such principal (and premium, if any) or interest has become due and payable, any unclaimed balance of such money then remaining will be repaid to the Company.

SECTION 1004. Corporate Existence.

Subject to Article Eight, the Company will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence, rights (charter and statutory) and franchises; provided, however, that the Company shall not be required to preserve any such right or franchise if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and that the loss thereof is not disadvantageous in any material respect to the Holders.

SECTION 1005. Statement by Officers as to Default.

(a) The Company will deliver to the Trustee, within 120 days after the end of each fiscal year of the Company ending after the date hereof, an Officers' Certificate, stating whether or not to the best knowledge of the signers thereof the Company is in default in the performance and observance of any of the terms, provisions and conditions of this Indenture and, if the Company shall be in default, specifying all such defaults and the nature and status thereof of which they may have knowledge.

(b) The Company will deliver to the Trustee, within five days after the occurrence thereof, written notice of any event which after notice or lapse of time or both would become an Event of Default pursuant to Clause (4) of Section 501.

ARTICLE ELEVEN
REDEMPTION OF SECURITIES

SECTION 1101. Applicability of Article.

Redemption of Securities of any series at the option of the Company as permitted or required by the terms of such Securities shall be made in accordance with the terms of such Securities and this Article.

SECTION 1102. Election to Redeem; Notice to Trustee.

The election of the Company to redeem any Securities shall be evidenced by a Board Resolution. In case of any redemption at the election of the Company of the Securities of any series, with the same issue date, interest rate and Stated Maturity, the Company shall, at least 45 days prior to the Redemption Date fixed by the Company (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date and of the principal amount of Securities of such series to be redeemed.

SECTION 1103. Selection by Trustee of Securities to be Redeemed.

If less than all the Securities of any series with the same issue date, interest rate, and Stated Maturity are to be redeemed, the particular Securities to be redeemed shall be selected not more than 60 days prior to the Redemption Date by the Trustee from the Outstanding Securities of such series not previously called for redemption, by such method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions of the principal amount of Registered Securities of such series; provided, however, that no such partial redemption shall reduce the portion of the principal amount of a Registered Security of such series not redeemed to less than the minimum denomination for a Security of that series established pursuant to Section 302.

If any Security selected for partial redemption is converted in part before termination of the conversion right with respect to the portion of the Security so selected, the converted portion of such Security shall be deemed (so far as may be) to be the portion selected for redemption. Securities which have been converted during a selection of Securities to be redeemed shall be treated by the Trustee as Outstanding for the purpose of such selection.

The Trustee shall promptly notify the Company and the Security Registrar (if other than itself) in writing of the Securities selected for redemption and, in the case of any Securities selected for partial redemption, the principal amount thereof to be redeemed.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Securities redeemed or to be redeemed only in part, to the portion of the principal of such Securities which has been or is to be redeemed.

SECTION 1104. Notice of Redemption.

Notice of redemption shall be given in the manner provided in Section 106, not less than 30 nor more than 60 days prior to the Redemption Date, unless a shorter period is specified in the Securities to be redeemed, to the Holders of Securities to be redeemed. Failure to give notice by mailing in the manner herein provided to the Holder of any Registered Securities designated for redemption as a whole or in part, or any defect in the notice to any such Holder, shall not affect the validity of the proceedings for the redemption of any other Securities or portion thereof.

Any notice that is mailed to the Holder of any Registered Securities in the manner herein provided shall be conclusively presumed to have been duly given, whether or not such Holder receives the notice.

All notices of redemption shall state:

(1) the Redemption Date,

(2) the Redemption Price,

(3) if less than all Outstanding Securities of any series are to be redeemed, the identification (and, in the case of partial redemption, the principal amount) of the particular Securities to be redeemed,

(4) in case any Registered Security is to be redeemed in part only, the notice which relates to such Security shall state that on and after the Redemption Date, upon surrender of such Security, the Holder of such Security will receive, without charge, a new Registered Security or Registered Securities of authorized denominations for the principal amount thereof remaining unredeemed,

(5) that on the Redemption Date the Redemption Price will become due and payable upon each such Security to be redeemed, and, if applicable, that interest thereon shall cease to accrue on and after said date,

(6) the place or places where such Securities, together, in the case of Bearer Securities with all coupons appertaining thereto, if any, maturing after the Redemption Date, are to be surrendered for payment of the Redemption Price, and

(7) that the redemption is for a sinking fund, if such is the case.

A notice of redemption published as contemplated by Section 106 need not identify particular Registered Securities to be redeemed.

Notice of redemption of Securities to be redeemed at the election of the Company shall be given by the Company or, at the Company's request, by the Trustee in the name and at the expense of the Company.

SECTION 1105. Deposit of Redemption Price.

Subject to the provisions of Section 1302 and Section 1303, on or prior to any Redemption Date, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 1003) an amount of money sufficient to pay the Redemption Price of, and (except if the Redemption Date shall be an Interest Payment Date) accrued interest on, all the Securities or portions thereof which are to be redeemed on that date. Notwithstanding the foregoing sentence, if the Redemption Date shall be subsequent to a Regular Record Date and on or prior to an Interest Payment Date relating thereto, interest whose Stated Maturity is after the Redemption Date of such Security shall not be payable.

If any Security or portion thereof called for redemption is converted pursuant to the provisions of Article Fifteen prior to the Redemption Date, any money deposited with the Trustee or any Paying Agent or so segregated and held in trust for the redemption of such Security or portion thereof shall be paid to the Company upon a Company Request, or, if then held by the Company shall be discharged from such trust.

SECTION 1106. Securities Payable on Redemption Date.

Notice of redemption having been given as aforesaid, the Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Company shall default in the payment of the Redemption Price and accrued interest) such Securities shall cease to bear interest and the coupons for such interest appertaining to any Bearer Securities so to be redeemed, except to the extent provided below, shall be void. Upon surrender of any such Security for redemption in accordance with said notice, together with all coupons, if any, appertaining thereto maturing after the Redemption Date, such Security shall be paid by the Company at the Redemption Price, together with accrued interest to the Redemption Date; provided, however, that installments of interest on Bearer Securities whose Stated Maturity is on or prior to the Redemption Date shall be payable only upon presentation and surrender of coupons for such interest (at an office or agency located outside the United States except as otherwise provided in Section 1002), and provided, further, that installments of interest on Registered Securities whose Stated Maturity is on or prior to the Redemption Date shall be payable to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the Regular Record Dates according to their terms and the provisions of Section 307.

If any Bearer Security surrendered for redemption shall not be accompanied by all appurtenant coupons maturing after the Redemption Date, such Security may be paid after deducting from the Redemption Price an amount equal to the face amount of all such missing coupons, or the surrender of such missing coupon or coupons may be waived by the Company and the Trustee if there be furnished to them such security or indemnity as they may require to save each of them and any Paying Agent harmless. If thereafter the Holder of such Security shall surrender to the Trustee or any Paying Agent any such missing coupon in respect of which a deduction shall have been made from the Redemption Price, such Holder shall be entitled to receive the amount so deducted; provided, however, that interest represented by coupons shall be payable only upon presentation and surrender of those coupons at an office or agency located outside of the United States except as otherwise provided in Section 1002.

If any Security called for redemption shall not be so paid upon

surrender thereof for redemption, the principal (and premium, if any) shall, until paid, bear interest from the Redemption Date at the rate prescribed therefor in the Security.

SECTION 1107. Securities Redeemed in Part.

Any Registered Security which is to be redeemed only in part shall be surrendered at any office or agency of the Company maintained for that purpose pursuant to Section 1002 (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing) and the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such Security without service charge, a new Registered Security or Securities of the same series, containing identical terms and provisions, of any authorized denomination as requested by such Holder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered. If a Security in global form is so surrendered, the Company shall execute, and the Trustee shall authenticate and deliver to the U.S. Depository or other depository for such Security in global form as shall be specified in the Company Order with respect thereto to the Trustee, without service charge, a new Security in global form in a denomination equal to and in exchange for the unredeemed portion of the principal of the Security in global form so surrendered.

ARTICLE TWELVE
SINKING FUNDS

SECTION 1201. Applicability of Article.

The provisions of this Article shall be applicable to any sinking fund for the retirement of Securities of a series, except as otherwise

permitted or required by any form of Security of such series issued pursuant to this Indenture.

The minimum amount of any sinking fund payment provided for by the terms of Securities of any series is herein referred to as a "mandatory sinking fund payment," and any payment in excess of such

minimum amount provided for by the terms of Securities of such series is herein referred to as an "optional sinking fund payment." If provided for by the terms of Securities of any series, the cash amount of any sinking fund payment may be subject to reduction as provided in Section 1202. Each sinking fund payment shall be applied to the redemption of Securities of any series as provided for by the terms of Securities of such series.

SECTION 1202. Satisfaction of Sinking Fund Payments with Securities.

The Company may, in satisfaction of all or any part of any sinking fund payment with respect to the Securities of such series to be made pursuant to the terms of such Securities as provided for by the terms of such series (1) deliver Outstanding Securities of such series (other than any of such Securities previously called for redemption or any of such Securities in respect of which cash shall have been released to the Company), together in the case of any Bearer Securities of such series with all unmatured coupons appertaining thereto, and (2) apply as a credit Securities of such series which have been redeemed either at the election of the Company pursuant to the terms of such series of Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Securities, provided that such series of Securities have not been previously so credited. Such Securities shall be received and credited for such purpose by the Trustee at the Redemption Price specified in such Securities for redemption through operation of the sinking fund and the amount of such sinking fund payment shall be reduced accordingly. If as a result of the delivery or credit of Securities of any series in lieu of cash payments pursuant to this Section 1202, the principal amount of Securities of such series to be redeemed in order to exhaust the aforesaid cash payment shall be less than $100,000, the Trustee need not call Securities of such series for redemption, except upon Company Request, and such cash payment shall be held by the Trustee or a Paying Agent and applied to the next succeeding sinking fund payment, provided, however, that the Trustee or such Paying Agent shall at the request of the Company from time to time pay over and deliver to the Company any cash payment so being held by the Trustee or such Paying Agent upon delivery by the Company to the Trustee of Securities of that series purchased by the Company having an unpaid principal amount equal to the cash payment requested to be released to the Company.

SECTION 1203. Redemption of Securities for Sinking Fund.

Not less than 45 days prior to each sinking fund payment date for any series of Securities, the Company will deliver to the Trustee an

Officers' Certificate specifying the amount of the next ensuing mandatory sinking fund payment for that series pursuant to the terms of that series, the portion thereof, if any, which is to be satisfied by payment of cash and the portion thereof, if any, which is to be satisfied by delivering and crediting of Securities of that series pursuant to Section 1202, and the optional amount, if any, to be added in cash to the next ensuing mandatory sinking fund payment, and will also deliver to the Trustee any Securities to be so credited and not theretofore delivered. If such Officers' Certificate shall specify an optional amount to be added in cash to the next ensuing mandatory sinking fund payment, the Company shall thereupon be obligated to pay the amount therein specified. Not less than 30 days before each such sinking fund payment date, the Trustee shall select the Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 1103 and cause notice of the redemption thereof to be given in the name of and at the expense of the Company in the manner provided in Section 1104. Such notice having been duly given, the redemption of such Securities shall be made upon the terms and in the manner stated in Sections 1106 and 1107.

ARTICLE THIRTEEN
SUBORDINATION OF SECURITIES

SECTION 1301. Securities Subordinate to Senior Indebtedness.

Except as otherwise specified pursuant to Section 301 for Securities of any series, the Company covenants and agrees, and each Holder of any of the Securities or any coupon appertaining thereto, by such Holder's acceptance thereof, likewise covenants and agrees, for the benefit of the holders, from time to time, of Senior Indebtedness of the Company that, to the extent and in the manner hereinafter set forth in this Article, the Indebtedness represented by the Securities and the payment of the principal of (and premium, if any) and interest on each and all of the Securities and the payment of any coupon is hereby expressly made subordinate and subject in right of payment as provided in this Article to the prior payment in full of all Senior Indebtedness.

SECTION 1302. Dissolution, Liquidation, Insolvency, etc.

In the event of (a) any insolvency or bankruptcy case or proceeding, or any receivership, liquidation, reorganization or other similar case or proceeding in connection therewith, relative to the Company or to a substantial part of its assets, or (b) any liquidation, dissolution or other winding up of the Company, whether voluntary or involuntary and whether or not involving insolvency or

bankruptcy, or (c) any assignment for the benefit of creditors or any other marshalling of assets and liabilities of the Company then, and in any such event:

(1) the holders of all Senior Indebtedness shall first be entitled to receive payment in full of the principal thereof (and

premium, if any, thereon) and interest thereon (including, without limitation, all interest accruing after the commencement of any bankruptcy, insolvency, receivership or similar proceeding), before the Holders of the Securities or coupons appertaining thereto are entitled to receive any payment or distribution of any kind or character on account of principal of (or premium, if any) or interest on the Securities or the coupons appertaining thereto; and

(2) any payment or distribution of assets of any kind or character, whether in cash, property or securities, by set-off or otherwise, to which the Holders or the Trustee as such would be entitled but for the provisions of this Article, including any such payment or distribution that may be payable or deliverable by reason of the payment of any other indebtedness of the Company being subordinated to the payment of the Securities, shall be paid by the Company, by the liquidating trustee or agent or other person making such payment or distribution, whether a trustee in bankruptcy, a receiver or otherwise, directly to the holders of Senior Indebtedness or their representative or representatives, or to the trustee or trustees under any indenture under which any instrument evidencing any of such Senior Indebtedness may have been issued, ratably according to the aggregate amounts remaining unpaid on account of the Senior Indebtedness held or represented by each, to the extent necessary to pay all Senior Indebtedness in full, after giving effect to any concurrent payment or distribution to or for the holders of such Senior Indebtedness.

The consolidation or merger of the Company with or into any other corporation or corporations (whether or not affiliated with the Company),or successive consolidations or mergers in which the Company or its successor or successors shall be a party or parties or the liquidation or dissolution of the Company following the sale or conveyance of all or substantially all of the property of the Company to any other corporation (whether or not affiliated with the Company)

upon the terms and conditions set forth in Article Eight shall be deemed not to be a dissolution, winding-up, liquidation, reorganization, assignment for the benefit of creditors or marshalling of assets or liabilities of the Company for the purposes of this Section 1302 if the corporation or corporations formed by such consolidation or into which the Company is merged or which acquires by sale or conveyance all or substantially all of the property of the Company, shall, as part of such consolidation, merger, sale or conveyance, comply with the conditions set forth in Article Eight.

SECTION 1303. Default on Senior Indebtedness.

Unless otherwise provided in Section 301, no payment shall be made with respect to the principal of (or premium, if any) or interest on the Securities or for the payment of any coupon or to acquire any of the Securities or on account of any redemption or sinking fund provisions for the Securities if, at the time of such payment, there

exists a default in payment (beyond any grace period applicable thereto) of all or any portion of any Senior Indebtedness, and such default shall not have been cured or waived in writing or the benefits of this sentence waived in writing by or on behalf of the holders of such Senior Indebtedness.

SECTION 1304. Payments and Distributions Received.

If any payment or distribution of any character whether in cash, property or securities, including any such payment or distribution that may be payable or deliverable by reason of the payment of any other indebtedness of the Company being subordinated to the payment of the Securities, shall be received by the Trustee or any Holder of any of the Securities in contravention of any of the terms of this Article and before all Senior Indebtedness shall have been paid in full, such payment or distribution shall be held in trust for the benefit of, and shall be paid over or delivered and transferred to, the holders of the Senior Indebtedness or their representative or representatives, or to the trustee or trustees under any indenture under which any instruments evidencing any of such Senior Indebtedness may have been issued, for application to the payment of all Senior Indebtedness remaining unpaid, ratably according to the aggregate amounts remaining unpaid on account of the Senior Indebtedness held or represented by each, to the extent necessary to pay all such Senior Indebtedness in

full, after giving effect to any concurrent payment or distribution to or for the holders of such Senior Indebtedness.

SECTION 1305. Payment Permitted If No Default.

Nothing contained in this Article or elsewhere in this Indenture or in any of the Securities shall prevent the Company at any time except during the pendency of any case, proceeding, liquidation, dissolution or other winding up, assignment for the benefit of creditors or other marshalling of assets and liabilities of the Company referred to in Section 1302 or under the conditions described in Section 1303, from making payments at any time of principal of (or premium, if any) or interest on the Securities or the payment of any coupon.

SECTION 1306. Subrogation to Rights of Holders of Senior Indebtedness.

Subject to the payment in full of all Senior Indebtedness (or the making of provision therefor in money or money's worth), the Holders of the Securities or coupons appertaining thereto shall be subrogated to the extent of the payments or distributions made to the holders of such Senior Indebtedness pursuant to the provisions of this Article (equally and ratably with the holders of all indebtedness of the Company which by its terms is subordinated to other indebtedness of the Company to substantially the same extent as the Securities are subordinated and is entitled to like rights of subrogation) to the rights of the holders of such Senior Indebtedness to receive payments

and distributions of cash, property and securities applicable to the Senior Indebtedness until the principal of (and premium, if any) and interest on the Securities shall be paid in full. For purposes of such subrogation, no payments or distributions to the holders of Senior Indebtedness of any cash, property or securities to which the Holders of the Securities or coupons appertaining thereto or the Trustee would be entitled except for the provisions of this Article, and no payments pursuant to the provisions of this Article to the holders of Senior Indebtedness by Holders of the Securities or coupons appertaining thereto or the Trustee, shall, as among the Company, its creditors other than holders of Senior Indebtedness, and the Holders of the Securities or coupons appertaining thereto, be deemed to be a payment or distribution to or on account of the Senior Indebtedness.

SECTION 1307. Provisions Solely to Define Relative Rights.

The provisions of this Article are and are intended solely for the purpose of defining the relative rights of the Holders of the Securities or coupons appertaining thereto on the one hand, and the holders of Senior Indebtedness on the other hand. Nothing contained in this Article or elsewhere in this Indenture or in the Securities is intended to or shall (1) impair, as among the Company, its creditors other than holders of Senior Indebtedness and the Holders of the Securities or coupons appertaining thereto, the obligation of the Company, which is absolute and unconditional, to pay to the Holders of the Securities or coupons appertaining thereto the principal of (and premium, if any) and interest on the Securities or coupons appertaining thereto as and when the same shall become due and payable in accordance with their terms; or (2) affect the relative rights against the Company of the Holders of the Securities or coupons appertaining thereto and creditors of the Company other than the holders of Senior Indebtedness; or (3) prevent the Trustee or the Holder of any Security or coupon from exercising all remedies otherwise permitted by applicable law upon default under this Indenture, subject to the rights, if any, under this Article of the holders of Senior Indebtedness to receive cash, property or securities otherwise payable or deliverable to the Trustee or such Holder.

SECTION 1308. Trustee to Effectuate Subordination.

Each Holder of a Security or coupon by such Holder's acceptance thereof authorizes and directs the Trustee on such Holder's behalf to take such action as may be necessary or appropriate to effectuate the subordination provided in this Article and appoints the Trustee such Holder's attorney-in-fact for any and all such purposes.

SECTION 1309. No Waiver of Subordination Provisions.

(a) No right of any present or future holder of any Senior Indebtedness to enforce subordination as herein provided (and as the subordination provisions of this Article Thirteen may be amended or supplemented from time to time in accordance with the provisions of

this Indenture) shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of the Company or by any act

or failure to act, in good faith, by any such holder, or by any non-compliance by the Company with the terms, provisions and covenants of this Indenture, regardless of any knowledge thereof any such holder may have or be otherwise charged with.

(b) Without in any way limiting the generality of paragraph (a) of this Section 1309, the holders of Senior Indebtedness may, at any time and from time to time, without the consent of or notice to the Trustee or the Holders of the Securities, without incurring responsibility to the Holders of the Securities or coupons appertaining thereto and without impairing or releasing the subordination provided in this Article or the obligations hereunder of the Holders of the Securities or coupons appertaining thereto to the holders of Senior Indebtedness, do any one or more of the following: (1) change the manner, place or terms of payment or extend the time of payment of, or renew or alter, Senior Indebtedness or otherwise amend or supplement in any manner Senior Indebtedness or any instrument evidencing the same or any agreement under which Senior Indebtedness is outstanding; (2) sell, exchange, release or otherwise deal with any property pledged, mortgaged or otherwise securing Senior Indebtedness; (3) release any Person liable in any manner for the collection of Senior Indebtedness; and (4) exercise or refrain from exercising any rights against the Company and any other Person.

SECTION 1310. Notice to Trustee.

(a) The Company shall give prompt written notice to the Trustee of any fact known to it which would prohibit the making of any payment to or by the Trustee in respect of the Securities or coupons appertaining thereto pursuant to the provisions of this Article. Notwithstanding the provisions of this Article or any provisions of this Indenture, the Trustee shall not be charged with knowledge of the existence of any fact that would prohibit the making of any payment to or by the Trustee in respect of the Securities or coupons appertaining thereto pursuant to the provisions of this Article, unless and until the Trustee shall have received written notice thereof from the Company, or a holder of Senior Indebtedness or from any trustee, fiduciary or agent therefor at least ten Business Days prior to such payment date; and, prior to the receipt of any such written notice, the Trustee, subject to the provisions of Section 601, shall be entitled in all respects to assume that no such facts exist; provided, however, that, if the Trustee shall not have received the notice provided for in this Section 1310 at least ten Business Days prior to the date upon which by the terms hereof any money may become payable for any purpose (including, without limitation, the payment of the principal of (or premium, if any) or interest on any Security or coupon), then, anything herein contained to the contrary notwithstanding, the Trustee shall have full power and authority to receive such money and to apply the same to the purpose for which such money was received and shall not be affected by any notice to the

contrary which may be received by it within ten Business Days prior to such date.

(b) Subject to the provisions of Section 601, the Trustee shall be entitled to rely on the delivery to it of a written notice by a Person representing himself to be a holder of Senior Indebtedness (or such holder's representative or a trustee therefor) to establish that such notice has been given by a holder of Senior Indebtedness (or such holder's representative or a trustee on behalf of such holder). In the event that the Trustee determines in good faith that further evidence is required with respect to the right of any Person as a holder of Senior Indebtedness to participate in any payment or distribution pursuant to this Article, the Trustee may request such Person to furnish evidence to the reasonable satisfaction of the Trustee as to the amount of Senior Indebtedness held by such Person, the extent to which such Person is entitled to participate in such payment or distribution and any other facts pertinent to the rights of such Person under this Article and, if such evidence is not furnished, the Trustee may defer any payment to such Person pending judicial determination as to the right of such Person to receive such payment.

SECTION 1311. Reliance on Judicial Order or Certificate of Liquidating Agent.

Upon any payment or distribution of assets of the Company referred to in this Article, the Trustee, subject to the provisions of Section 601, and the Holders of the Securities shall be entitled to rely upon any order or decree entered by any court of competent jurisdiction in which such insolvency, bankruptcy, receivership, liquidation, reorganization, dissolution, winding up or similar case or proceeding of the Company is pending, or a certificate of the trustee in bankruptcy, receiver, liquidating trustee, custodian, assignee for the benefit of creditors, agent or other Person making such payment or distribution, delivered to the Trustee or to the Holders of Securities or coupons appertaining thereto, for the purpose of ascertaining the Persons entitled to participate in such payment or distribution, the holders of Senior Indebtedness and other indebtedness of the Company, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Article.

SECTION 1312. Trustee Not Fiduciary for Holders of Senior

Indebtedness.

The Trustee shall not be deemed to owe any fiduciary duty to the holders of Senior Indebtedness and shall not be liable to any such holders if it shall in good faith mistakenly pay over or distribute to Holders of the Securities or coupons appertaining thereto or to the Company or to any other Person cash, property or securities to which any holder of Senior Indebtedness shall be entitled by virtue of this Article or otherwise.

SECTION 1313. Rights of Trustee as a Holder of Senior Indebtedness; Preservation of Trustee's Rights.

The Trustee in its individual capacity shall be entitled to all the rights set forth in this Article with respect to any Senior Indebtedness which may at any time be held by it, to the same extent as any other holder of Senior Indebtedness, and nothing in this Indenture shall deprive the Trustee of any of its rights as such holder. Notwithstanding anything to the contrary in this Indenture, nothing in this Article shall apply to claims of, or payments to, the Trustee under or pursuant to Section 607.

SECTION 1314. Article Applicable to Paying Agents.

In case at any time any Paying Agent other than the Trustee shall have been appointed by the Company and be then acting hereunder, the term "Trustee" as used in this Article shall in such case (unless the context otherwise requires) be construed as extending to and including such Paying Agent within its meaning as fully for all intents and purposes as if such Paying Agent were named in this Article in addition to or in place of the Trustee; provided, however, that Section 1311 shall not apply to the Company or any of its respective Affiliates if it or such Affiliate acts as Paying Agent.

SECTION 1315. No Suspension of Remedies.

Nothing contained in this Article shall limit the right of the Trustee or the Holders of Securities to take any action to accelerate the maturity of the Securities pursuant to Article Five or to pursue any rights or remedies hereunder or under applicable law.

SECTION 1316. Trust Moneys Not Subordinated.

Notwithstanding anything contained herein to the contrary, payments from cash or the proceeds of U.S. Government Obligations held in trust under Section 403, Section 1105 or Section 1203 hereof, or the delivery of Securities held in trust under Section 1203 hereof, by the Trustee (or other qualifying trustee) and which were deposited without violation of the terms of this Article (as this Article may be amended or supplemented from time to time in accordance with the provisions of this Indenture) for the payment of principal of (and premium, if any) and interest on the Securities or the payment of the coupons appertaining thereto or on account of any redemption or sinking fund provisions for the Securities shall not be subordinated to the prior payment of any Senior Indebtedness or subject to the restrictions set forth in this Article, and none of the Holders shall be obligated to pay over any such amount to the Company or any holder of Senior Indebtedness or any other creditor of the Company.

ARTICLE FOURTEEN
REPAYMENT AT THE OPTION OF HOLDERS

SECTION 1401. Applicability of Article.

Securities of any series which are repayable at the option of the Holders thereof before their Stated Maturity shall be repaid in accordance with the terms of the Securities of such series. The repayment of any principal amount of Securities pursuant to such option of the Holder to require repayment of Securities before their Stated Maturity, for purposes of Section 309, shall not operate as a payment, redemption or satisfaction of the indebtedness represented by such Securities unless and until the Company, at its option, shall deliver or surrender the same to the Trustee with a directive that such Securities be cancelled. Notwithstanding anything to the contrary contained in this Article, in connection with any repayment of Securities, the Company may arrange for the purchase of any Securities by an agreement with one or more investment bankers or other purchasers to purchase such Securities by paying to the Holders of such Securities on or before the close of business on the repayment date an amount not less than the repayment price payable by the Company on repayment of such Securities, and the obligation of the Company to pay the repayment price of such Securities shall be

satisfied and discharged to the extent such payment is so paid by such purchasers.

ARTICLE FIFTEEN
CONVERSION OF SECURITIES

SECTION 1501. Conversion Privilege and Conversion Price.

As specified in relation to the Securities of any series pursuant to Section 301, and subject to and upon compliance with the provisions of this Article, at the option of the Holder thereof, any Security which by its terms may be converted, or any portion of the principal amount of any such Security which equals $1,000 or an integral multiple thereof, may be converted at the principal amount thereof, or of such portion thereof, into fully paid and non-assessable Common Shares (calculated as to each conversion to the nearest 1/100 of a share) or other securities of the Company as specified in relation to such Securities pursuant to Section 301, at the conversion price, determined as hereinafter provided, in effect at the time of conversion. Such conversion right shall expire at the close of business on the date specified for Securities of such series; provided that, if a Security or portion thereof is called for redemption, such conversion right in respect of the Security or portion so called shall expire at the close of business on the Business Day immediately preceding the Redemption Date, unless the Company defaults in making the payment due upon redemption.

The price at which Common Shares or other securities of the Company shall be delivered upon conversion (herein called the "conversion price") shall be the price specified in relation to the Securities of such series pursuant to Section 301. The conversion

price shall be adjusted in certain instances as provided in this Article.

SECTION 1502. Exercise of Conversion Privilege.

In order to exercise the conversion privilege, the Holder of any Security to be converted shall surrender such Security, duly endorsed or assigned to the Company or in blank, at any office or agency of the Company maintained pursuant to Section 1002, accompanied by written

notice to the Company in the form provided in the Security (or such other notice as is acceptable to the Company) that the Holder elects to convert such Security or, if less than the entire principal amount thereof is to be converted, the portion thereof to be converted. In the case of any Security that is surrendered for conversion during the period from the close of business on any Regular Record Date through and including the next succeeding Interest Payment Date (other than any Security whose Maturity is prior to such Interest Payment Date), interest whose Stated Maturity is on such Interest Payment Date shall be payable on such Interest Payment Date notwithstanding such conversion (and consequent cancellation pursuant to Section 309) or, subject to the proviso below and the provisions of Section 1105, any call of such Security for redemption, and such interest (whether or not punctually paid or duly provided for) shall be paid to the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on such Regular Record Date; provided, however, that Securities so surrendered for conversion shall (except in the case of Securities or portions thereof which have been called for redemption on a Redemption Date that is prior to such Interest Payment Date) be accompanied by payment in New York Clearing House funds or other funds acceptable to the Company of an amount equal to the interest payable on such Interest Payment Date on the principal amount being surrendered for conversion. Except as provided in the immediately preceding sentence, in the case of any Security which is converted (a) interest whose Stated Maturity is after the date of conversion of such Security shall not be payable, and (b) no adjustment shall be made for interest accrued on such Security.

Securities shall be deemed to have been converted immediately prior to the close of business on the day of surrender of such Securities for conversion in accordance with the foregoing provisions, and at such time the rights of the Holders of such Securities as Holders shall cease, and the Person or Persons entitled to receive the Common Shares or other securities of the Company issuable upon conversion shall be treated for all purposes as the record holder or holders of such Common Shares or securities as and after such time. As promptly as practicable on or after the conversion date the Company shall issue and shall deliver at such office or agency of the Company maintained pursuant to Section 1002 a certificate or certificates for the number of full Common Shares or a certificate, instrument or other document evidencing such other securities of the Company issuable upon conversion, together with any payment in lieu of any fraction of a share or security, as provided in Section 1503.

In the case of any Security which is converted in part only, upon such conversion the Company shall execute and the Trustee shall authenticate and deliver to the Holder thereof, at the expense of the Company, a new Security or Securities of authorized denominations in aggregate principal amount equal to the unconverted portion of the principal amount of such Security.

No payment or adjustment shall be made upon any conversion on account of any dividends or distributions on the Common Shares or any interest, dividends or distributions on other securities of the Company issued upon conversion.

SECTION 1503. Fractions of Shares.

No fractional Common Shares or scrip representing fractions of shares or, except as otherwise specified pursuant to Section 301, fractions of other securities of the Company shall be issued upon conversion of Securities. If more than one Security shall be surrendered for conversion at one time by the same Holder, the number of full shares or securities of the Company which shall be issuable upon conversion thereof shall be computed on the basis of the aggregate principal amount of the Securities (or specified portions thereof) so surrendered. If any fractional Common Share or, except as otherwise specified pursuant to Section 301, other security of the Company would, except for the provisions of this Section 1503, be issuable upon conversion of any Security or Securities, the Company shall make an adjustment therefor in cash at the current market value thereof. The market value of a Common Share shall be the closing price on the Business Day immediately preceding the day on which the Securities (or specified portions thereof) are deemed to have been converted and such closing price shall be determined as provided in subsection 1504(a)(4). The market value of securities of the Company other than Common Shares which are issuable upon conversion of the Securities shall be specified in relation to the Securities of such series pursuant to Section 301. When any payment is required, the Company shall give the Trustee and any conversion agent a written notification of the closing price used to determine the amount of such payment and the Trustee and any conversion agent shall be entitled to rely on such notification.

SECTION 1504. Adjustment of Conversion Price.

(a) Except as otherwise specified pursuant to Section 301, the conversion price for Securities of any series, which by the terms of such Securities may be converted in Common Shares, shall be adjusted from time to time as follows:

(1) In case the Company shall (i) pay a dividend or make a distribution on its Common Shares in Common Shares, (ii)

subdivide its outstanding Common Shares into a greater number of shares, or (iii) combine its outstanding Common Shares into a smaller number of shares, the conversion price in effect

immediately prior thereto shall be adjusted so that the Holder of any Security thereafter surrendered for conversion shall be entitled to receive the number of Common Shares of the Company which he would have owned or have been entitled to receive after the happening of any of the events described above had such Security been converted immediately prior to the happening of such event. An adjustment made pursuant to this subsection (1) shall become effective immediately, except as provided in subsection (7) below, after the record date in the case of a dividend and shall become effective immediately after the effective date in the case of subdivision or combination.

(2) In case the Company shall issue rights (other than the Rights) or warrants to all holders of its Common Shares entitling them (for a period expiring within 45 days after the record date mentioned below) to subscribe for or purchase Common Shares at a price per share less than the current market price per Common Share (as defined in subsection (4) below) at the record date for the determination of shareholders entitled to receive such rights or warrants, the conversion price in effect immediately prior thereto shall be adjusted so that the same shall equal the price determined by multiplying the conversion price in effect immediately prior to the date of issuance of such rights or warrants by a fraction of which the numerator shall be the number of Common Shares outstanding on the date of issuance of such rights or warrants plus the number of shares which the aggregate offering price of the total number of shares so offered would purchase at such current market price, and of which the denominator shall be the number of Common Shares outstanding on the date of issuance of such rights or warrants plus the number of additional Common Shares offered for subscription or purchase. Such adjustment shall be made successively, whenever any such rights or warrants are issued, and shall become effective immediately, except as provided in subsection (7) below, after such record date. In determining whether any rights or warrants entitle the Holders of the Securities to subscribe for or purchase Common Shares at less than such current market price, and in determining the aggregate offering price of such Common

Shares, there shall be taken into account any consideration received by the Company for such rights or warrants, the value of such consideration, if other than cash, to be determined by the Board of Directors.

(3) In case the Company shall distribute to all holders of its Common Shares evidences of its indebtedness or assets (excluding cash dividends or distributions paid from retained earnings of the Company) or rights (other than the Rights) or warrants to subscribe for or purchase any of its securities (excluding those referred to in subsection (2) above), then in each such case, unless the Company elects to reserve shares or other units of any of the foregoing for distribution to the Holders upon the conversion of the Securities so that any

Holder converting Securities will receive upon such conversion, in addition to the Common Shares to which such Holder is entitled, the amount and kind of any of the foregoing which such Holder would have received if such Holder had, immediately prior to the record date for the distribution of any of the foregoing, converted its Securities into Common Shares, the conversion price shall be adjusted so that the same shall equal the price determined by multiplying the conversion price in effect immediately prior to the date of such distribution by a fraction of which the numerator shall be the current market price per Common Share (as defined in subsection (4) below) on the record date mentioned below less the then fair market value (as determined by the Board of Directors of the Company, whose determination shall, if made in good faith, be conclusive, and described in a certificate filed with the Trustee) of the portion of the Common Shares or assets or evidences of indebtedness so distributed or of such rights or warrants applicable to one Common Share, and of which the denominator shall be the current market price per Common Share (as defined in subsection (4) below). Such adjustment shall become effective immediately, except as provided in subsection (7) below, after the record date for the determination of shareholders entitled to receive such distribution.

(4) For the purpose of any computation under subsections (2) and (3) above, the current market price per Common Share on any date shall be deemed to be the average of the

daily closing prices for the thirty consecutive Trading Days before the date in question. The closing price for each day shall be the last reported sale price regular way on the New York Stock Exchange, or, if not reported for such Exchange, on the Composite Tape, or, in case no such reported sale takes place on such day, the average of the reported closing bid and asked quotations on the New York Stock Exchange, or, if the Common Shares are not listed on such Exchange or no such quotations are available, the average of the high bid and low asked quotations in the over-the-counter market as reported by the National Quotation Bureau, Incorporated, or similar organization, or, if no such quotations are available, the fair market value of such class of stock as determined by a member firm of the New York Stock Exchange, Inc. selected by the Company. As used herein the term "Trading Days" with respect to Common Shares means (i) if the Common Shares are listed or admitted for trading on the New York Stock Exchange or any national securities exchange, days on which the New York Stock Exchange or such national securities exchange is open for business or (ii) if the Common Shares are quoted on the National Market of the National Association of Securities Dealers, Inc. Automated Quotation System or any similar system of automated dissemination of quotations of securities prices, days on which trades may be made on such system.

(5) No adjustment in the conversion price shall be required unless such adjustment would require an increase or decrease of at least 1 percent in such price; provided, however, that any adjustments which by reason of this subsection (5) are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this Article shall be made to the nearest cent or to the nearest one hundredth of a share, as the case may be. Anything in this Section 1504 to the contrary notwithstanding, the Company shall be entitled to make such reductions in the conversion price, in addition to those required by this Section 1504, as it in its discretion shall determine to be advisable in order that any stock dividends, subdivision of shares, distribution of rights or warrants to purchase stock or securities, or a distribution of other assets (other than cash dividends) hereafter made by the Company to its shareholders shall not be taxable.

(6) In any case in which this Section 1504 provides that an adjustment shall become effective immediately after a record date for an event, the Company may defer until the occurrence of such event (i) issuing to the Holder of any Security converted after such record date and before the occurrence of such event the additional Common Shares issuable upon such conversion by reason of the adjustment required by such event over and above the Common Shares issuable upon such conversion before giving effect to such adjustment and (ii) paying to such holder any amount in cash in lieu of any fraction pursuant to Section 1503.

(b) The conversion price for Securities, which by the terms of such Securities may be converted into securities of the Company other than Common Shares, shall be adjusted from time to time as specified in relation to the Securities of such series pursuant to Section 301.

SECTION 1505. Notice of Adjustments of Conversion Price.

Whenever the conversion price is adjusted, as herein provided, the Company shall promptly file with the Trustee and any conversion agent other than the Trustee an Officers' Certificate setting forth the conversion price after such adjustment and setting forth a brief statement of the facts requiring such adjustment, which certificate shall be conclusive evidence of the correctness of such adjustment. Promptly after delivery of such certificate, the Company shall prepare a notice of such adjustment of the conversion price setting forth the adjusted conversion price and the date on which such adjustment becomes effective and shall mail such notice of such adjustment of the conversion price to the Holder of each Security of that series at his last address appearing on the Security Register.

SECTION 1506. Notice of Certain Corporate Actions.

In case:

(a) the Company shall declare a dividend (or any other distribution) on its Common Shares payable otherwise than exclusively in cash;

(b) the Company shall authorize the granting to the holders of

its Common Shares of rights, options or warrants to subscribe for or purchase any capital shares of any class or of any other rights (excluding capital shares or options for capital shares issued pursuant to a benefit plan for employees, officers or directors of the Company or its Subsidiaries or Affiliates); or

(c) of any reclassification of the Common Shares (other than a subdivision or combination of the outstanding Common Shares), or of any consolidation, merger or share exchange to which the Company is a party and for which approval of any shareholders of the Company is required, or of the sale or transfer of substantially all the assets of the Company; or

(d) of the voluntary or involuntary dissolution, liquidation or winding up of the Company; or

(e) the Company or any Subsidiary or Affiliate shall commence a tender offer for all or a portion of the outstanding Common Shares (or shall amend any such tender offer to change the maximum number of shares being sought or the amount or type of consideration being offered therefor);

then the Company shall cause to be delivered to each office or agency maintained pursuant to Section 1002, and shall cause to be mailed to all Holders of Securities of each series which may be converted pursuant to Section 1501 at their last addresses as they shall appear in the Security Register, at least 20 days (or 10 days in any case specified in clause (a), (b) or (c) above) prior to the applicable record, effective or expiration date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution or granting of rights or warrants, or, if a record is not to be taken, the date as of which the holders of Common Shares of record who will be entitled to such dividend, distribution, rights or warrants are to be determined, (y) the date on which such reclassification, consolidation, merger, share exchange, sale, transfer, dissolution, liquidation or winding up is expected to become effective, and the date as of which it is expected that holders of Common Shares of record shall be entitled to exchange their Common Shares for securities, cash or other property deliverable upon such reclassification, consolidation, merger, share exchange, sale, transfer, dissolution, liquidation or winding up, or (z) the date on which such tender offer commenced, the date on which such tender offer is scheduled to expire unless extended, the consideration offered and the other material terms thereof (or the material terms of any amendment thereto). Neither the failure to give any such notice nor any defect therein shall affect the legality or validity of any action described in clauses (a) through (e) of this Section 1506.

SECTION 1507. Company to Reserve Common Shares.

The Company shall at all times reserve and keep available, free from preemptive rights, out of the authorized but unissued Common Shares or out of the Common Shares held in treasury, for the purpose of effecting the conversion of Securities, the full number of shares of Common Shares then issuable upon the conversion of all outstanding Securities.

SECTION 1508. Taxes on Conversions.

The Company will pay any and all original issuance, transfer, stamp and other similar taxes that may be payable in respect of the issue or delivery of Common Shares or other securities of the Company on conversion of Securities pursuant hereto. The Company shall not, however, be required to pay any tax which may be payable in respect of any transfer involved on the issue and delivery of Common Shares or other securities of the Company in a name other than that of the Holder of the Security or Securities to be converted, and no such issue or delivery shall be made unless and until the Person requesting such issue has paid to the Company the amount of any such tax, or has established to the satisfaction of the Company that such tax has been paid.

SECTION 1509. Covenant as to Common Shares.

The Company covenants that all shares of Common Shares which may be issued upon conversion of Securities will upon issue be validly issued, fully paid and non assessable.

SECTION 1511. Cancellation of Converted Securities.

All Securities delivered for conversion shall be delivered to the Trustee to be cancelled by or at the direction of the Trustee as provided in Section 309.

SECTION 1512. Provisions as to Reclassification, Consolidation, Merger or Sale of Assets.

If any of the following events, namely (i) the reclassification or change of outstanding Common Shares (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination), (ii) any consolidation, merger or combination of the Company with another corporation as a result of which holders of Common Shares shall be

entitled to receive stock, securities or other property or assets (including cash) with respect to or in exchange for such Common Shares, or (iii) any sale or conveyance of the properties and assets of the Company as, or substantially as, an entirety to any other entity as a result of which holders of Common Shares shall be entitled to receive stock, securities or other property or assets (including cash) with respect to or in exchange for such Common Shares, shall

occur, then the Company or the successor or purchasing entity, as the case may be, shall execute with the Trustee a supplemental indenture (which shall conform to the Trust Indenture Act as in force at the date of execution of such supplemental indenture) providing that each Security shall be convertible into the kind and amount of shares of stock and other securities or property or assets (including cash) receivable upon such reclassification, change, consolidation, merger, combination, sale or conveyance by a holder of the number of Common Shares issuable upon conversion of such Security immediately prior to such reclassification, change, consolidation, merger, combination, sale or conveyance, assuming such holder of Common Shares (i) is not a Person with which the Company consolidated or into which the Company merged or which merged into the Company or to which such sale or transfer was made, as the case may be (a "Constituent Person"), or an Affiliate of a Constituent Person and (ii) failed to exercise his rights of election, if any, as to the kind or amount of securities, cash and other property receivable upon such consolidation, merger, sale or transfer (provided that if the kind or amount of securities, cash and other property receivable upon such consolidation, merger, sale or transfer is not the same for each Common Share held immediately prior to such consolidation, merger, sale or transfer by other than a Constituent Person or an Affiliate thereof and in respect of which such rights of election shall not have been exercised ("nonelecting share"), then for the purpose of this Section 1512 the kind and amount of securities, cash and other property receivable upon such consolidation, merger, sale or transfer by each nonelecting share shall be deemed to be the kind and amount so receivable per share by a plurality of the nonelecting shares). Such supplemental indenture shall provide for adjustments that for events subsequent to the effective date of such supplemental indenture shall be a nearly equivalent as may be practicable to the adjustments provided for in this Article. The above provisions of this Section 1512 shall similarly apply to successive consolidations, mergers, sales or transfers.

SECTION 1513. Trustee Not Responsible For Determining Conversion Price or Adjustments.

Neither the Trustee nor any conversion agent shall at any time be under any duty or responsibility to any Holder of any Security to determine whether any facts exist which may require any adjustment of the conversion price, or with respect to the nature or extent of any such adjustment when made, or with respect to the method employed, or herein or in any supplemental indenture provided to be employed, in making the same. Neither the Trustee nor any conversion agent shall be accountable with respect to the validity or value (or the kind or amount) of any Common Shares or of any securities or property, which may at any time be issued or delivered upon the conversion of any Security; and neither the Trustee nor any conversion agent makes any representation with respect thereto. Neither the Trustee nor any conversion agent shall be responsible for any failure of the Company to make any cash payment or to issue, transfer or deliver any Common

Shares or stock certificates or other securities or property upon the surrender of any Security for the purpose of conversion.

SECTION 1514. Rights Issued in Respect of Common Shares Issued on Certain Conversions.

Each Common Share issued upon conversion of Securities pursuant to this Article on or prior to the close of business on the earliest of (i) the Distribution Date (as defined in the Rights Agreement), (ii) any date on which the Rights (as defined in the Rights Agreement) are redeemed in accordance with the Rights Agreement or (iii) the Final Expiration Date (as defined in the Rights Agreement), shall in accordance with the Rights Agreement also evidence one Right, and the certificates for such Common Shares shall bear the legend set forth in Section Three of the Rights Agreement. In addition, holders of the Securities converted into Common Shares after the Distribution Date, but prior to the earlier of (x) any date fixed for redemption of the Rights in accordance with the Rights Agreement and (y) the Final Expiration Date, shall be entitled to the issuance, in the manner provided in the Rights Agreement, of Rights Certificates (as defined in the Rights Agreement) representing the appropriate number of Rights in connection with the issuance of Common Shares upon conversion of Securities. Notwithstanding the foregoing, Holders of Securities

converted into Common Shares shall not be entitled to Rights or the issuance of Rights Certificates if at the time of conversion all Rights under the Rights Agreement have been terminated or cancelled. Holders who have not converted Securities on or prior to any such date fixed for redemption of Rights will not be entitled to the redemption price in respect thereof or to any adjustment therefor.

ARTICLE SIXTEEN
MISCELLANEOUS PROVISIONS

SECTION 1601. Securities in Foreign Currencies.

Whenever this Indenture provides for (i) any action by, or the determination of any of the rights of, Holders of Securities of any series in which not all of such Securities are denominated in the same currency, or (ii) any distribution to Holders of Securities, in the absence of any provision to the contrary in the form of Security of any particular series, any amount in respect of any Security denominated in a currency other than Dollars shall be treated for any such action or distribution as that amount of Dollars that could be obtained for such amount on such reasonable basis of exchange and as of the record date with respect to Registered Securities of such series (if any) for such action, determination of rights or distribution (or, if there shall be no applicable record date, such other date reasonably proximate to the date of such action, determination of rights or distribution) as the Company may specify in a written notice to the Trustee.

* * * *

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

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed, and their respective corporate seals to be hereunto affixed, all as of the day and year first above written.

ARVIN INDUSTRIES, INC.

[SEAL]

By _____
Vice President-Finance

Attest:

_____
Assistant Secretary

NBD BANK, NATIONAL ASSOCIATION

[SEAL]

By _____
Authorized Officer

Attest:

_____
Assistant Secretary

STATE OF _____)

) ss.:
COUNTY OF _____)

On the ____ day of _____ before me personally came _____ to me known, who, being by me duly sworn, did depose and say that he resides at _____, that he is _____ of Arvin Industries, Inc., one of the corporations described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation, and that he signed his name thereto by like authority.

_____
Notary Public

STATE OF _____)
) ss.:
COUNTY OF _____)

On the ____ day of _____, before me personally came _____ to me known, who, being by me duly sworn, did depose and say that he resides at _____, that he is a _____ of NBD Bank, National Association, one of the corporations described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation, and that he signed his name thereto by like authority.

_____
Notary Public

EXHIBIT 4-6

DEPOSIT AGREEMENT<*>

Dated as of _____, 19___

among

ARVIN INDUSTRIES, INC.,

_____, as Depositary

and

THE HOLDERS FROM TIME TO TIME OF
THE DEPOSITARY RECEIPTS DESCRIBED HEREIN

<*>OPTIONS REPRESENTED BY BRACKETED OR BLANK SECTIONS HEREIN SHALL BE DETERMINED IN CONFORMITY WITH APPLICABLE PROSPECTUS SUPPLEMENT OR SUPPLEMENTS.

TABLE OF CONTENTS<*>

<*>The Table of Contents is not part of the Deposit Agreement.

DEPOSIT AGREEMENT

DEPOSIT AGREEMENT, dated as of _____, 19___, among ARVIN INDUSTRIES, INC. an Indiana corporation, _____, as Depositary, and all Holders from time to time of the Receipts described herein.

WITNESSETH:

WHEREAS, it is desired to provide, as hereinafter set forth in this Deposit Agreement, for the deposit by the Company of certain of the Company's Preferred Shares with the Depositary for the purposes set forth in this Deposit Agreement and for the issuance hereunder of the Receipts evidencing Depositary Shares representing an interest in the Preferred Shares deposited; and

WHEREAS, the Receipts are to be substantially in the form of Exhibit A annexed to this Deposit Agreement, with appropriate insertions, modifications and omissions, as hereinafter provided in this Deposit Agreement;

NOW, THEREFORE, in consideration of the premises contained herein, it is agreed by and among the parties hereto as follows:

ARTICLE I
DEFINITIONS

The following definitions shall apply to the respective terms (in the singular and plural forms of such terms) used in this Deposit Agreement and the Receipts:

SECTION 1.01. "Agent" shall mean any agent of the Depositary appointed by the Depositary from time to time to act in any respect for the Depositary for purposes of this Deposit Agreement and the appointment of which may be modified or terminated by the Depositary. The Depositary will notify the Company of any such action.

SECTION 1.02. "Articles of Incorporation" shall mean the Restated Articles of Incorporation, as amended and/or restated from time to time, of the Company.

SECTION 1.03. "Common Shares" shall mean the Company's Common Shares, $2.50 par value per share, or shares of any class resulting from any reclassification thereof.

SECTION 1.04. "Company" shall mean Arvin Industries, Inc., an Indiana corporation, and its successors.

SECTION 1.05. "Corporate Office" shall mean the corporate office of the Depositary in _____ at which at any particular time its business in respect of matters governed by this

Deposit Agreement shall be administered, which at the date of this Deposit Agreement is located at _____.

SECTION 1.06. "Deposit Agreement" shall mean this agreement, as the same may be amended, modified or supplemented from time to time.

SECTION 1.07. "Depositary" shall mean _____, a company having its principal office in the United States and having a combined capital and surplus of at least $50,000,000, and any successor as depositary hereunder.

SECTION 1.08. "Depositary Share" shall mean an interest in the following specified fraction, namely one _____ (1/__), of one share of the Preferred Shares deposited by the Company with the Depositary hereunder and the same proportionate interest in any and all other property received by the Depositary in respect of such Preferred Shares and held under this Deposit Agreement, all as evidenced by the Receipts.

SECTION 1.09. "Holder", as applied to a Receipt, shall mean the person in whose name an outstanding Receipt is registered on the books maintained by the Depositary for such purpose.

SECTION 1.10. "Preferred Share Amendment" shall mean the Preferred Share Amendment of the Restated Articles of Incorporation filed with the Secretary of State of Indiana establishing the Preferred Shares as a series of Preferred Shares.

SECTION 1.11. "Preferred Shares" shall mean shares of the Company's _____ Preferred Shares, with no par value per share, as specified in the Preferred Share Amendment.

SECTION 1.12. "Receipt" shall mean a depositary receipt issued hereunder to evidence one or more Depositary Shares, whether in definitive or temporary form, substantially in the form set forth as Exhibit A hereto.

SECTION 1.13. "Registrar" shall mean any bank or trust company appointed to register ownership and transfers of Receipts as herein provided.

SECTION 1.14. "Securities Act" shall mean the Securities Act of 1933, as amended.

ARTICLE II
FORM OF RECEIPTS, DEPOSIT OF PREFERRED SHARES, EXECUTION AND DELIVERY, TRANSFER, SURRENDER AND REDEMPTION OF RECEIPTS

SECTION 2.01. Form and Transferability of Receipts. Definitive

Receipts shall be engraved, printed or lithographed, with steel-engraved borders and underlying tint, and shall be substantially in the form set forth in Exhibit A attached hereto, with appropriate

insertions, modifications and omissions, as hereinafter provided. Pending the preparation of definitive Receipts, the Depositary, upon the written order of the Company, delivered in compliance with Section 2.02, shall execute and deliver temporary Receipts, which may be printed, lithographed, typewritten, reproduced or otherwise, substantially of the tenor of the definitive Receipts in lieu of which they are issued and with such appropriate insertions, omissions, substitutions and other variations as the persons executing such Receipts may determine, as evidenced by their execution of such Receipts. If temporary Receipts are issued, the Company and the Depositary will cause definitive Receipts to be prepared without unreasonable delay. After the preparation of definitive Receipts, the temporary Receipts shall be exchangeable for definitive Receipts upon surrender of the temporary Receipts at the Corporate Office or such other office or offices, if any, as the Depositary may designate, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Receipts, the Depositary shall execute and deliver in exchange therefor definitive Receipts representing the same number of Depositary Shares represented by the surrendered temporary Receipt or Receipts. Such exchange shall be made at the Company's expense and without any charge therefor. Until so exchanged, the temporary Receipts shall in all respects be entitled to the same benefits under this Agreement, and with respect to the Preferred Shares deposited hereunder, as definitive Receipts.

Receipts shall be executed by the Depositary by the manual signature of a duly authorized signatory of the Depositary, provided that such signature may be a facsimile if a Registrar (other than the Depositary) shall have countersigned the Receipts by manual signature of a duly authorized signatory of the Registrar. No Receipt shall be entitled to any benefits under this Deposit Agreement or be valid or obligatory for any purpose unless it shall have been executed as provided in the preceding sentence. The Depositary shall record on its books each Receipt executed as provided above and delivered as hereinafter provided.

Except as the Depositary may otherwise determine, Receipts shall be in denominations of any number of whole Depositary Shares. All

Receipts shall be dated the date of their issuance.

Receipts may be endorsed with or have incorporated in the text thereof such legends or recitals or changes not inconsistent with the provisions of this Deposit Agreement as may be required by the Depositary or required to comply with any applicable law or regulation or with the rules and regulations of any securities exchange upon which the Preferred Shares, the Depositary Shares or the Receipts may be listed or to conform with any usage with respect thereto, or to indicate any special limitations or restrictions to which any particular Receipts are subject.

Title to any Receipt (and to the Depositary Shares evidenced by such Receipt) that is properly endorsed or accompanied by a properly

executed instrument of transfer or endorsement shall be transferable by delivery with the same effect as in the case of a negotiable instrument; provided, however, that until a Receipt shall be transferred on the books of the Depositary as provided in Section 2.04, the Depositary and the Company may, notwithstanding any notice to the contrary, treat the Holder thereof at such time as the absolute owner thereof for the purpose of determining the person entitled to receive dividends and other distributions and notices provided for in this Deposit Agreement and for all other purposes.

SECTION 2.02. Deposit of Preferred Shares; Execution and Delivery of Receipts in Respect Thereof. Subject to the terms and conditions of this Deposit Agreement, the Company may from time to time deposit Preferred Shares under this Deposit Agreement by delivery to the Depositary of a certificate or certificates for the Preferred Shares to be deposited, properly endorsed or accompanied, if required by the Depositary, by a duly executed instrument of transfer or endorsement, in form satisfactory to the Depositary, together with (i) all such certifications as may be required by the Depositary in accordance with the provisions of this Deposit Agreement and (ii) a written order of the Company directing the Depositary to execute and deliver to or upon the written order of the person or persons stated in such order a Receipt or Receipts for the number of Depositary Shares representing such deposited Preferred Shares.

Upon receipt by the Depositary of a certificate or certificates for Preferred Shares to be deposited hereunder, together with the

other documents specified above, the Depositary shall, as soon as transfers and registration can be accomplished, present such certificate or certificates to the registrar and transfer agent of the Preferred Shares for transfer and registration in the name of the Depositary or its nominee of the Preferred Shares being deposited. Deposited Preferred Shares shall be held by the Depositary in an account to be established by the Depositary at the Corporate Office or at such other office as the Depositary shall determine.

Upon receipt by the Depositary of a certificate or certificates for Preferred Shares to be deposited hereunder, together with the other documents specified above, and upon registration of the Preferred Shares on the books of the Company in the name of the Depositary or its nominee, the Depositary, subject to the terms and conditions of this Deposit Agreement, shall execute and deliver to or upon the order of the person or persons named in the written order delivered to the Depositary referred to in the first paragraph of this Section 2.02, a Receipt or Receipts for the number of whole Depositary Shares representing the Preferred Shares so deposited, registered in such name or names as may be requested by such person or persons. The Depositary shall execute and deliver such Receipt or Receipts at the Corporate Office, except that, at the request, risk and expense of any person requesting such delivery, such delivery may be made at such other place as may be designated by such person. In each case, delivery will be made only upon payment to the Depositary of all taxes

and other governmental charges and any fees payable in connection with such deposit and the transfer of the deposited Preferred Shares.

Other than in the case of splits, combinations or other reclassifications affecting the Preferred Shares or in the case of dividends or other distributions of Preferred Shares, if any, there shall be deposited hereunder not more than the number of shares constituting the Preferred Shares as set forth in the Preferred Share Amendment, as it may be amended.

The Company shall deliver to the Depositary from time to time such quantities of Receipts as the Depositary may request to enable the Depositary to perform its obligations under this Deposit Agreement.

SECTION 2.03. Optional Redemption of Preferred Shares. If the

Preferred Share Amendment provides for redemption of the Preferred Shares at the option of the Company, the Company (unless otherwise agreed in writing with the Depositary), whenever it elects to redeem Preferred Shares, shall give the Depositary not less than _____ days' prior written notice of the date of such proposed redemption and of the number of Preferred Shares held by the Depositary to be redeemed and the applicable redemption price, as set forth in the Preferred Share Amendment, including the amount, if any, of accrued and unpaid dividends to the date of such redemption. Provided that the Company shall have paid such redemption price in full to the Depositary on or prior to the date of such redemption, the Depositary shall redeem (using the proceeds of such redemption) the number of Depositary Shares representing such Preferred Shares so redeemed by the Company. The Depositary shall mail, first-class postage prepaid, notice of the redemption of Preferred Shares and the proposed simultaneous redemption of the Depositary Shares representing the Preferred Shares to be redeemed, not less than [30] nor more than [60] days prior to the date fixed for redemption of such Preferred Shares and Depositary Shares (the "redemption date"), to the Holders on the record date fixed for such redemption, pursuant to Section 4.04 hereof, of the Receipts evidencing the Depositary Shares to be so redeemed, at the addresses of such Holders as the same appear on the records of the Depositary; but neither failure to mail any such notice to one or more such Holders nor any defect in any notice shall affect the sufficiency of the redemption as to other Holders. The Company shall provide the Depositary with such notice, and each such notice shall state: (i) the record date for the purposes of such redemption; (ii) the redemption date; (iii) the number of Depositary Shares to be redeemed; (iv) if fewer than all the Depositary Shares held by any Holder are to be redeemed, the number of such Depositary Shares held by such Holder to be so redeemed; (v) the redemption price; (vi) the place or places where Receipts evidencing Depositary Shares to be redeemed are to be surrendered for payment of the redemption price; (vii) that, from and after the redemption date, dividends in respect of the Preferred Shares represented by the Depositary Shares to be redeemed will cease to accrue and all other rights with respect to such Depositary Shares

will cease and terminate; and (viii) in the event that the Depositary Shares evidence Preferred Shares convertible into or exchangeable for Common Shares or other securities of the Company, that all conversion and exchange rights, as the case may be, in respect of such Preferred Shares will terminate at the close of business on the last business

day preceding such redemption date. If fewer than all the outstanding Depositary Shares are to be redeemed, the Depositary Shares to be redeemed shall be selected by lot or pro rata (as nearly as may be) or in any other equitable manner, in each case as may be determined by the Company.

From and after the redemption date (unless the Company shall have failed to redeem the Preferred Shares to be redeemed by it as set forth in the Company's notice mailed by the Depositary in accordance with the preceding paragraph), (i) all dividends in respect of the Preferred Shares called for redemption shall cease to accrue; (ii) in the event that the Depositary Shares evidence Preferred Shares convertible into or exchangeable for Common Shares or other securities of the Company, the conversion and exchange rights, as the case may be, in respect of such Preferred Shares shall terminate; (iii) the Depositary Shares called for redemption shall be deemed no longer to be outstanding; and (iv) all rights of the Holders of Receipts evidencing such Depositary Shares (except the right to receive the redemption price) shall cease and terminate. Upon surrender in accordance with said notice of the Receipts evidencing such Depositary Shares (properly endorsed or assigned for transfer, if the Depositary shall so require), such Depositary Shares shall be redeemed at a redemption price per Depositary Share equal to [specify fraction] of the redemption price per share paid in respect of the Preferred Shares pursuant to the Preferred Share Amendment plus any other money and other property represented by each such Depositary Share. The foregoing shall be further subject to the terms and conditions of the Preferred Share Amendment.

If fewer than all of the Depositary Shares evidenced by a Receipt are called for redemption, the Depositary will deliver to the Holder of such Receipt upon its surrender to the Depositary, together with payment of the redemption price for the Depositary Shares called for redemption, a new Receipt evidencing the Depositary Shares evidenced by such prior Receipt and not called for redemption.

[The Depositary shall not be required (a) to issue, transfer or exchange any Receipts for a period beginning at the opening of business 15 days next preceding any selection of Depositary Shares and Preferred Shares to be redeemed and ending at the close of business on the day of the mailing of notice of redemption of Depositary Shares or (b) to transfer or exchange for another Receipt any Receipt evidencing Depositary Shares called or being called for redemption in whole or in part, except as provided in the preceding paragraph of this Section 2.03.]

SECTION 2.04. Registration of Transfer of Receipts. Subject to the terms and conditions of this Deposit Agreement, the Depositary shall register on its books transfers of Receipts upon any surrender thereof by the Holder in person or by a duly authorized attorney, properly endorsed or accompanied by a properly executed instrument of transfer or endorsement, together with evidence of the payment of any transfer taxes and other governmental charges as may be required by law. Upon such surrender, the Depositary shall execute a new Receipt or Receipts and deliver the same to or upon the order of the person entitled thereto evidencing the same aggregate number of Depositary Shares evidenced by the Receipt or Receipts surrendered.

SECTION 2.05. Combinations and Split-Ups of Receipts. Upon surrender by a Holder of a Receipt or Receipts at the Corporate Office or such other office as the Depositary may designate for the purpose of effecting a split-up or combination of Receipts, subject to the terms and conditions of this Deposit Agreement, the Depositary shall execute and deliver a new Receipt or Receipts in the authorized denominations requested evidencing the same aggregate number of Depositary Shares evidenced by the Receipt or Receipts surrendered; provided, however, that the Depositary shall not issue any Receipt evidencing a fractional Depositary Share.

SECTION 2.06. Limitations on Execution and Delivery, Transfer, Split-up, Combination, Surrender and Exchange of Receipts. As a condition precedent to the execution and delivery, transfer, split-up, combination, surrender or exchange of any Receipt or, in the event that the Depositary Shares evidence Preferred Shares convertible into or exchangeable for Common Shares or other securities of the Company, to the exercise of any conversion or exchange right referred to in Section 2.09, the Depositary, any Agent or the Company may require any or all of the following: (i) payment to it of a sum sufficient for the payment (or, in the event that the Depositary or Company shall have made such payment, the reimbursement) of any tax or other governmental charge with respect thereto (including any such tax or charge with respect to the Preferred Shares being deposited or withdrawn, provided that, in the event that the Depositary Shares evidence Preferred Shares convertible into or exchangeable for Common Shares or other securities of the Company, the Company shall pay any documentary, stamp or similar issue or transfer tax or other governmental charge due on the issuance of Common Shares or other securities upon such conversion or exchange, as the case may be; and provided further that the Holder of such Receipt shall pay the amount of any tax or other governmental charge due if such Common Shares or such other securities are to be issued in a name other than that of

such Holder); (ii) the production of proof satisfactory to it as to the identity and genuineness of any signature (or the authority of any signature); and (iii) compliance with such regulations, if any, as the Depositary or the Company may establish consistent with the provisions of this Deposit Agreement.

The delivery of Receipts against Preferred Shares may be suspended, the transfer of Receipts may be refused, the transfer, split-up, combination, surrender or exchange of outstanding Receipts may be suspended and, in the event that the Depositary Shares evidence Preferred Shares convertible into or exchangeable for Common Shares or other securities of the Company, the exercise of any conversion or exchange right referred to in Section 2.09 may be suspended (i) during any period when the register of holders of the Preferred Shares is closed or (ii) if any such action is deemed necessary or advisable by the Depositary or any Agent at any time or from time to time because of any requirement of law or of any government or governmental body or commission, or under any provision of this Deposit Agreement. Without limitation of the foregoing, the Depositary shall not knowingly accept for deposit under this Deposit Agreement any Preferred Shares that are required to be, but are not, registered under the Securities Act and the Company shall deliver to the Depositary written notice that, at the time of deposit, a registration statement under the Securities Act is in effect as to such Preferred Shares.

SECTION 2.07. Lost Receipts, Etc. In case any Receipt shall be mutilated or destroyed or lost or stolen, the Depositary in its discretion may execute and deliver a Receipt of like form and tenor in exchange and substitution for such mutilated Receipt or in lieu of and in substitution for such destroyed, lost or stolen Receipt, provided that the Holder thereof provides the Depositary with (i) evidence satisfactory to the Depositary of such destruction, loss or theft of such Receipt, of the authenticity thereof and of his or her ownership thereof and (ii) reasonable indemnification satisfactory to the Depositary and the Company.

SECTION 2.08. Cancellation and Destruction of Surrendered Receipts. All Receipts surrendered to the Depositary or any Agent shall be cancelled by the Depositary. Except as prohibited by applicable law or regulation, the Depositary is authorized to destroy

such cancelled Receipts.

SECTION 2.09. Conversion or Exchange of Preferred Shares Into Common Shares or Other Securities. (a) The Depositary Shares are not convertible into or exchangeable for Common Shares or any other securities or property of the Company. Nevertheless, as a matter of convenience, in the event that the Depositary Shares evidence Preferred Shares that are convertible into or exchangeable for Common Shares or other securities of the Company, the Company hereby agrees to cause the Depositary to accept (or to cause the Company's conversion agent or exchange agent, as the case may be, to accept) the delivery of Receipts for the purpose of effecting conversions or exchanges of the Preferred Shares utilizing the same procedures as those provided for delivery of Preferred Share certificates to effect such conversions or exchanges in accordance with the terms and conditions of the Preferred Share Amendment; provided, however, that only whole Depositary Shares may be so submitted for conversion or exchange.

(b) Receipts may be surrendered with written instructions to the Depositary to instruct the Company to cause the conversion or exchange of any specified number of whole or fractional Preferred Shares, convertible into or exchangeable for Common Shares or other securities of the Company, that is represented by the Depositary Shares evidenced by such Receipts into the number of whole Common Shares or whole number of such other securities of the Company obtained by dividing the aggregate [liquidation preference] of such Depositary Shares by the [Conversion Price] (as such term is defined in the Preferred Share Amendment) or exchange ratio, as the case may be, then in effect, as such [Conversion Price] or exchange ratio may be adjusted by the Company from time to time as provided in the Preferred Share Amendment. Subject to the terms and conditions of this Deposit Agreement and the Preferred Share Amendment, a Holder of a Receipt or Receipts evidencing Depositary Shares representing whole or fractional Preferred Shares may surrender such Receipt or Receipts to the Depositary at the Corporate Office or to such office or to such Agents as the Depositary may designate for such purpose, together with (i) a notice of conversion or exchange thereof, as the case may be, duly completed and executed (a "Notice of Conversion/Exchange"), and (ii) any payment in respect of dividends required by Section 2.09(e), thereby directing the Depositary to instruct the Company to cause the conversion or exchange, as the case may be, of the number of whole

shares or fractions thereof of underlying Preferred Shares specified in such Notice of Conversion/Exchange into whole Common Shares or a whole number of such other securities of the Company. In the event that a Holder delivers to the Depositary for conversion or exchange a Receipt or Receipts which in the aggregate are convertible into or exchangeable for less than (i) one whole Common Shares or any number of whole Common Shares plus an excess constituting less than one whole Common Share or (ii) any whole number of such other securities plus an excess constituting less than one security, the Holder shall receive payment in lieu of such fractional Common Shares or fractional interest in such securities otherwise issuable in accordance with Section 2.09(g). If more than one Receipt shall be delivered for conversion or exchange, as the case may be, at one time by the same Holder, the number of whole Common Shares or the whole number of such other securities issuable upon conversion or exchange, as the case may be, thereof shall be computed on the basis of the aggregate number of Receipts so delivered.

(c) Upon receipt by the Depositary of one or more Receipts, together with a duly completed and executed Notice of Conversion/Exchange, the Depositary shall, on the date of receipt of such Notice of Conversion/Exchange, instruct the Company (i) to cause the conversion or exchange, as the case may be, of the Depositary Shares evidenced by the Receipts so surrendered for conversion or exchange as specified in the Notice of Conversion/Exchange and (ii) to cause the delivery to the Holder or Holders of such Receipts of a certificate or certificates evidencing the number of whole Common Shares or the whole number of such other securities and the amount of money, if any, to be delivered to the Holders of Receipts surrendered

for conversion or exchange in payment of any fractional Common Shares or of any fractional interest in such other securities otherwise issuable, as the case may be. The Company shall, as promptly as practicable after receipt thereof, cause the delivery to such Holder or Holders of (i) a certificate or certificates evidencing the number of whole Common Shares or the whole number of such other securities into or for which the Preferred Shares represented by the Depositary Shares evidenced by such Receipt or Receipts has been converted or exchanged, as the case may be, and (ii) any money or other property to which the Holder or Holders are entitled. The person or persons in whose name or names any certificate or certificates for Common Shares or for such securities shall be issuable upon such conversion or

exchange, as the case may be, shall be deemed to have become the holder or holders of record of the shares or securities represented thereby at the close of business on the date such Receipt or Receipts shall have been surrendered to and a Notice of Conversion/Exchange received by the Depositary, unless the share or securities transfer books of the Company shall be closed on that date, in which event such person or persons shall be deemed to have become such Holder or Holders of record on the next succeeding day on which such share or securities transfer books are open. Upon such conversion or exchange, the Depositary (i) shall deliver to the Holder a Receipt evidencing the number of Depositary Shares, if any, which such Holder has elected not to convert or exchange in excess of the number of Depositary Shares representing Preferred Shares which has been so converted or exchanged, as the case may be, (ii) shall cancel the Depositary Shares evidenced by Receipts surrendered for conversion or exchange, as the case may be, and (iii) shall deliver for cancellation to the transfer agent for the Preferred Shares the Preferred Shares represented by the Depositary Shares evidenced by the Receipts so surrendered and so converted or exchanged, as the case may be.

(d) If any Preferred Shares convertible into or exchangeable for Common Shares or other securities of the Company shall be called by the Company for redemption, the Depositary Shares representing such Preferred Shares may be converted or exchanged into Common Shares or such securities as provided in this Deposit Agreement until and including, but not after, the close of business on the redemption date (as defined in Section 2.03) unless the Company shall default in making payment of the redemption price pursuant to the Preferred Share Agreement and this Depositary Agreement. Upon receipt by the Depositary of a Receipt or Receipts representing any Preferred Shares called for redemption, together with a properly completed and executed Notice of Conversion/Exchange, the Preferred Shares held by the Depositary represented by such Depositary Shares as to which conversion or exchange, as the case may be, is requested shall be deemed to have been received by the Company for conversion or exchange.

(e) Upon any conversion or exchange, as the case may be, of the Preferred Shares underlying the Depositary Shares, no allowance, adjustment or payment shall be made with respect to accrued dividends

upon such Preferred Shares[, except that if any Holder of a Receipt

surrenders such Receipt with instructions to the Depositary for conversion or exchange of the underlying Preferred Shares evidenced thereby during the period between the opening of business on any dividend record date and the close of business on the corresponding dividend payment date (except shares called for redemption on a redemption date during such period), such Receipt must be accompanied by a payment equal to the dividend thereon, if any, which the Holder of such Receipt is entitled to receive on such dividend payment date in respect of the underlying Preferred Shares to be converted or exchanged.]

(f) Upon the conversion or exchange, as the case may be, of any Preferred Shares for which a duly completed and executed Notice of Conversion/Exchange has been received by the Depositary, all dividends in respect of such Depositary Shares shall cease to accrue, such Depositary Shares shall be deemed no longer outstanding, all rights of the Holder of the Receipt with respect to such Depositary Shares (except the right to receive the Common Shares or other securities of the Company, any cash payable with respect to any fractional Common Shares or fractional interest in such securities, as the case may be, as provided herein and under the Preferred Share Amendment and any cash payable on account of accrued dividends in respect of the Preferred Shares so converted or exchanged and any Receipts evidencing Depositary Shares not so converted or exchanged) shall terminate, and the Receipt evidencing such Depositary Shares shall be cancelled in accordance with Section 2.08 hereof.

(g) No fractional Common Shares or fractional interest in such other securities shall be issuable upon conversion or exchange of Preferred Shares underlying the Depositary Shares. If, except for the provisions of this Section 2.09 and the Preferred Share Amendment, any Holder of Receipts surrendered to the Depositary for conversion or exchange of the underlying Preferred Shares would be entitled to a fractional Common Share or a fractional security upon such conversion or exchange, the Company shall cause to be delivered to such Holder an amount in cash for such fractional share or security determined in accordance with the Preferred Share Amendment.

(h) In the event that there exists any inconsistency between this Section 2.09 and any provisions of the Preferred Share Amendment then in effect, the applicable provisions of the Preferred Share Amendment shall control.

SECTION 2.10. Prohibition Against Lending Depositary Shares or Receipts. The Depositary shall not lend any Depositary Shares or Receipts at any time held hereunder.

[Section 2.11. Surrender of Receipts and Withdrawal of Preferred Shares. Any Holder of a Receipt or Receipts may withdraw any or all of the Preferred Shares represented by the Depositary Shares evidenced by such Receipts and all money and other property, if any, represented

by such Depositary Shares by surrendering such Receipt or Receipts at the Corporate Office or at such other office as the Depositary may designate for such withdrawals; provided that a Holder may not withdraw Preferred Shares (or money and other property, if any, represented thereby) which has previously been called for redemption. Thereafter, without unreasonable delay, the Depositary shall deliver to such Holder, or to the person or persons designated by such Holder as hereinafter provided, the number of whole Preferred Shares and all such money and other property, if any, represented by the Depositary Shares evidenced by the Receipt or Receipts so surrendered for withdrawal, but holders of such whole Preferred Shares will not be entitled to deposit such Preferred Shares hereunder or to receive Depositary Shares therefor. If the Receipt or Receipts delivered by the Holder to the Depositary in connection with such withdrawal shall evidence a number of Depositary Shares in excess of the number of whole Depositary Shares representing the number of whole Preferred Shares to be withdrawn, the Depositary shall at the same time, in addition to such number of whole Preferred Shares and such money and other property, if any, to be withdrawn, deliver to such Holder, or (subject to Sections 2.04 and 2.05) upon his order, a new Receipt or Receipts evidencing such excess number of whole Depositary Shares. In no event will fractional Preferred Shares or Receipts evidencing fractional Depositary Shares be distributed or issued by the Depositary. Delivery of the Preferred Shares and such money and other property being withdrawn may be made by the delivery of such certificates, documents of title and other instruments as the Depositary may deem appropriate, which, if required by the Depositary, shall be properly endorsed or accompanied by proper instruments of transfer.

If the Preferred Shares and the money and other property being withdrawn are to be delivered to a person or persons other than the Holder of the Receipt or Receipts being surrendered for withdrawal of Preferred Shares, such Holder shall execute and deliver to the Depositary a written order so directing the Depositary, and the Depositary may require that the Receipt or Receipts surrendered by such Holder for withdrawal of such Preferred Shares be properly endorsed in blank or accompanied by a properly executed instrument of transfer or endorsement in blank; provided that the Holder of such Receipt shall pay the amount of any tax or other governmental charge due.

The Depositary shall deliver the Preferred Shares and the money and other property, if any, represented by the Depositary Shares evidenced by Receipts surrendered for withdrawal at the Corporate Office, except that, at the request, risk and expense of the Holder surrendering such Receipt or Receipts and for the account of the Holder thereof, such delivery may be made at such other place as may be designated by such Holder.]

ARTICLE III
CERTAIN OBLIGATIONS OF HOLDERS OF RECEIPTS AND THE COMPANY

SECTION 3.01. Filing Proofs, Certificates and Other Information. Any Holder may be required from time to time to file such proof of residence or other information, to execute such certificate and to make such representations and warranties as the Depositary or the Company may reasonably deem necessary or proper. The Depositary or the Company may withhold or delay the delivery, transfer, redemption or exchange of any Receipt, [the withdrawal of the Preferred Shares represented by the Depositary Shares evidenced by any Receipt,] the distribution of any dividend or other distribution, the sale of any rights or of the proceeds thereof, the exercise of any conversion or exchange right referred to in Section 2.09 or the delivery of any Common Shares or other securities of the Company upon such conversion or exchange until such proof or other information is filed, such certificates are executed or such representations and warranties are made.

SECTION 3.02. Payment of Fees and Expenses. Holders of Receipts shall be obligated to make payments to the Depositary of certain fees and expenses, as provided in Section 5.07, or provide evidence reasonably satisfactory to the Depositary that such fees and expenses have been paid. Until such payment is made, transfer of any Receipt [or any withdrawal of the Preferred Shares or money or other property, if any, represented by the Depositary Shares evidenced by such Receipt] may be refused, any dividend or other distribution may be withheld, any conversion or exchange right may be refused and any part or all of the Preferred Shares or other property represented by the Depositary Shares evidenced by such Receipt may be sold for the account of the Holder thereof (after attempting by reasonable means to obtain such payment prior to such sale), provided that notice of such sale shall be sent by the Depositary to such Holder. Any dividend or

other distribution so withheld and the proceeds of any such sale may be applied to any payment of such fees or expenses, the Holder of such Receipt remaining liable for any deficiency. In the event the Depositary is required to pay any such amounts, the Company shall reimburse the Depositary for payment thereof upon the request of the Depositary and the Depositary shall, upon the Company's request and as instructed by the Company, pursue its rights against such Holder at the Company's expense.

SECTION 3.03. Representations and Warranties as to Preferred Shares. The Company hereby represents and warrants that (i) the Preferred Shares deposited hereunder have been duly authorized and, when issued and deposited hereunder, will be validly issued, fully paid and nonassessable, (ii) the Depositary Shares have been duly authorized and, when the Receipts are executed, countersigned, issued and delivered in the manner provided for herein, such Depositary Shares will represent legal and valid interests in the Preferred Shares deposited hereunder, and (iii) all corporate action required to be taken for the authorization, issuance and delivery of such Preferred Shares and Depositary Shares has been validly taken. Such representations and warranties shall survive the deposit of the Preferred Shares and the issuance of Receipts.

SECTION 3.04. Representation and Warranty as to Receipts. The Company hereby represents and warrants that the Depositary Shares, when the Receipts evidenced thereby are duly executed by the Depositary or duly countersigned by an authorized signatory of the Registrar and issued, will represent legal and valid interests in the Preferred Shares. Such representation and warranty shall survive the deposit of the Preferred Shares and the issuance of Receipts.

SECTION 3.05. Covenants and Representation and Warranty as to Common Shares or Other Securities. In the event that the Depositary Shares evidence Preferred Shares convertible into or exchangeable for Common Shares or other securities of the Company, the Company covenants that it will give written notice to the Depositary of any adjustments in the conversion price or exchange ratio made pursuant to the Preferred Share Amendment. The Company hereby represents and warrants that the Common Shares or other securities of the Company issuable upon conversion or exchange of the Preferred Shares, when issued, will be duly authorized, validly issued, fully paid and nonassessable. Such representation and warranty shall survive the

conversion or exchange of the Preferred Shares into such Common Shares or other securities.

ARTICLE IV
THE PREFERRED SHARES; NOTICES

SECTION 4.01. Rights of Owners of Depositary Shares. Subject to the terms of this Deposit Agreement, each owner of a Depositary Share is entitled, in proportion to the applicable fractional interests in the Preferred Shares, to all the rights, preferences and privileges of the Preferred Shares represented by such Depositary Share, including any and all dividend, voting, redemption, conversion, exchange and liquidation rights provided for in the Certificate of Designations.

SECTION 4.02. Cash Distributions. Whenever the Depositary shall receive any cash dividend or other cash distribution on the Preferred Shares, except for any cash received upon redemption of any Preferred Shares pursuant to Section 2.03 that is not to be distributed pro rata, the Depositary shall, subject to Section 3.02, distribute to Holders of Receipts on the record date fixed pursuant to Section 4.05 such amounts of such sum as are, as nearly as practicable, in proportion to the respective numbers of Depositary Shares evidenced by the Receipts held by such Holders; provided, however, that in case the Company or the Depositary shall withhold from any cash dividend or other cash distribution in respect of the Preferred Shares represented by the Receipts held by any Holder an amount on account of taxes or as otherwise required by law, regulation or court order, the amount made available for distribution or distributed in respect of Depositary Shares represented by such Receipts subject to such withholding shall be reduced accordingly. The Depositary shall distribute or make available for distribution, as the case may be, only such amount, however, as can be distributed without attributing to any Holder of Depositary Shares a fraction of one cent, and any balance not so

distributable shall be held by the Depositary (without liability for interest thereon) and shall be added to and be treated as part of the next sum received by the Depositary for distribution to Holders of Receipts then outstanding.

SECTION 4.03. Distributions Other Than Cash. Whenever the Depositary shall receive any distribution other than cash on the Preferred Shares, the Depositary shall, subject to Section 3.02,

distribute to Holders of Receipts on the record date fixed pursuant to Section 4.05 such amounts of the securities or property received by it as are, as nearly as practicable, in proportion to the respective numbers of Depositary Shares evidenced by the Receipts held by such Holders, in any manner that the Depositary and the Company may deem equitable and practicable for accomplishing such distribution. If, in the opinion of the Depositary after consultation with the Company, such distribution cannot be made proportionately among such Holders, or if for any other reason (including any requirement that the Company or the Depositary withhold an amount on account of taxes or as otherwise required by law, regulation or court order), the Depositary deems, after consultation with the Company, such distribution not to be feasible, the Depositary may, with the approval of the Company, adopt such method as it deems equitable and practicable for the purpose of effecting such distribution, including the public or private sale of the securities or property thus received, or any part thereof, at such place or places and upon such terms as it may deem proper. The net proceeds of any such sale shall, subject to section 3.02, be distributed or made available for distribution, as the case may be, by the Depositary to Holders of Receipts as provided by Section 4.02 in the case of a distribution received in cash. The Depositary shall not make any distribution of such securities to the Holders of Receipts unless the Company shall have provided to the Depositary an opinion of counsel stating that such securities have been registered under the Securities Act or do not need to be registered.

SECTION 4.04. Subscription Rights, Preferences or Privileges. If the Company shall at any time offer or cause to be offered to the persons in whose names Preferred Shares are registered on the books of the Company any rights, preferences or privileges to subscribe for or to purchase any securities or any rights, preferences or privileges of any other nature, such rights, preferences or privileges shall, if the Company so directs, in each such instance be made available by the Depositary to the Holders in such manner as the Company shall instruct (including, if so directed, by the issue to such Holders of warrants representing such rights, preferences or privileges); provided, however, that (a) if at the time of the issuance or offering of any such rights, preferences or privileges the Company determines that it is not lawful or feasible to make such rights, preferences or privileges available to some or all Holders of Receipts (by the issue of warrants or otherwise) or (b) if and to the extent instructed by Holders who do not desire to exercise such rights, preferences or privileges, the Depositary shall, if so instructed by the Company, and

if applicable laws or the terms of such rights, preferences or privileges so permit, sell such rights, preferences or privileges of such Holders at public or private sale, at such place or places and upon such terms as it may deem proper. The net proceeds of any such sale shall, subject to Section 3.02, be distributed by the Depositary to the Holders of Receipts entitled thereto as provided by Section 4.02 in the case of a distribution received in cash. The Company shall not make any distribution of such rights, preferences or privileges, unless the Company shall have provided to the Depositary an opinion of counsel stating that such rights, preferences or privileges have been registered under the Securities Act or do not need to be registered.

If registration under the Securities Act of any securities to which any rights, preferences or privileges relate is required in order for Holders to be offered or sold the securities to which such rights, preferences or privileges relate, the Company agrees that it will promptly file a registration statement pursuant to the Securities Act with respect to such rights, preferences or privileges and securities and use all reasonable efforts to cause such registration statement to become effective sufficiently in advance of the expiration of such rights, preferences or privileges to enable such Holders to exercise such rights, preferences or privileges. In no event shall the Depositary make available to the Holders of Receipts any right, preference or privilege to subscribe for or to purchase any securities unless and until such a registration statement shall have become effective or unless the offering and sale of such securities to such Holders shall be exempt from registration under the Securities Act and the Company shall have provided to the Depositary an opinion of counsel to such effect.

If any other action under the law of any jurisdiction or any governmental or administrative authorization, consent or permit is required in order for such rights, preferences or privileges to be made available to Holders, the Company agrees to use all reasonable efforts to take such action or obtain such authorization, consent or permit sufficiently in advance of the expiration of such rights, preferences or privileges to enable such Holders to exercise such rights, preferences or privileges.

SECTION 4.05. Notice of Dividends; Fixing of Record Date for Holders of Receipts. Whenever any cash dividend or other cash distribution shall become payable, any distribution other than cash shall be made, or any rights, preferences or privileges shall at any time be offered, with respect to the Preferred Shares, or whenever the Depositary shall receive notice of (i) any meeting at which holders of Preferred Shares are entitled to vote or of which they are entitled to notice or (ii) any election on the part of the Company to redeem any

Preferred Shares, the Depositary shall in each such instance fix a record date (which shall be the same date as the record date therefor fixed by the Company with respect to the Preferred Shares) for the determination of the Holders who shall be entitled to receive such

dividend, distribution, rights, preferences or privileges or the net proceeds of the sale thereof, to give instructions for the exercise of voting rights at any such meeting or to receive notice of such meeting or whose Depositary Shares are to be so redeemed.

SECTION 4.06. Voting Rights. Upon receipt of notice of any meeting at which the holders of Preferred Shares are entitled to vote, the Depositary shall, as soon as practicable thereafter, mail to the Holders of Receipts a notice, which shall be provided by the Company and which shall contain (i) such information as is contained in such notice of meeting, (ii) a statement that the Holders of Receipts at the close of business on a specified record date fixed pursuant to Section 4.04 will be entitled, subject to any applicable provision of law, the Articles of Incorporation or the Preferred Share Amendment, to instruct the Depositary as to the exercise of the voting rights pertaining to the amount of Preferred Shares represented by their respective Depositary Shares and (iii) a brief statement as to the manner in which such instructions may be given. Upon the written request of a Holder of a Receipt on such record date, the Depositary shall, to the extent practicable, vote or cause to be voted the amount of Preferred Shares represented by the Depositary Shares evidenced by such Receipt in accordance with the instructions set forth in such request. The Company hereby agrees to take all reasonable action that may be deemed necessary by the Depositary in order to enable the Depositary to vote such Preferred Shares or cause such Preferred Shares to be voted. In the absence of specific instructions from the Holder of a Receipt, the Depositary will abstain from voting to the extent of the Preferred Shares represented by the Depositary Shares evidenced by such Receipt. The Depositary shall not be required to exercise discretion in voting any Preferred Shares represented by the Depositary Shares evidenced by such Receipt.

SECTION 4.07. Changes Affecting Preferred Shares and Reclassifications, Recapitalizations, Etc. Upon any change in the par value, or upon any split-up, combination or any other reclassification, of the Preferred Shares, or upon any recapitalization, reorganization, merger, amalgamation or

consolidation affecting the Company or to which it is a party or the sale of all or substantially all of the Company's assets, the Depositary shall, upon the instructions of the Company, treat any shares of capital stock or other securities or property (including cash) that shall be received by the Depositary in exchange for or upon conversion of or in respect of the Preferred Shares as new deposited property under this Deposit Agreement, and Receipts then outstanding shall thenceforth represent the proportionate interests of Holders thereof in the new deposited property so received in exchange for or upon conversion of or in respect of such Preferred Shares. In any such case the Depositary may, in its discretion, with the approval of the Company, execute and deliver additional Receipts, or may call for the surrender of all outstanding Receipts to be exchanged for new Receipts specifically describing such new deposited property. [Subject to the provisions of the Preferred Share Amendment, Holders

of Receipts shall have the right from and after the effective date of any such change in par value, or upon any such split-up, combination or other reclassification, of the Preferred Shares or any such recapitalization, reorganization, merger, amalgamation or consolidation affecting the Company, or sale of all or substantially all of the Company's assets to surrender such Receipts to the Depositary with instructions to convert, exchange or surrender the Preferred Shares represented thereby only into or for, as the case may be, the kind and amount of shares of capital stock and other securities and property and cash into which the Preferred Shares represented by such Receipts might have been converted or for which such Preferred Shares might have been exchanged or surrendered immediately prior to the effective date of such transaction.]

SECTION 4.08. Inspection of Reports. The Depositary shall furnish to Holders of Receipts any reports and communications received from the Company that are received by the Depositary as the holder of Preferred Shares and that the Company is required to furnish to Holders of the Preferred Shares.

SECTION 4.09. Lists of Receipt Holders. Promptly upon request from time to time by the Company, the Depositary shall furnish to the Company a list, as of a recent date specified by the Company, of the names, addresses and holdings of Depositary Shares of all persons in whose names Receipts are registered on the books of the Depositary.

[SECTION 4.10. Tax and Regulatory Compliance. The Depositary shall be responsible for (i) preparation and mailing of form 1099s (or successor forms) for all open and closed accounts, (ii) foreign tax withholding, (iii) withholding of tax on dividends payable to eligible Holders of Receipts, (iv) mailing W-9 forms (or successor forms) to new Holders of Receipts without a certified taxpayer identification number, (v) processing certified W-9 forms (or successor forms), (vi) preparation and filing of state information returns and (vii) escheatment services.]

ARTICLE V
THE DEPOSITARY AND THE COMPANY

SECTION 5.01. Maintenance of Offices, Agencies and Transfer Books by the Depositary and the Registrar. Upon execution of this Deposit Agreement in accordance with its terms, the Depositary shall maintain at the Corporate Office facilities for the execution and delivery, transfer, surrender and exchange, split-up, combination and redemption of Receipts and deposit and [withdrawal of Preferred Shares] and at the offices of any Agent, facilities for the delivery, transfer, surrender and exchange, split-up, combination and redemption of Receipts and deposit and [withdrawal of Preferred Shares,] all in accordance with the provisions of this Deposit Agreement.

The Depositary shall keep books at the Corporate Office for the registration and transfer of Receipts, which books shall be open at

all reasonable times for inspection by the Holders of Receipts, as provided by applicable law. The Depositary shall consult with the Company upon receipt of any request for inspection. The Depositary may close such books, at any time or from time to time, when deemed expedient by it in connection with the performance of its duties hereunder.

If the Receipts or the Depositary Shares evidenced thereby or the Preferred Shares represented by such Depositary Shares shall be listed on any stock exchange, and if required by any such stock exchange, the Depositary shall appoint, at the expense of the Company, a Registrar (acceptable to the Company) for registry of Receipts or Depositary Shares in accordance with the requirements of such exchange. Such Registrar (which may be the Depositary if so permitted by such exchange) may be removed, and a substitute registrar appointed, by the

Depositary upon the request or with the approval of the Company.

The Company hereby also appoints the Depositary as Registrar and Transfer Agent in respect of the Receipts, and the Depositary hereby accepts such appointments.

SECTION 5.02. Prevention or Delay in Performance by the Depositary, Any Agent, the Registrar or the Company. Neither the Depositary, any Agent, any Registrar nor the Company shall incur any liability to any Holder of any Receipt, if by reason of any provision of any present or future law or regulation thereunder of the United States of America or of any other governmental authority, or by reason of any present or future provision of the Articles of Incorporation or the Preferred Share Amendment, or by reason of any act of God or war or other circumstance beyond the control of the relevant party, the Depositary, any Agent, the Registrar or the Company shall be prevented or forbidden from doing or performing any act or thing that the terms of this Deposit Agreement provide shall be done or performed; nor shall the Depositary, any Agent, any Registrar or the Company incur any liability to any Holder of a Receipt by reason of any nonperformance or delay, caused as aforesaid, in the performance of any act or thing that the terms of this Deposit Agreement provide shall or may be done or performed, or by reason of any exercise of, or failure to exercise, any discretion provided for in this Deposit Agreement.

SECTION 5.03. Obligations of the Depositary, any Agent, the Registrar and the Company. Neither the Depositary, any Agent, any Registrar nor the Company assumes any obligation or shall be subject to any liability under this Deposit Agreement or any Receipt to Holders of Receipts so long as each of them acts in good faith in the performance of such duties as are specifically set forth in this Deposit Agreement.

Neither the Depositary, any Agent, any Registrar nor the Company shall be under any obligation to appear in, prosecute or defend any action, suit or other proceeding with respect to Preferred Shares,

Depositary Shares or Receipts that in its opinion may subject it to expense or liability, unless indemnity satisfactory to it against all such expense and liability be furnished.

Neither the Depositary, any Agent, any Registrar nor the Company shall be liable for any action taken or any failure to act in reliance upon the advice of legal counsel, or the advice of or information provided by any accountant, any Holder of a Receipt or any other person believed by it in good faith to be competent to give such advice or information. The Depositary, any Agent, any Registrar and the Company may each rely and shall each be protected in acting upon any written notice, request, direction or other document believed by it to be genuine and to have been signed or presented by the proper party or parties.

In the event the Depositary shall receive conflicting claims, requests or instructions from any Holders of Receipts, on the one hand, and the Company, on the other hand, the Depositary shall be entitled to act on such claims, requests or instructions received from the Company, and shall be entitled to the full indemnification set forth in Section 5.06 hereof in connection with any action so taken.

The Depositary shall not be responsible for any failure to carry out any instruction to vote any of the Preferred Shares or for the manner or effect of any such vote, as long as any such action or non-action is in good faith and does not result from negligence or willful misconduct of the Depositary. The Depositary undertakes, and any Registrar shall be required to undertake, to perform such duties and only such duties as are specifically set forth in this Deposit Agreement, and no covenants or obligations shall be implied against the Depositary or any Registrar. The Depositary, its parents, affiliates, or subsidiaries, any Depositary's Agent, and any Registrar may own, buy, sell or deal in any class of securities of the Company and its affiliates and in Receipts or Depositary shares or become pecuniarily interested in any transaction in which the Company or its affiliates may be interested or contract with or lend money to or otherwise act as fully or as freely as if it were not the Depositary, any Agent or the Registrar hereunder. The Depositary may also act as transfer agent, registrar or indenture trustee of any of the securities of the Company and its affiliates or act in any other capacity for the Company or its affiliates.

Neither the Depositary nor any Agent shall be deemed to be an "issuer" of the securities under the federal securities laws or applicable state securities laws; the Depositary and any Agent are acting only in a ministerial capacity as depositary for the Preferred Shares; provided, however, that the Depositary agrees to comply with all information reporting and withholding requirements applicable to it under law or this Deposit Agreement in its capacity as Depositary.

Neither the Depositary (or its officers, directors, employees or agents) nor any Depositary's Agent makes any representation or has any

responsibility with respect to any registration statement pursuant to which the Depositary Shares, the Receipts or the Preferred Shares are registered under the Securities Act, or as to the validity of the Preferred Shares, the Depositary Shares, the Receipts (except as to the authenticity of its countersignature thereon) or any instruments referred to therein or herein, or as to the correctness of any statement made therein or herein; provided, however, that the Depositary is responsible for its representations in this Deposit Agreement.

SECTION 5.04. Resignation and Removal of the Depositary; Appointment of Successor Depositary. The Depositary may at any time resign as Depositary hereunder by notice of its election to do so delivered to the Company, such resignation to take effect upon the appointment of a successor depositary and the acceptance of such appointment as hereinafter provided.

The Depositary may at any time be removed by the Company by notice of such removal delivered to the Depositary, such removal to take effect upon the appointment of a successor depositary and the acceptance of such appointment as hereinafter provided.

In case at any time the Depositary acting hereunder shall resign or be removed, the Company shall, within 60 days after the delivery of the notice of resignation or removal, as the case may be, appoint a successor depositary, which shall be a bank or trust company having its principal office in the United States of America and having a combined capital and surplus of at least $50,000,000. If a successor depositary shall not have been appointed in 60 days, the resigning or removed Depositary may petition a court of competent jurisdiction to appoint a successor Depositary. Every successor Depositary shall execute and deliver to its predecessor and to the Company an instrument in writing accepting its appointment hereunder, and thereupon such successor Depositary, without any further act or deed, shall become fully vested with all the rights, powers, duties and obligations of its predecessor and for all purposes shall be the Depositary under this Deposit Agreement, and such predecessor, upon payment of all sums due it and on the written request of the Company, shall promptly execute and deliver an instrument transferring to such successor all rights and powers of such predecessor hereunder, shall duly assign, transfer and deliver all rights, title and interest in the Preferred Shares and any moneys or property held hereunder to such successor and shall deliver to such successor a list of the Holders of all outstanding Receipts and all records, books and other information

relating thereto. Any successor Depositary shall promptly mail notice of its appointment to the Holders of Receipts.

Any corporation into or with which the Depositary may be merged, consolidated or converted shall be the successor Depositary without the execution or filing of any document or any further act. Such successor Depositary may execute the Receipts either in the name of the predecessor Depositary or in the name of the successor Depositary.

SECTION 5.05. Corporate Notices and Reports. The Company agrees that it will deliver to the Depositary, and the Depositary will, promptly after receipt thereof, transmit to the Holders of Receipts, in each case at the address recorded in the Depositary's books, copies of all notices and reports (including financial statements) required by law, by the rules of any national securities exchange upon which the Preferred Shares, the Depositary Shares or the Receipts may be listed or by the Articles of Incorporation and the Preferred Share Amendment to be furnished by the Company to Holders of Preferred Shares. Such transmission will be at the Company's expense, and the Company will provide the Depositary with such number of copies of such documents as the Depositary may reasonably request. In addition, the Depositary will transmit to the Holders of Receipts at the Company's expense such other documents as may be requested by the Company.

SECTION 5.06 Indemnification by the Company. The Company agrees to indemnify the Depositary, any Agent and any Registrar against, and hold each of them harmless from, any liability, costs and expenses (including reasonable attorneys' fees) that may arise out of, or in connection with, its acting as Depositary, Agent or Registrar, respectively, under this Deposit Agreement and the Receipts, except for any liability arising out of negligence or bad faith on the part of any such entity. The obligations of the Company set forth in this Section 5.06 shall survive any succession of any Depositary, Registrar or Agent or termination of this Deposit Agreement.

SECTION 5.07. Fees, Charges and Expenses. The Company shall pay all transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements. The Company shall pay all fees of the Depositary in connection with the initial deposit of the Preferred Shares and the initial issuance of the Depositary Shares evidenced by the Receipts, any redemption of the Preferred Shares at the option of the Company [and all withdrawals of Preferred

Shares by Holders of Depositary Shares]. Other than payment of any tax or other governmental charge due upon the issuance of Common Shares or other securities of the Company issuable upon conversion or exchange of the Preferred Shares or upon delivery of Preferred Shares [and the money and/or other property being withdrawn pursuant to Section 2.11 to a person other than the Holder as specified in the conversion/exchange notice relating thereto] or in the written order delivered to the Depositary by the Holder, the Company will pay any and all issue and other taxes (other than taxes based on income) that may be payable in respect of any issue or delivery of Common Shares or other securities of the Company on conversion or exchange of the Preferred Shares. All other transfer and other taxes and governmental charges shall be at the expense of Holders of Depositary Shares. If a Holder of Receipts requests the Depositary to perform duties not required under this Deposit Agreement, the Depositary shall notify the Holder of the cost of such performance of such duties before performing such duties, and such Holder will be liable for the charges and expenses related to such performance. Except as otherwise provided herein, all other reasonable fees and expenses of the

Depositary and any Depositary's Agent hereunder and of any Registrar (including, in each case, reasonable fees and expenses of counsel) incident to the performance of their respective obligations hereunder will be paid upon consultation and agreement between the Depositary and the Company as to the amount and nature of such fees and expenses. The Depositary shall present its statement for fees and expenses to the Company at such interval as the Company and the Depositary may agree.

ARTICLE VI
AMENDMENT AND TERMINATION

SECTION 6.01. Amendment. The form of the Receipts and any provisions of this Deposit Agreement may at any time and from time to time be amended by agreement between the Company and the Depositary in any respect that they may deem necessary or desirable; provided, however, that no such amendment which (i) shall materially and adversely alter the rights of the Holders of Receipts (provided that any change in the fees of any Depositary, Registrar or transfer agent shall be deemed not to materially and adversely alter the rights of such Holders) or (ii) would be materially and adversely inconsistent with the rights granted to the holders of the Preferred Shares

pursuant to the Preferred Share Amendment shall be effective unless such amendment shall have been approved by the Holders of at least a majority of the Depositary Shares then outstanding. Any amendment that shall impose any fees, taxes or charges (other than fees and charges provided for herein or in the Receipts), or that shall otherwise prejudice any substantial existing right of Holders of Receipts, shall not become effective as to Receipts until the expiration of 90 days after notice of such amendment shall have been given to the Holders. Every Holder of a Receipt at the time any such amendment becomes effective shall be deemed, by continuing to hold such Receipt, to consent and agree to such amendment and to be bound by this Deposit Agreement as amended thereby. [In no event shall any amendment impair the right of the Holder of any Receipt to surrender such Receipt and receive the Preferred Shares therefor, subject to the terms hereof.]

SECTION 6.02. Termination. (a) This Deposit Agreement may be terminated by the Company at any time upon not less than [60] days' prior written notice to the Depositary, in which case, upon a date that is not later than [30] days after the date of such notice, the Depositary shall deliver or make available for delivery to each Holder, upon surrender of such Holder's Receipt or Receipts, such number of whole Preferred Shares represented by such Receipt or Receipts. In the event that such Receipt or Receipts should represent a fractional number of Preferred Shares, the Depositary shall aggregate all such interests in fractional Preferred Shares and, with the approval of the Company, adopt such methods as it deems equitable and practicable for the purpose of effecting the distribution of such interests, including the public or private sale of the whole number of Preferred Shares so aggregated, or any part thereof, at such place or

places and upon such terms as it may deem proper. The net proceeds of any such sale shall be distributed or made available for distribution, as the case may be, by the Depositary to Holders of such Receipts evidencing an interest in fractional Preferred Shares. If a Holder shall not have so surrendered such Holder's Receipt or Receipts in exchange for whole Preferred Shares on or prior to the effective date of termination of this Deposit Agreement, such Holder shall for all purposes, including the payment of dividends, be deemed to be a Holder of the appropriate number of Depositary Shares previously represented by such Receipt or Receipts and shall thereafter surrender to the Company such Receipt or Receipts in exchange for whole Preferred

Shares. In the event that such Receipt or Receipts should represent an interest in fractional Preferred Shares, the Company shall aggregate all such interests in fractional Preferred Shares and adopt such method as it deems equitable and practicable for the purpose of effecting the distribution of such interest, including the public or private sale of the whole number of Preferred Shares so aggregated, or any part thereof, at such place or places and upon such terms as it may deem proper. The net proceeds of any such sale shall be distributed by the Company to Holders of such Receipts evidencing an interest in fractional Preferred Shares. Upon termination of this Deposit Agreement, the Depositary shall surrender to the Company any Preferred Shares held by the Depositary and the Company shall hold such Preferred Shares for the benefit of the Holder of Receipts which previously represented such Preferred Shares.

(b) This Agreement shall automatically terminate after (i) all outstanding Depositary Shares shall have been redeemed pursuant to section 2.03 [or withdrawn pursuant to Section 2.11], (ii) in the event that the Depositary Shares represent Preferred Shares convertible into or exchangeable for Common Shares or other securities of the Company, each Preferred Share shall have been converted into or exchanged for Common Shares or other securities of the Company pursuant to Section 2.09, as the case may be, or (iii) there shall have been made a final distribution in respect of the Preferred Shares in connection with any liquidation, dissolution or winding up of the Company and such distribution shall have been distributed to the Holders of Receipts pursuant to Section 4.02 or 4.03, as applicable.

(c) Upon the termination of this Deposit Agreement pursuant to this Section 6.02, the Company shall be discharged from all obligations under this Deposit Agreement except for its obligations to the Depositary, any Depositary's Agent and any Registrar under Sections 5.06 and 5.07.

ARTICLE VII
MISCELLANEOUS

SECTION 7.01. Counterparts. This Deposit Agreement may be executed in any number of counterparts, and by each of the parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed an original, but all such

counterparts taken together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Deposit Agreement by telecopier shall be effective as delivery of a manually executed counterpart of this Deposit Agreement.

SECTION 7.02. Exclusive Benefits of Parties. This Deposit Agreement is for the exclusive benefit of the parties hereto, including Holders of the Receipts, and their respective successors hereunder, and shall not be deemed to give any legal or equitable right, remedy or claim to any other person whatsoever.

SECTION 7.03. Invalidity of Provisions. In case any one or more of the provisions contained in this Deposit Agreement or in the Receipts should be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein or therein shall in no way be affected, prejudiced or disturbed thereby.

SECTION 7.04. Notices. Any and all notices to be given to the Company hereunder or under the Receipts shall be in writing and shall be deemed to have been duly given if personally delivered or sent by mail, or by telegram, facsimile transmission or other electronic means of communication confirmed by letter, addressed to the Company at:

ARVIN INDUSTRIES, INC.
One Noblitt Plaza
Columbus, Indiana 47202-3000
Attention: Treasurer (with a copy to Secretary)
Telephone No.: (812) 379-3000
Facsimile No.: (812) 379-3688

or at any other address of which the Company shall have notified the Depositary in writing.

Any notices to be given to the Depositary hereunder or under the Receipts shall be in writing and shall be deemed to have been duly given if personally delivered or sent by mail, or by telegram, facsimile transmission or other electronic means of communication confirmed by letter, addressed to the Depositary at the Corporate Office.

Any notices given to any Holder of a Receipt hereunder or under the Receipts shall be in writing and shall be deemed to have been duly given if personally delivered or sent by mail, or by telegram, facsimile transmission or other electronic means of communication, addressed to such Holder at the address of such Holder as it appears on the books of the Depositary or, if such Holder shall have filed with the Depositary in a timely manner a written request that notices intended for such Holder be mailed to some other address, at the address designated in such request.

SECTION 7.05. Holders of Receipts are Parties. The Holders of Receipts from time to time shall be deemed to be parties to this Deposit Agreement and shall be bound by all of the terms and conditions hereof and of the Receipts by acceptance of delivery thereof.

SECTION 7.06. Governing Law. This Deposit Agreement and the Receipts and all rights hereunder and thereunder and provisions hereof and thereof shall be governed by, and construed in accordance with, the law of the State of [_____] applicable to contracts made and to be performed entirely within such State.

SECTION 7.07. Inspection of Deposit Agreement and Preferred Share Amendment. Copies of this Deposit Agreement and the Preferred Share Amendment shall be filed with the Depositary and any Agent and shall be open to inspection by any Holder of a Receipt during business hours at the Corporate Office and the respective offices of any Agent.

SECTION 7.08. Headings. The headings of articles and sections in this Deposit Agreement and in the form of the Receipt set forth in Exhibit A hereto have been inserted for convenience only and are not to be regarded as a part of this Deposit Agreement or to have any bearing upon the meaning or interpretation of any provision contained herein or in the Receipts.

IN WITNESS WHEREOF, ARVIN INDUSTRIES, INC. and [Depositary] have duly executed this Deposit Agreement as of the day and year first above set forth, and all Holders of Receipts shall become parties hereto by and upon acceptance by them of delivery of Receipts issued in accordance with the terms hereof.

ARVIN INDUSTRIES, INC.

Attest: By: _____
Authorized Officer

[Depositary]

Attest: By: _____
Authorized Signatory

Exhibit A

FORM OF FACE OF RECEIPT

NUMBER DEPOSITARY SHARES

CERTIFICATE FOR NOT MORE THAN _____ DEPOSITARY SHARES

DEPOSITARY RECEIPT FOR DEPOSITARY SHARES, EACH

REPRESENTING ONE _____ (1/__) OF ONE _____ PREFERRED SHARE OF

ARVIN INDUSTRIES, INC.

CUSIP _____

INCORPORATED UNDER THE LAWS OF THE STATE OF INDIANA

SEE REVERSE FOR CERTAIN DEFINITIONS

_____, as Depositary (the "Depositary"), hereby certifies that _____ _____ is the registered owner of _____ DEPOSITARY SHARES ("Depositary Shares"), each Depositary Shares representing [specify fraction] of one _____ Preferred Share, no par value (the "Preferred Shares") of ARVIN INDUSTRIES, INC., a corporation duly organized and existing under the laws of the State of Indiana (the "Company"), on deposit with the Depositary, subject to the terms and entitled to the benefits of the Deposit Agreement dated as of _____, 199__ (the "Deposit Agreement"), among the Company, the Depositary and the Holders from time to time of Receipts for Depositary Shares. By accepting this Receipt the Holder hereof becomes a party to and agrees to be bound by all the terms and conditions of the Deposit Agreement. This Receipt shall not be valid or obligatory for any purpose or entitled to any benefits under the Deposit Agreement unless it shall have been executed by the Depositary by the manual signature of a duly authorized officer or, if executed in facsimile by the Depositary, countersigned by a Registrar in respect of the Receipts by the manual signature of a duly authorized officer thereof.

Dated: Countersigned:

By _____ By _____
Depositary Registrar

[FORM OF REVERSE OF RECEIPT]

ARVIN INDUSTRIES, INC.

ARVIN INDUSTRIES, INC. WILL FURNISH WITHOUT CHARGE TO EACH REGISTERED HOLDER OF RECEIPTS WHO SO REQUESTS A COPY OF THE DEPOSIT AGREEMENT AND A COPY OF THE PREFERRED SHARE AMENDMENT WITH RESPECT TO THE _____ PREFERRED SHARES OF ARVIN INDUSTRIES, INC. ANY SUCH REQUEST IS TO BE ADDRESSED TO THE DEPOSITARY NAMED ON THE FACE OF THIS RECEIPT.

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

TEN COM -- as tenants in common
TEN ENT -- as tenants by the entireties
JT ENT -- as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT -- _____ Custodian _____
(Cust) (Minor)

Under Uniform Gifts to Minors Act _____
(State)

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

ASSIGNMENT

For value received, _____ 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

_____

_____ Depositary Shares represented by the within Receipt, and does hereby irrevocably constitute and appoint _____ [Attorney] to transfer the said Depositary Shares on the books of the within named Depositary with full power of substitution in the premises.

Dated _____

_____

NOTICE: The signature to the assignment must correspond with the name as written upon the face of this Receipt in every particular, without alteration or enlargement or any change whatever.

EXHIBIT 4-7

ARVIN INDUSTRIES, INC.

and

_____
Debt Warrant Agent

_____

[SENIOR] [SUBORDINATED] DEBT WARRANT AGREEMENT

Dated as of _____

_____

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* OPTIONS REPRESENTED BY BRACKETED OR BLANK SECTIONS HEREIN SHALL BE DETERMINED IN CONFORMITY WITH APPLICABLE PROSPECTUS SUPPLEMENT OR SUPPLEMENTS

TABLE OF CONTENTS<**>

<**> The Table of Contents is not part of the Debt Warrant Agreement.

THIS [SENIOR] [SUBORDINATED] DEBT WARRANT AGREEMENT, dated as of _____, between Arvin Industries, Inc., an Indiana corporation (the "Company"), and _____, a _____ organized and existing under the laws of _____, as warrant agent (the "Debt Warrant Agent").

WHEREAS, the Company and _____ has entered into an Indenture dated as of _____, 19__ (the "Indenture") with _____, trustee (the "Trustee"), providing for the

issuance by the Company from time to time, in one or more series, of debt securities evidencing its unsecured, _____ indebtedness (such debt securities, being referred to as the "Securities"); and

WHEREAS, the Company proposes to issue warrants (the "Debt Warrants") representing the right to purchase Debt Securities of one or more series (the "Underlying Debt Securities"); and

WHEREAS, the Company has duly authorized the execution and delivery of this Debt Warrant Agreement to provide for the issuance of Debt Warrants to be exercisable at such times and for such prices, and to have such other provisions, as shall be fixed as hereinafter provided;

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties hereto agree as follows:

ARTICLE I
ISSUANCE OF DEBT WARRANTS AND EXECUTION AND DELIVERY OF DEBT WARRANT CERTIFICATES

Section 1.01. Issuance of Debt Warrants. Debt Warrants may be issued from time to time, together with or separately from any Securities (the "Offered Debt Securities"). Prior to the issuance of any Debt Warrants, there shall be established by or pursuant to a resolution or resolutions duly adopted by the Company's Board of Directors or by any committee thereof duly authorized to act with respect thereto (a "Board Resolution"):

(a) the title and aggregate number of such Debt Warrants;

(b) the offering price of such Debt Warrants, if any;

(c) whether such Debt Warrants are to be issued with any Offered Debt Securities and, if so, the title, aggregate principal amount and terms of any such Offered Debt Securities; the number of Debt Warrants to be issued with each $1,000 principal amount of such Offered Debt Securities (or such other principal amount of such Offered Debt Securities as is provided for in the Board Resolution); and the date, if any, on and after

which such Debt Warrants and such Offered Debt Securities will be separately transferable (the "Detachable Date");

(d) the title, aggregate principal amount, ranking and terms (including the subordination and conversion provisions) of the Underlying Debt Securities that may be purchased upon exercise of such Debt Warrants;

(e) the time or times at which, or period or periods during which, such Debt Warrants may be exercised, the minimum or maximum amount of Debt Warrants which may be exercised at any one time and the final date on which such Debt Warrants may be exercised (the "Expiration Date");

(f) the principal amount of Underlying Debt Securities that may be purchased upon exercise of each Debt Warrant and the price, or the manner of determining the price (the "Debt Warrant Price"), at which such principal amount may be purchased upon such exercise;

(g) the terms of any right to redeem or call such Debt Warrants; and

(h) any other terms of such Debt Warrants not inconsistent with the provisions of this Agreement.

Section 1.02. Form and Execution of Debt Warrant Certificates.

(a) The Debt Warrants shall be evidenced by warrant certificates (the "Debt Warrant Certificates"), which may be in registered or bearer form and otherwise shall be substantially in such form or forms as shall be established by or pursuant to a Board Resolution. Each Debt Warrant Certificate, whenever issued, shall be dated the date it is countersigned by the Debt Warrant Agent and may have such letters, numbers or other identifying marks and such legends or endorsements printed, lithographed or engraved thereon as are not inconsistent with the provisions of this Agreement, or as may be required to comply with any applicable law, rule or regulation or with any rule or regulation of any securities exchange on which the Debt Warrants may be listed, or to conform to usage, as the officer of the Company executing the same may approve (such officer's execution thereof to be conclusive evidence of such approval). Each Debt Warrant Certificate shall evidence one or more Debt Warrants.

(b) The Debt Warrant Certificates shall be signed in the name and on behalf of the Company by its Chairman of the Board of Directors, its Vice Chairman of the Board of Directors, its President, any Executive Vice President, its Vice President - Finance, and by its Secretary or an Assistant Secretary. Such signatures may be manual or

facsimile signatures of the present or any future holder of any such office and may be imprinted or otherwise reproduced on the Debt Warrant Certificates. The seal of the Company may be in the form of a

facsimile thereof and may be impressed, affixed, imprinted or otherwise reproduced on the Debt Warrant Certificates.

(c) No Debt Warrant Certificate shall be valid for any purpose, and no Debt Warrant evidenced thereby shall be deemed issued or exercisable, until such Debt Warrant Certificate has been countersigned by the manual or facsimile signature of the Debt Warrant Agent. Such signature by the Debt Warrant Agent upon any Debt Warrant Certificate executed by the Company shall be conclusive evidence that the Debt Warrant Certificate so countersigned has been duly issued hereunder.

(d) In case any officer of the Company who shall have signed any Debt Warrant Certificate either manually or by facsimile signature shall cease to be such officer before the Debt Warrant Certificate so signed shall have been countersigned and delivered by the Debt Warrant Agent, such Debt Warrant Certificate nevertheless may be countersigned and delivered as though the person who signed such Debt Warrant Certificate had not ceased to be such officer of the Company; and any Debt Warrant Certificate may be signed on behalf of the Company by such person as, at the actual date of the execution of such Debt Warrant Certificate, shall be the proper officer of the Company, although at the date of the execution of this Agreement such person was not such an officer.

Section 1.03. Issuance and Delivery of Debt Warrant Certificates. At any time and from time to time after the execution and delivery of this Agreement, the Company may deliver Debt Warrant Certificates executed by the Company to the Debt Warrant Agent for countersignature. Except as provided in the following sentence, the Debt Warrant Agent shall thereupon countersign and deliver such Debt Warrant Certificates to or upon the written request of the Company. Subsequent to the original issuance of a Debt Warrant Certificate evidencing Debt Warrants, the Debt Warrant Agent shall countersign a new Debt Warrant Certificate evidencing such Debt Warrants only if such Debt Warrant Certificate is issued in exchange or substitution for one or more previously countersigned Debt Warrant Certificates evidencing such Debt Warrants or in connection with their transfer, as

hereinafter provided.

Section 1.04. Temporary Debt Warrant Certificates. Pending the preparation of definitive Debt Warrant Certificates, the Company may execute, and upon the order of the Company the Debt Warrant Agent shall countersign and deliver, temporary Debt Warrant Certificates that are printed, lithographed, typewritten, mimeographed or otherwise produced, substantially of the tenor of the definitive Debt Warrant Certificates in lieu of which they are issued and with such appropriate insertions, omissions, substitutions and other variations as the officer executing such Debt Warrant Certificates may determine, as evidenced by such officer's execution of such Debt Warrant Certificates.

If temporary Debt Warrant Certificates are issued, the Company will cause definitive Debt Warrant Certificates to be prepared without unreasonable delay. After the preparation of definitive Debt Warrant Certificates, the temporary Debt Warrant Certificates shall be exchangeable for definitive Debt Warrant Certificates upon surrender of the temporary Debt Warrant Certificates at the corporate trust office of the Debt Warrant Agent or _____, without charge to the Holder, as defined in Section 1.06 hereof. Upon surrender for cancellation of any one or more temporary Debt Warrant Certificates, the Company shall execute and the Debt Warrant Agent shall countersign and deliver in exchange therefor definitive Debt Warrant Certificates representing the same aggregate number of Debt Warrants. Until so exchanged, the temporary Debt Warrant Certificates shall in all respects be entitled to the same benefits under this Agreement as definitive Debt Warrant Certificates.

Section 1.05. Payment of Certain Taxes. The Company will pay all stamp and other duties, if any, to which this Agreement or the original issuance of the Debt Warrants or Debt Warrant Certificates may be subject under the laws of the United States of America or any state or locality.

Section 1.06. "Holder". The term "Holder" or "Holders", as used herein with reference to a Debt Warrant Certificate, shall mean [if registered Debt Warrants the person or persons in whose name such Debt Warrant Certificate shall then be registered as set forth in the Debt Warrant Register to be maintained by the Debt Warrant Agent pursuant

to Section 4.01 for that purpose] [if bearer Debt Warrants - the bearer of such Debt Warrant Certificate] or, in the case of Debt Warrants that are issued with Offered Debt Securities and cannot then be transferred separately therefrom, [if registered Offered Debt Securities and Debt Warrants that are not then detachable - the person or persons in whose name the related Offered Debt Securities shall be registered as set forth in the security register to be maintained by the Trustee for such Offered Debt Securities pursuant to the Indenture] [if bearer Offered Debt Securities and Debt Warrants that are not then detachable - the bearer of the related Offered Debt Security], prior to the Detachable Date. [If registered Offered Debt Securities and Debt Warrants that are not then detachable - The Company will, or will cause the security registrar of any such Offered Debt Securities to, make available to the Debt Warrant Agent at all times (including on and after the Detachable Date, in the case of Debt Warrants originally issued with Offered Debt Securities and not subsequently transferred separately therefrom) such information as to holders of Offered Debt Securities with Debt Warrants as may be necessary to keep the Warrant Register up to date.]

ARTICLE II
DURATION AND EXERCISE OF DEBT WARRANTS

Section 2.01. Duration of Debt Warrants. Each Debt Warrant may be exercised at the time or times, or during the period or periods,

provided by or pursuant to the Board Resolution relating thereto and specified in the Debt Warrant Certificate evidencing such Debt Warrant. Each Debt Warrant not exercised at or before 5:00 P.M., New York City time, on its Expiration Date shall become void, and all rights of the Holder of such Debt Warrant thereunder and under this Agreement shall cease, provided that the Company reserves the right to, and may, in its sole discretion, at any time and from time to time, at such time or times as the Company so determines, extend the Expiration Date of the Warrants for such periods of time as it chooses. Whenever the Expiration Date of the Debt Warrants is so extended, the Company shall at least [20] days prior to the then Expiration Date cause to be mailed to the Debt Warrant Agent and the registered Holders of the Debt Warrants in accordance with the provisions of Section 6.04 hereof a notice stating that the Expiration Date has been extended and setting forth the new Expiration Date.

Section 2.02. Exercise of Debt Warrants. (a) The Holder of a Debt Warrant shall have the right, at its option, to exercise such Debt Warrant and, subject to subsection (f) of this Section 2.02, purchase the principal amount of Underlying Debt Securities provided for therein at the time or times or during the period or periods referred to in Section 2.01 and specified in the Debt Warrant Certificate evidencing such Debt Warrant. Except as may be provided in a Debt Warrant Certificate, a Debt Warrant may be exercised by completing the form of election to purchase set forth on the reverse side of the Debt Warrant Certificate, by duly executing and delivering the same, together with payment in full of the Debt Warrant Price in lawful money of the United States of America, in cash or by certified or official bank check or by bank wire transfer, to the Debt Warrant Agent. Except as may be provided in a Debt Warrant Certificate, the date on which such Debt Warrant Certificate and payment are received by the Debt Warrant Agent as aforesaid shall be deemed to be the date on which the Debt Warrant is exercised and the Underlying Debt Securities are issued.

(b) Upon the exercise of a Debt Warrant, the Company shall issue, pursuant to the Indenture, in authorized denominations to or upon the order of the Holder of such Debt Warrant, the Underlying Debt Securities to which such Holder is entitled, in the form required under such Indenture, registered, in the case of Underlying Debt Securities in registered form, in such name or names as may be directed by such Holder.

(c) If fewer than all of the Debt Warrants evidenced by a Debt Warrant Certificate are exercised, the Company shall execute, and an authorized officer of the Debt Warrant Agent shall countersign and deliver, a new Debt Warrant Certificate evidencing the number of Debt Warrants remaining unexercised.

(d) The Debt Warrant Agent shall deposit all funds received by it in payment of the Debt Warrant Price in the account of the Company maintained with it for such purpose and shall advise the

Company by telephone by 5:00 P.M., New York City time, of each day on which a payment of the Debt Warrant Price for Debt Warrants is received of the amount so deposited in its account. The Debt Warrant Agent shall promptly confirm such telephone advice in writing to the Company.

(e) The Debt Warrant Agent shall, from time to time, as promptly as practicable, advise the Company and the Trustee of (i) the number of Debt Warrants of each title exercised as provided herein, (ii) the instructions of each Holder with respect to delivery of the Underlying Debt Securities to which such Holder is entitled upon such exercise, (iii) the delivery of Debt Warrant Certificates evidencing the balance, if any, of the Debt Warrants remaining unexercised after such exercise, and (iv) such other information as the Company or the Trustee shall reasonably require. Such notice may be given by telephone to be promptly confirmed in writing.

(f) The Holder, and not the Company, shall be required to pay any stamp or other tax or other governmental charge that may be imposed in connection with any transfer involved in the issuance of the Underlying Debt Securities; and in the event that any such transfer is involved, the Company shall not be required to issue any Underlying Debt Securities (and the Holder's purchase of the Underlying Debt Securities upon the exercise of such Holder's Debt Warrant shall not be deemed to have been consummated) until such tax or other charge shall have been paid or it has been established to the Company's satisfaction that no such tax or other charge is due.

ARTICLE III
OTHER PROVISIONS RELATING TO RIGHTS OF HOLDERS OF DEBT WARRANTS

Section 3.01. No Rights as Holder of Underlying Debt Securities Conferred by Debt Warrants or Debt Warrant Certificates. No Debt Warrant or Debt Warrant Certificate shall entitle the Holder to any of the rights of a holder of Underlying Debt Securities, including, without limitation, the right to receive the payment of principal of (or premium, if any, on) or interest, if any, on Underlying Debt Securities or to enforce any of the covenants in the Indenture.

Section 3.02. Lost, Stolen, Destroyed or Mutilated Debt Warrant Certificates. Upon receipt by the Company and the Debt Warrant Agent of evidence reasonably satisfactory to them of the ownership of and the loss, theft, destruction or mutilation of any Debt Warrant Certificate and of indemnity (other than in connection with any mutilated Debt Warrant Certificates surrendered to the Debt Warrant Agent for cancellation) reasonably satisfactory to them, the Company shall execute, and the Debt Warrant Agent shall countersign and deliver, in exchange for or in lieu of each lost, stolen, destroyed or mutilated Debt Warrant Certificate, a new Debt Warrant Certificate evidencing a like number of Debt Warrants of the same title. Upon the issuance of a new Debt Warrant Certificate under this Section, the

Company may require the payment of a sum sufficient to cover any stamp or other tax or other governmental charge that may be imposed in connection therewith and any other expenses (including the fees and expenses of the Debt Warrant Agent) in connection therewith. Every substitute Debt Warrant Certificate executed and delivered pursuant to this Section in lieu of any lost, stolen or destroyed Debt Warrant Certificate shall represent a contractual obligation of the Company, whether or not such lost, stolen or destroyed Debt Warrant Certificate shall be at any time enforceable by anyone, and shall be entitled to the benefits of this Agreement equally and proportionately with any and all other Debt Warrant Certificates, duly executed and delivered hereunder, evidencing Debt Warrants of the same title. The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement of lost, stolen, destroyed or mutilated Debt Warrant Certificates.

Section 3.03. Holder of Debt Warrants May Enforce Rights. Notwithstanding any of the provisions of this Agreement, a Holder, without the consent of the Debt Warrant Agent, the Trustee, the holder of any Underlying Debt Securities or the Holder of any other Debt Warrant, may, on its own behalf and for its own benefit, enforce, and may institute and maintain any suit, action or proceeding against the Company to enforce, or otherwise in respect of, its right to exercise its Debt Warrant or Debt Warrants in the manner provided in this Agreement and its Debt Warrant Certificate.

ARTICLE IV
EXCHANGE AND TRANSFER OF DEBT WARRANTS

[Section 4.01. Debt Warrant Register; Exchange and Transfer of Debt Warrants. If registered Debt Warrants - The Debt Warrant Agent shall maintain, at its corporate trust office [or at _____], a register (the " Debt Warrant Register") in which, upon the issuance of Debt Warrants, or on and after the Detachable Date in the case of Debt Warrants not separately transferable prior thereto, and, subject to such reasonable regulations as the Debt Warrant Agent may prescribe, it shall register Debt Warrant Certificates and exchanges and transfers thereof. The Debt Warrant Register shall be in written form or in any other form capable of being converted into written form within a reasonable time.]

Except as provided in the following sentence, upon surrender at the corporate trust office of the Debt Warrant Agent [or at _____] Debt Warrant Certificates may be exchanged for one or more other Debt Warrant Certificates evidencing the same aggregate number

of Debt Warrants of the same title, or may be transferred in whole or in part. A Debt Warrant Certificate evidencing Debt Warrants that are not then transferable separately from the Offered Debt Security with which they were issued may be exchanged or transferred prior to its Detachable Date only together with such Offered Debt Security and only for the purpose of effecting, or in conjunction with, an exchange or transfer of such Offered Debt Security; and on or prior to the

Detachable Date, [if registered Offered Debt Securities and Debt Warrants - each exchange or transfer of such Offered Debt Security on the security register of the Offered Debt Securities shall operate also to exchange or transfer the related Debt Warrant] [if bearer Offered Debt Securities and Debt Warrants - an exchange or transfer of possession of the related Offered Debt Security shall operate also to exchange or transfer the related Debt Warrants]. [If registered Debt Warrants - A transfer shall be registered upon surrender of a Debt Warrant Certificate to the Debt Warrant Agent at its corporate trust office [or at _____ for transfer, properly endorsed or accompanied by appropriate instruments of transfer and written instructions for transfer, all in form satisfactory to the Company and the Debt Warrant Agent duly signed by the registered holder or holders thereof or by the duly appointed legal representative thereof or by a duly authorized attorney, such signature to be guaranteed by (a) a bank or trust company, (b) a broker or dealer that is a member of the National Association of Securities Dealers, Inc. (the "NASD") or (c) a member of a national securities exchange. Upon any such registration of transfer, a new Debt Warrant Certificate shall be issued to the transferee.] Whenever a Debt Warrant Certificate is surrendered for exchange or transfer, the Debt Warrant Agent shall countersign and deliver to the person or persons entitled thereto one or more Debt Warrant Certificates duly executed by the Company, as so requested. The Debt Warrant Agent shall not be required to effect any exchange or transfer which will result in the issuance of a Debt Warrant Certificate evidencing a fraction of a Debt Warrant. All Debt Warrant Certificates issued upon any exchange or transfer of a Debt Warrant Certificate shall be the valid obligations of the Company, evidencing the same obligations, and entitled to the same benefits under this Agreement, as the Debt Warrant Certificate surrendered for such exchange or transfer.

No service charge shall be made for any exchange or transfer of Debt Warrants, 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 such exchange or transfer, in accordance with Section 2.02(f) hereof.

Section 4.02. Treatment of Holders of Debt Warrants. Every Holder of a Debt Warrant, by accepting the Debt Warrant Certificate evidencing the same, consents and agrees with the Company, the Debt Warrant Agent and with every other Holder of Debt Warrants of the same title that the Company and the Debt Warrant Agent may treat the Holder of a Debt Warrant Certificate (or, if the Debt Warrant Certificate is not then detachable, the Holder of the related Offered Debt Security) as the absolute owner of such Debt Warrant for all purposes and as the person entitled to exercise the rights represented by such Debt Warrant, any notice to the contrary notwithstanding.

Section 4.03. Cancellation of Debt Warrant Certificates. In the event that the Company shall purchase, redeem or otherwise acquire any Debt Warrants after the issuance thereof, the Debt Warrant Certificate

or Certificates evidencing such Debt Warrants shall thereupon be delivered to the Debt Warrant Agent and be cancelled by it. The Debt Warrant Agent shall also cancel any Debt Warrant Certificate (including any mutilated Debt Warrant Certificate) delivered to it for exercise, in whole or in part, or for exchange [or transfer] [if Debt Warrant Certificates are issued in bearer form - , except that Debt Warrant Certificates delivered to the Debt Warrant Agent in exchange for Debt Warrant Certificates of other denominations may be retained by the Debt Warrant Agent for reissue]. Debt Warrant Certificates so cancelled shall be delivered by the Debt Warrant Agent to the Company from time to time, or disposed of in accordance with the instructions of the Company.

ARTICLE V
CONCERNING THE DEBT WARRANT AGENT

Section 5.01. Debt Warrant Agent. The Company hereby appoints _____ as Debt Warrant Agent of the Company in respect of the Debt Warrants and the Debt Warrant Certificates upon the terms and subject to the conditions set forth herein; and _____ hereby accepts such appointment. The Debt Warrant Agent shall have the powers and authority granted to and conferred upon it in the Debt Warrant Certificates and hereby and such further powers and authority

acceptable to it to act on behalf of the Company as the Company may hereafter grant to or confer upon it. All of the terms and provisions with respect to such powers and authority contained in any Debt Warrant Certificate are subject to and governed by the terms and provisions hereof.

Section 5.02. Conditions of Debt Warrant Agent's Obligations. The Debt Warrant Agent accepts its obligations set forth herein upon the terms and conditions hereof, including the following, to all of which the Company agrees and to all of which the rights hereunder of the Holders shall be subject:

(a) Compensation and Indemnification. The Company agrees to promptly pay the Debt Warrant Agent the compensation [set forth in Exhibit A hereto] and to reimburse the Debt Warrant Agent for reasonable out-of-pocket expenses (including counsel fees) incurred by the Debt Warrant Agent in connection with the services rendered hereunder by the Debt Warrant Agent. The Company also agrees to indemnify the Debt Warrant Agent for, and to hold it harmless against, any loss, liability or expense (including the reasonable costs and expenses of defending against any claim of liability) incurred without negligence or bad faith on the part of the Debt Warrant Agent arising out of or in connection with its appointment, status or service as Debt Warrant Agent hereunder.

(b) Agent for the Company. In acting under this Agreement and in connection with any Debt Warrant Certificate, the Debt Warrant Agent is acting solely as agent of the Company and does

not assume any obligation or relationship of agency or trust for or with any Holder.

(c) Counsel. The Debt Warrant Agent may consult with counsel satisfactory to it, and the advice of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with the advice of such counsel.

(d) Documents. The Debt Warrant Agent shall be protected and shall incur no liability for or in respect of any action taken, suffered or omitted by it in reliance upon any notice,

direction, consent, certificate, affidavit, statement or other paper or document reasonably believed by it to be genuine and to have been presented or signed by the proper parties.

(e) Officer's Certificate. Whenever in the performance of its duties hereunder the Debt Warrant Agent shall reasonably deem it necessary that any fact or matter be proved or established by the Company prior to taking, suffering or omitting any action hereunder, the Debt Warrant Agent may (unless other evidence in respect thereof be herein specifically prescribed), in the absence of bad faith on its part, rely upon a certificate signed by the Chairman of the Board of Directors, the Vice Chairman of the Board of Directors, the President, an Executive Vice President, and by the Treasurer, an Assistant Treasurer, the Secretary or an Assistant Secretary of the Company (an "Officer's Certificate") delivered by the Company to the Debt Warrant Agent.

(f) Actions Through Agents. The Debt Warrant Agent may execute and exercise any of the rights or powers hereby vested in it or perform any duty hereunder either itself or by or through its attorneys or agents, and the Debt Warrant Agent shall not be answerable or accountable for any act, default, neglect or misconduct of any such attorney or agent or for any loss to the Company resulting from such neglect or misconduct; provided, however, that reasonable care shall have been exercised in the selection and continued employment of such attorneys and agents.

(g) Certain Transactions. The Debt Warrant Agent, and any officer, director or employee thereof, may become the owner of, or acquire any interest in, any Debt Warrant, with the same rights that he, she or it would have if it were not the Debt Warrant Agent, and, to the extent permitted by applicable law, he, she or it may engage or be interested in any financial or other transaction with the Company and may serve on, or as depository, trustee or agent for, any committee or body of holders of Underlying Debt Securities or other obligations of the Company as if it were not the Debt Warrant Agent. Nothing in this Agreement shall be deemed to prevent the Debt Warrant Agent from acting as Trustee under the Indenture.

(h) No Liability for Interest. The Debt Warrant Agent

shall not be liable for interest on any monies at any time received by it pursuant to any of the provisions of this Agreement or of the Debt Warrant Certificates, except as otherwise agreed with the Company.

(i) No Liability for Invalidity. The Debt Warrant Agent shall incur no liability with respect to the validity of this Agreement (except as to the due execution hereof by the Debt Warrant Agent) or any Debt Warrant Certificate (except as to the countersignature thereof by the Debt Warrant Agent).

(j) No Responsibility for Company Representations. The Debt Warrant Agent shall not be responsible for any of the recitals or representations contained herein (except as to such statements or recitals as describe the Debt Warrant Agent or action taken or to be taken by it) or in any Debt Warrant Certificate (except as to the Debt Warrant Agent's countersignature on such Debt Warrant Certificate), all of which recitals and representations are made solely by the Company.

(k) No Implied Obligations. The Debt Warrant Agent shall be obligated to perform only such duties as are specifically set forth herein, and no other duties or obligations shall be implied. The Debt Warrant Agent shall not be under any obligation to take any action hereunder that may subject it to any expense or liability, the payment of which within a reasonable time is not, in its reasonable opinion, assured to it. The Debt Warrant Agent shall not be accountable or under any duty or responsibility for the use by the Company of any Debt Warrant Certificate countersigned by the Debt Warrant Agent and delivered by it to the Company pursuant to this Agreement or for the application by the Company of the proceeds of the issuance or exercise of Debt Warrants. The Debt Warrant Agent shall have no duty or responsibility in case of any default by the Company in the performance of its covenants or agreements contained herein or in any Debt Warrant Certificate or in case of the receipt of any written demand from a Holder with respect to such default, including, without limiting the generality of the foregoing, any duty or responsibility to initiate or attempt to initiate any proceedings at law or otherwise or, except as provided in Section 6.04 hereof, to make any demand upon the Company.

Section 5.03. Resignation and Removal; Appointment of Successor.

(a) The Company agrees, for the benefit of the Holders of the Debt Warrants, that there shall at all times be a Debt Warrant Agent hereunder until all the Debt Warrants are no longer exercisable.

(b) The Debt Warrant Agent may at any time resign as such by giving written notice to the Company, specifying the date on which such resignation shall become effective; provided that such date shall not be less than [90] days after the date on which such notice is

given, unless the Company agrees to accept a shorter notice. Such resignation is subject to the appointment and acceptance of a successor Debt Warrant Agent, as hereinafter provided. The Debt Warrant Agent hereunder may be removed at any time by the filing with it of an instrument in writing signed by or on behalf of the Company and specifying such removal and the date when it shall become effective. Notwithstanding the provisions of this Section 5.03(b), such resignation or removal shall take effect only upon the appointment by the Company, as hereinafter provided, of a successor Debt Warrant Agent (which shall be a bank or trust company organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia, authorized under the laws of such jurisdiction to exercise corporate trust powers and having at the time of its appointment as Debt Warrant Agent a combined capital and surplus (as set forth in its most recent published report of financial condition) of at least [$50,000,000]) and the acceptance of such appointment by such successor Debt Warrant Agent. In the event a successor Debt Warrant Agent has not been appointed and has not accepted its duties within [90] days of the Debt Warrant Agent's notice of resignation, the Debt Warrant Agent may apply to any court of competent jurisdiction for the designation of a successor Debt Warrant Agent. The obligations of the Company under Section 5.02(a) shall continue to the extent set forth therein notwithstanding the resignation or removal of the Debt Warrant Agent.

(c) In case at any time the Debt Warrant Agent shall resign, or shall be removed, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or shall file a petition seeking relief under Title 11 of the United States Code, as now constituted or hereafter amended, or under any other applicable federal or state bankruptcy law or similar law, or make an assignment for the benefit of its creditors, or consent to the appointment of a receiver or custodian for all or any substantial part of its property, or shall admit in writing its inability to pay or meet its debts as they mature, or if a receiver or custodian for it or for all or any substantial part of its property shall be appointed, or if an order of any court shall be entered for relief against it under the provisions of Title 11 of the United States Code, as now constituted or hereafter amended, or under any other applicable federal or state bankruptcy or similar law, or if any public officer shall have taken charge or control of the Debt Warrant Agent or of its property or affairs for

the purpose of rehabilitation, conservation or liquidation, a successor Debt Warrant Agent, qualified as aforesaid, shall be appointed by the Company by an instrument in writing, filed with the successor Debt Warrant Agent. Upon the appointment as aforesaid of a successor Debt Warrant Agent and acceptance by the successor Debt Warrant Agent of such appointment, the Debt Warrant Agent so superseded shall cease to be Debt Warrant Agent hereunder.

(d) Any successor Debt Warrant Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the Company an instrument accepting such appointment hereunder, and

thereupon such successor Debt Warrant Agent, without any further act, deed or conveyance, shall become vested with all the authority, rights, powers, trusts, immunities, duties and obligations of such predecessor with like effect as if originally named as Debt Warrant Agent hereunder, and such predecessor, upon payment of its charges and disbursements then unpaid, shall thereupon become obligated to transfer, deliver and pay over, and such successor Debt Warrant Agent shall be entitled to receive, [the Debt Warrant Register and] all monies, securities and other property on deposit with or held by such predecessor (together with any books and records relating thereto), as Debt Warrant Agent hereunder.

(e) The Company shall cause notice of the appointment of any successor Debt Warrant Agent to be [if registered Debt Warrants - mailed by first-class mail, postage prepaid, to each Holder at its address appearing on the Debt Warrant Register or, in the case of Debt Warrants that are issued with Offered Debt Securities and cannot then be transferred separately therefrom, on the security register for the Offered Debt Securities] [if bearer Debt Warrants - published in an Authorized Newspaper (as defined in Section 101 of the Indenture) in The City of New York and in such other city or cities as may be specified by the Company at least twice, [the first such publication to be not earlier than the earliest date and not later than the latest date prescribed for the giving such notice]. Such notice shall set forth the name and address of the successor Debt Warrant Agent. Failure to give any notice provided for in this Section 5.03(e), or any defect therein, shall not, however, affect the legality or validity of the appointment of the successor Debt Warrant Agent.

(f) Any corporation into which the Debt Warrant Agent

hereunder may be merged or converted, or any corporation with which the Debt Warrant Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Debt Warrant Agent shall be a party, or any corporation to which the Debt Warrant Agent shall sell or otherwise transfer all or substantially all of its assets and business, provided that such Corporation shall be qualified as aforesaid, shall be the successor Debt Warrant Agent under this Agreement without the execution or filing of any paper, the giving of any notice to Holders or any further act on the part of the parties hereto.

Section 5.04. Compliance With Applicable Laws. The Debt Warrant Agent agrees to comply with all applicable federal and state laws imposing obligations on it in respect of the services rendered by it under this Debt Warrant Agreement and in connection with the Debt Warrants, including (but not limited to) the provisions of United States federal income tax laws regarding information reporting and backup withholding. The Debt Warrant Agent expressly assumes all liability for its failure to comply with any such laws imposing obligations on it, including (but not limited to) any liability for failure to comply with any applicable provisions of United States

federal income tax laws regarding information reporting and backup withholding.

Section 5.05. Office. The Company will maintain an office or agency where Debt Warrant Certificates may be presented for exchange, transfer or exercise. The office initially designated for this purpose shall be the corporate trust office of the Debt Warrant Agent at _____.

ARTICLE VI
MISCELLANEOUS

Section 6.01. Consolidation or Merger of the Company and Conveyance or Transfer Permitted Subject to Certain Conditions. To the extent permitted in the Indenture, the Company may consolidate with or merge into another corporation or other entity, or convey or transfer all or substantially all of its properties and assets to any other corporation or other entity.

Section 6.02. Rights and Duties of Successor Corporation. In case of any such consolidation, merger, conveyance or transfer and upon any assumption of the duties and obligations of the Company by the successor corporation, such successor corporation shall succeed to and be substituted for the Company, with the same effect as if it had been named herein, and the Company shall be relieved of any further obligation under this Agreement and the Debt Warrants. Such successor corporation thereupon may cause to be signed, and may issue either in its own name or in the name of the Company, any or all of the Underlying Debt Securities issuable pursuant to the terms hereof. All the Underlying Debt Securities so issued shall in all respects have the same legal rank and benefit under the Indenture as the Underlying Debt Securities theretofore or thereafter issued in accordance with the terms of this Agreement and the Indenture.

In case of any such consolidation, merger, conveyance or transfer, such changes in phraseology and form (but not in substance) may be made in the Underlying Debt Securities thereafter to be issued as may be appropriate. Section 6.03. Supplements and Amendments. (a) The Company and the Debt Warrant Agent may from time to time supplement or amend this Agreement without the approval or consent of any Holder in order to cure any ambiguity, to correct or supplement any provision contained herein that may be defective or inconsistent with any other provision herein, or to make any other provision in regard to matters or questions arising hereunder that the Company and the Debt Warrant Agent may deem necessary or desirable and that shall not adversely affect the interests of the Holders. Every Holder of Debt Warrants, whether issued before or after any such supplement or amendment, shall be bound thereby. Promptly after the effectiveness of any supplement or amendment that affects the interests of the Holders, the Company shall give notice thereof, as provided in Section 5.03(d) hereof, to the Holders affected thereby, setting forth in general terms the substance of such supplement or amendment.

(b) The Company and the Debt Warrant Agent may modify or amend this Agreement and the Debt Warrant Certificates with the consent of the Holders of not fewer than a majority in principal amount of the underlying Debt Securities represented by the Debt Warrants affected by such modification or amendment, for any purpose; provided, however, that no such modification or amendment that shortens the period of time during which the Debt Warrants may be exercised, or otherwise materially and adversely affects the exercise

rights of the Holders or reduces the percentage of Holders of outstanding Debt Warrants the consent of which is required for modification or amendment of this Agreement or the Debt Warrants, may be made without the consent of each Holder affected thereby.

Section 6.04. Notices and Demands to the Company and Debt Warrant Agent. If the Debt Warrant Agent shall receive any notice or demand addressed to the Company by a Holder pursuant to the provisions of this Agreement or a Debt Warrant Certificate (other than notices relating to the exchange[, transfer] or exercise of Debt Warrants), the Debt Warrant Agent shall promptly forward such notice or demand to the Company.

Section 6.05. Addresses. Any communications from the Company to the Debt Warrant Agent with respect to this Agreement shall be directed to _____, Attention: _____, and any communications from the Debt Warrant Agent to the Company with respect to this Agreement shall be directed to Arvin Industries, Inc., One Noblitt Plaza, Box Number 3000, Columbus, Indiana 47202-3000, Attention: Treasurer, with a copy to the Secretary (or such other address as shall be specified in writing by the Debt Warrant Agent or by the Company, as the case may be).

Section 6.06. Applicable Law. This Agreement and the Debt Warrants shall be governed by and construed in accordance with the laws of the [State of Indiana] applicable to contracts made and to be performed entirely within such State.

Section 6.07. Delivery of Prospectus. The Company will furnish to the Debt Warrant Agent sufficient copies of a prospectus or prospectuses relating to the Underlying Debt Securities deliverable upon exercise of any outstanding Debt Warrants (each a "Prospectus"), and the Debt Warrant Agent agrees to deliver to the Holder of a Debt Warrant, prior to or concurrently with the delivery of the Underlying Debt Securities issued upon the exercise thereof, a copy of the Prospectus relating to such Underlying Debt Securities.

Section 6.08. Governmental Approvals. The Company will take such action as may be necessary to obtain and keep effective any and all permits, consents and approvals of governmental agencies and authorities, and will make all filings under federal and state securities laws (including, without limitation, the maintenance of the effectiveness of a registration statement in respect of the Underlying Debt Securities under the Securities Act of 1933), as may be or become

requisite in connection with the issuance, sale, transfer and delivery of Debt Warrants and Debt Warrant Certificates, the exercise of Debt Warrants and the issuance, sale and delivery of Underlying Debt Securities issued upon exercise of Debt Warrants.

Section 6.09. Persons Having Rights under Debt Warrant Agreement. Nothing in this Agreement, expressed or implied, and nothing that may be inferred from any of the provisions hereof is intended or shall be construed to confer upon or give to any person or corporation other than the Company, the Debt Warrant Agent and the Holders any right, remedy or claim under or by reason of this Agreement or any covenant, condition, stipulation, promise or agreement herein; and all covenants, conditions, stipulations, promises and agreements herein shall be for the sole and exclusive benefit of the Company, the Debt Warrant Agent and their respective successors and the Holders.

Section 6.10. Delivery of Prospectus. The Company will furnish to the Debt Warrant Agent sufficient copies of a prospectus or prospectuses relating to the Underlying Debt Securities deliverable upon exercise of any outstanding Debt Warrants (each a "Prospectus"), and the Debt Warrant, prior to or concurrent with the delivery of the Underlying Debt Securities issued upon the exercise thereof, a copy of the Prospectus relating to such Debt Securities.

Section 6.11. Headings. The descriptive headings of the several Articles and Sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 6.12. Counterparts. This Agreement may be executed in one or more counterparts, each of which when so executed and delivered shall be deemed to be an original; but all such counterparts taken together shall constitute one and the same agreement.

Section 6.13. Inspection of Agreement. A copy of this Agreement shall be available during business hours at the office of the Debt Warrant Agent for inspection by any Holder. The Debt Warrant Agent may require such Holder to submit its Debt Warrant Certificate for inspection prior to making such copy available.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed all as of the day and year first above written.

ARVIN INDUSTRIES, INC.

[Seal]

By _____

Attest: Name and Title:

_____

Name and Title:

_____

[Seal]

Attest: By _____

Name and Title:

_____

Name and Title:

Exhibit A
to
[Senior] [Subordinated] Debt Warrant Agreement
dated as of _____, 19__

[Compensation of Debt Warrant Agent]

EXHIBIT 4-8

STOCK WARRANT AGREEMENT<*>

dated as of _____, _____

FOR

UP TO ___ STOCK WARRANTS

EXPIRING _____, _____

between

ARVIN INDUSTRIES, INC.

and

[NAME OF STOCK WARRANT AGENT], as
Stock Warrant Agent

<*>OPTIONS REPRESENTED BY BRACKETED OR BLANK SECTIONS HEREIN SHALL BE DETERMINED IN CONFORMITY WITH THE APPLICABLE PROSPECTUS SUPPLEMENT OR SUPPLEMENTS.

TABLE OF CONTENTS<*>

<*>This Table of Contents is not a part of the Stock Warrant Agreement.

This STOCK WARRANT AGREEMENT, dated as of _____ _____, between Arvin Industries, an Indiana corporation (the "Company"), and _____, a _____ organized and existing under the laws of _____ (the "Warrant Agent").

WHEREAS, the Company proposes to sell [title of debt

securities, preferred shares, common shares, depositary shares or other securities being offered (the "Offered Securities")] with certificates evidencing one or more warrants (the " Stock Warrants" or, individually, a " Stock Warrant") representing the right to purchase [common shares, par value $2.50 per share, of the Company (the "Common Shares")] [shares of a series of preferred shares, no par value per share, of the Company (the "Preferred Shares")] [depositary shares relating to a series of Preferred Shares (the "Depositary Shares")], such warrant certificates and other warrant certificates issued pursuant to this Agreement being herein called the "Warrant Certificates"; and

WHEREAS, the Company has duly authorized the execution and delivery of this Stock Warrant Agreement to provide for the issuance of Stock Warrants to be exercisable at such times and for such prices, and to have such other provisions, as shall be fixed as hereinafter provided;

NOW, THEREFORE, in consideration of the premises and of the mutual agreements herein contained, the parties hereto agree as follows:

ARTICLE I
ISSUANCE OF STOCK WARRANTS AND EXECUTION AND DELIVERY OF WARRANT CERTIFICATES

Section 1.01. Issuance of Stock Warrants. Stock Warrants may be issued from time to time, together with or separately from Offered Securities. Prior to the issuance of any Stock Warrants, there shall be established by or pursuant to a resolution or resolutions duly adopted by the Company's Board of Directors or by any committee thereof duly authorized to act with respect thereto (a "Board Resolution"):

(a) the title and aggregate number of such Stock Warrants;

(b) the offering price of such Stock Warrants, if any;

(c) whether such Stock Warrants are to be issued with any Offered Securities and, if so, the number and terms of any such Offered Securities and the number of Stock Warrants to be issued with each Offered Security; and the date, if any, on and after which the Stock Warrants and the Offered Securities will be separately transferable (the "Detachable Date");

(d) the designation, number and terms (including any subordination and conversion provisions) of any Preferred Shares

that are purchasable upon exercise of such Share Warrants or that underlie Depositary Shares purchasable on such exercise;

(e) the time or times at which, or period or periods during which, such Stock Warrants may be exercised and the final date on which such Stock Warrants may be exercised (the "Expiration Date");

(f) the number of [Preferred/Common/Depositary] Shares that may be purchased upon exercise of such Stock Warrants; the price, or the manner of determining the price (the "Warrant Price"), at which such [Preferred/Common/Depositary] Shares may be purchased upon exercise of the Stock Warrants; and any minimum or maximum number of such Stock Warrants that are exercisable at any one time;

(g) if applicable, any anti-dilution provisions of such Stock Warrants;

(h) the terms of any right to redeem or call such Stock Warrants;

(i) the terms of any right of the Company to accelerate the Expiration Date of the Stock Warrants upon the occurrence of certain events;

(j) any other terms of such Stock Warrants not inconsistent with the provisions of this Agreement.

Section 1.02. Form and Execution of Warrant Certificates.

(a) The Stock Warrants shall be evidenced by the Warrant Certificates, which shall be in registered form and substantially in such form or forms as shall be established by or pursuant to a Board Resolution. Each Warrant Certificate, whenever issued, shall be dated the date it is countersigned by the Warrant Agent and may have such letters, numbers or other marks of identification and such legends or endorsements printed, lithographed or engraved thereon as are not inconsistent with the provisions of this Agreement, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any securities exchange on which the Stock Warrants may be listed, or to conform to usage, as the officer of the Company executing the same may approve (such officer's execution thereof to be conclusive evidence of such approval). Each Warrant Certificate shall evidence one or more Stock Warrants.

(b) The Warrant Certificates shall be signed in the name and on behalf of the Company by its Chairman of the Board of Directors, the Vice Chairman of the Board of Directors, its President, an Executive Vice President or the Vice President-Finance and by its Secretary or an Assistant Secretary. Such signatures may be manual or facsimile signatures [of the present or any future holder of any such office] and may be imprinted or otherwise reproduced on the Warrant Certificates. The seal of the Company may be in the form of a facsimile thereof and may be impressed, affixed, imprinted or otherwise reproduced on the Warrant Certificates.

(c) No Warrant Certificate shall be valid for any purpose, and no Stock Warrant evidenced thereby shall be deemed issued or exercisable, until such Warrant Certificate has been countersigned by the manual or facsimile signature of the Warrant Agent. Such signature by the Warrant Agent upon any Warrant Certificate executed by the Company shall be conclusive evidence that the Warrant Certificate so countersigned has been duly issued hereunder.

(d) In case any officer of the Company who shall have signed any Warrant Certificate either manually or by facsimile signature shall cease to be such officer before the Warrant Certificate so signed shall have been countersigned and delivered by the Warrant Agent, such Warrant Certificate nevertheless may be countersigned and delivered as though the person who signed such Warrant Certificate had not ceased to be such officer of the Company; and any Warrant Certificate may be signed on behalf of the Company by such person as, at the actual date of the execution of such Warrant Certificate, shall be the proper officer of the Company, although at the date of the execution of this Agreement such person was not such an officer.

Section 1.03. Issuance and Delivery of Warrant Certificates. At any time and from time to time after the execution and delivery of this Agreement, the Company may deliver Warrant Certificates executed by the Company to the Warrant Agent for countersignature. Subject to the provisions of this Section 1.03, the Warrant Agent shall thereupon countersign and deliver such Warrant Certificates to or upon the written request of the Company. Subsequent to the original issuance of a Stock Warrant Certificate evidencing Stock Warrants, the Warrant Agent shall countersign a new Warrant Certificate evidencing such Stock Warrants only if such Warrant Certificate is issued in exchange or substitution for one or

more previously countersigned Warrant Certificates evidencing such Stock Warrants or in connection with their transfer, as hereinafter provided.

Section 1.04. Temporary Warrant Certificates. Pending the preparation of definitive Warrant Certificates, the Company may execute, and upon the order of the Company the Warrant Agent shall countersign and deliver, temporary Warrant Certificates that are printed, lithographed, typewritten, mimeographed or otherwise produced, substantially of the tenor of the definitive Warrant Certificates in lieu of which they are issued and with such appropriate insertions, omissions, substitutions and other variations as the officer executing such Warrant Certificates may determine, as evidenced by his execution of such Warrant Certificates.

If temporary Warrant Certificates are issued, the Company will cause definitive Warrant Certificates to be prepared without unreasonable delay. After the preparation of definitive Warrant Certificates, the temporary Warrant Certificates shall be exchangeable for definitive Warrant Certificates upon surrender of the temporary Warrant Certificates at the corporate trust office of the Warrant Agent [or _____], without charge to the Holder, as defined in Section 1.06 hereof. Upon surrender for cancellation of any one or more temporary Warrant Certificates, the Company shall execute and the Warrant Agent shall countersign and deliver in exchange therefor definitive Warrant Certificates representing the same aggregate number of Stock Warrants. Until so exchanged, the temporary Warrant Certificates shall in all respects be entitled to the same benefits under this Agreement as definitive Warrant Certificates.

Section 1.05. Payment of Certain Taxes. The Company will pay all stamp and other duties, if any, to which this Agreement or the original issuance of the Stock Warrants or Warrant Certificates may be subject under the laws of the United States of America or any state or locality.

Section 1.06. "Holder." The term "Holder" or "Holders" as used herein with reference to a Warrant Certificate shall mean the person or persons in whose name such Warrant Certificate shall then be registered as set forth in the Warrant Register to be maintained by the Warrant Agent pursuant to Section 4.01 for that purpose or, in the case of Stock Warrants that are issued with Offered Securities and cannot then be transferred separately therefrom, [IF REGISTERED

OFFERED SECURITIES AND STOCK WARRANTS THAT ARE NOT THEN DETACHABLE -- the person or persons in whose name the related Offered Securities shall be registered as set forth in the security register for such Offered Securities, prior to the Detachable Date. The Company will, or will cause the security registrar of any such Offered Securities to, make available to the Warrant Agent at all times (including on and after the Detachable Date, in the case of Stock Warrants originally issued with Offered Securities and not subsequently transferred separately therefrom) such information as to holders of Offered Securities with Stock Warrants as may be necessary to keep the Warrant Register up to date.]

ARTICLE II
DURATION AND EXERCISE OF STOCK WARRANTS

Section 2.01. Duration of Stock Warrants. Each Stock Warrant may be exercised at the time or times, or during the period or periods, provided by or pursuant to the Board Resolution relating thereto and specified in the Warrant Certificate evidencing such Stock Warrant. Each Stock Warrant not exercised at or before 5:00 P.M., New York City time, on its Expiration Date shall become void, and all rights of the Holder of such Stock Warrant thereunder and under this Agreement shall cease, provided that the Company reserves the right to, and may, in its sole discretion, at any time and from time to time, at such time or times as the Company so determines, extend the Expiration Date of the Stock Warrants for such periods of time as it chooses. Whenever the Expiration Date of the Stock Warrants is so extended, the Company shall at least [20] days prior to the then Expiration Date cause to be mailed to the Warrant Agent and the registered Holders of the Stock Warrants in accordance with the provisions of Section 6.03 hereof a notice stating that the Expiration Date has been extended and setting forth the new Expiration Date. No adjustment shall be made for any dividends on any [Preferred/ Common/Depositary] Shares issuable upon exercise of any Stock Warrant.

Section 2.02. Exercise of Stock Warrants. (a) The Holder of a Stock Warrant shall have the right, at its option, to exercise such Stock Warrant and, subject to subsection (f) of this Section 2.02, purchase the number of [Preferred/Common/Depositary] Shares provided for therein at the time or times or during the period or periods referred to in Section 2.01 and specified in the Warrant Certificate evidencing such Stock Warrant. No fewer than the minimum number of Stock Warrants as set forth in the Warrant Certificate may

be exercised by or on behalf of any one Holder at any one time. Except as may be provided in a Warrant Certificate, a Stock Warrant may be exercised by completing the form of election to purchase set forth on the reverse side of the Warrant Certificate, by duly executing the same, and by delivering the same, together with payment in full of the Warrant Price, in lawful money of the United States of America, in cash or by certified or official bank check or by bank wire transfer, to the Warrant Agent. Except as may be provided in a Warrant Certificate, the date on which such Warrant Certificate and payment are received by the Warrant Agent as aforesaid shall be deemed to be the date on which the Stock Warrant is exercised and the relevant [Preferred/Common/Depositary] Shares are issued.

(b) Upon the exercise of a Stock Warrant, the Company shall issue to or upon the order of the Holder of such Warrant, the [Preferred/Common/Depositary] Shares to which such Holder is entitled, registered, in the case of [Preferred/Common/Depositary] Shares in registered form, in such name or names as may be directed by such Holder.

(c) If fewer than all of the Stock Warrants evidenced by a Warrant Certificate are exercised, the Company shall execute, and an authorized officer of the Warrant Agent shall countersign and deliver, a new Warrant Certificate evidencing the number of Stock Warrants remaining unexercised.

(d) The Warrant Agent shall deposit all funds received by it in payment of the Warrant Price for Stock Warrants in the account of the Company maintained with it for such purpose and shall advise the Company by telephone by 5:00 P.M., New York City time, of each day on which a payment of the Warrant Price for Warrants is received of the amount so deposited in its account. The Warrant Agent shall promptly confirm such telephone advice in writing to the Company.

(e) The Warrant Agent shall, from time to time, as promptly as practicable, advise the Company of (i) the number of Stock Warrants of each title exercised as provided herein, (ii) the instructions of each Holder of such Stock Warrants with respect to delivery of the [Preferred/Common/Depositary] Shares issued upon exercise of such Stock Warrants to which such Holder is entitled upon such exercise,

and (iii) such other information as the Company shall reasonably require. Such notice may be given by telephone to be promptly confirmed in writing.

(f) The Company will pay all documentary stamp taxes attributable to the initial issuance of Stock Warrants or to the issuance of [Preferred/Common/Depositary] Shares to the registered Holder of such Stock Warrants upon exercise thereof; provided, however, that the Holder, and not the Company, shall be required to pay any stamp or other tax or other governmental charge that may be imposed in connection with any transfer involved in the issuance of the [Preferred/Common/Depositary] Shares; and in the event that any such transfer is involved, the Company shall not be required to issue any [Preferred/Common/Depositary] Shares (and the Holder's purchase of the [Preferred/Common/Depositary] Shares issued upon the exercise of such Holder's Stock Warrant shall not be deemed to have been consummated) until such tax or other charge shall have been paid or it has been established to the Company's satisfaction that no such tax or other charge is due.

Section 2.03. Stock Warrant Adjustments. The terms and conditions, if any, on which the exercise price of and/or the number of [Preferred/Common/Depositary] Shares covered by a Stock Warrant are subject to adjustments will be set forth in the Warrant Certificate and in the Prospectus Supplement relating thereto. Such terms may include the adjustment mechanism for the exercise price of, and the number of [Preferred/Common/Depositary] Shares covered by, a Stock Warrant, the events requiring such adjustments, the events upon which the Company may, in lieu of making such adjustments, make proper provisions so that the Holder, upon exercise of such Holder's Stock Warrant, would be treated as if such Holder had been a holder of the [Preferred/Common/Depositary] Shares received upon such exercise, prior to the occurrence of such events, and provisions affecting exercise of the Stock Warrants in the event of certain events affecting the [Preferred/Common/Depositary] Shares.

ARTICLE III
OTHER PROVISIONS RELATING TO RIGHTS OF HOLDERS OF STOCK WARRANTS

Section 3.01. No Rights as Holder of Underlying [Preferred/Common/Depositary] Shares Conferred by Stock Warrants or Warrant Certificates. No Stock Warrants or Warrant Certificates shall entitle the Holder to any of the rights, preferences and privileges of a holder of the underlying [Preferred/Common/Depositary] Shares, including without limitation, any dividend, voting, redemption, conversion, exchange and liquidation rights.

Section 3.02. Lost, Stolen, Destroyed or Mutilated Warrant Certificates. Upon receipt by the Company and the Warrant Agent of evidence reasonably satisfactory to them of the ownership of and the loss, theft, destruction or mutilation of any Warrant Certificate and of indemnity (other than in connection with any mutilated Warrant Certificates surrendered to the Warrant Agent for cancellation) reasonably satisfactory to them, the Company shall execute, and Warrant Agent shall countersign and deliver, in exchange for or in

lieu of each lost, stolen, destroyed or mutilated Warrant Certificate, a new Warrant Certificate evidencing a like number of Stock Warrants of the same title. Upon the issuance of a new Warrant Certificate under this Section, the Company may require the payment of a sum sufficient to cover any stamp or other tax or other governmental charge that may be imposed in connection therewith and any other expenses (including the fees and expenses of the Warrant Agent) in connection therewith. Every substitute Warrant Certificate executed and delivered pursuant to this Section in lieu of any lost, stolen or destroyed Warrant Certificate shall represent a contractual obligation of the Company, whether or not such lost, stolen or destroyed Warrant Certificate shall be at any time enforceable by anyone, and shall be entitled to the benefits of this Agreement equally and proportionately with any and all other Warrant rights and remedies with respect to the replacement of lost, stolen, destroyed or mutilated Warrant Certificates.

Section 3.03. Holders of Stock Warrants May Enforce Rights. Notwithstanding any of the provisions of this Agreement, any Holder may, without the consent of the Warrant Agent, enforce and may institute and maintain any suit, action or proceeding against the Company suitable to enforce, or otherwise in respect of, its right to exercise his Stock Warrants as provided in the Stock Warrants and in this Agreement.

Section 3.04. Merger, Consolidation, Sale, Transfer or Conveyance. (a) In case any of the following shall occur while any Stock Warrants are outstanding: (i) any reclassification or change of the outstanding [Preferred/Common/Depositary] Shares; or (ii) any consolidation or merger to which the Company is party (other than a consolidation or a merger in which the Company is the continuing corporation and which does not result in any reclassification of, or change in, the outstanding [Preferred/Common] Shares issuable upon exercise of the Stock Warrants [or underlying the Depositary Shares issuable upon exercise of the Depositary Stock Warrants]); or (iii) any sale, conveyance or lease to another corporation of the property of the Company as an entirety or substantially as an entirety; then the Company, or such successor or purchasing corporation, as the case may be, shall make appropriate provision by amendment of this Agreement or otherwise so that the Holders of the Stock Warrants then outstanding shall have the right at any time thereafter, upon exercise of such Stock Warrants, to purchase the kind and amount of capital shares and other securities and property receivable upon such a

reclassification, change, consolidation, merger, sale, conveyance or lease as would be received by a holder of the number of [Preferred/Common] Shares issuable upon exercise of such Stock Warrant [or underlying the Depositary Shares issuable upon exercise of the Depositary Stock Warrants] immediately prior to such reclassification, change, consolidation, merger, sale, conveyance or lease, and, in the case of a consolidation, merger, sale, conveyance or lease, the Company shall thereupon be relieved of any further obligation hereunder or under the Stock Warrants, and the Company as the predecessor corporation may thereupon or at any time thereafter be dissolved, wound up or liquidated. Such successor or assuming

corporation thereupon may cause to be signed, and may issue either in its own name or in the name of the Company, any of all of the Stock Warrants issuable hereunder which theretofore shall not have been signed by the Company, and may execute and deliver [Preferred/Common/Depositary] Shares in its own name, in fulfillment of its obligations to deliver Shares upon exercise of the Stock Warrants. All the Stock Warrants so issued shall in all respects have the same legal rank and benefit under this Agreement as the Stock Warrants theretofore or thereafter issued in accordance with the terms of this Agreement as though all of such Stock Warrants had been issued at the date of the execution hereof. In any case of any such reclassification, change, consolidation, merger, conveyance, transfer or lease, such changes in phraseology and form (but not in substance) may be made in the Stock Warrants thereafter to be issued as may be appropriate.

(b) The Stock Warrant Agent may receive a written opinion of legal counsel as conclusive evidence that any such merger, consolidation, sale, transfer, conveyance or other disposition of substantially all of the assets of the Company complies with the provisions of this Section 3.04.

ARTICLE IV
EXCHANGE AND TRANSFER OF STOCK WARRANTS

Section 4.01. Stock Warrant Register; Exchange and Transfer of Stock Warrants. The Warrant Agent shall maintain, at its corporate trust office [or at _____ _____], a register (the "Warrant Register") in which, upon the issuance of Stock Warrants, or on and after the Detachable Date in the case of Stock Warrants not separately transferable prior thereto, and, subject to such reasonable regulations as the Warrant Agent may prescribe, it shall register

Warrant Certificates and exchanges and transfers thereof. The Warrant Register shall be in written form or in any other form capable of being converted into written form within a reasonable time.

Except as provided in the following sentence, upon surrender at the corporate trust office of the Warrant Agent [or at _____ _____], Warrant Certificates may be exchanged for one or more other Warrant Certificates evidencing the same aggregate number of Stock Warrants of the same title, or may be transferred in whole or in part. A Warrant Certificate evidencing Stock Warrants that are not then transferable separately from the Offered Security with which they were issued may be exchanged or transferred prior to its Detachable Date only together with such Offered Security and only for the purpose of effecting, or in conjunction with, an exchange or transfer of such Offered Security; and on or prior to the Detachable Date, each exchange or transfer of such Offered Security on the Security Register of the Offered Securities shall operate also to exchange or transfer the related Stock Warrants. A transfer shall be registered upon surrender of a Warrant Certificate to the Warrant Agent at its corporate trust office [or at _____ _____] for transfer, properly endorsed or accompanied by appropriate instruments of transfer and written instructions for transfer, all in form

satisfactory to the Company and the Warrant Agent, duly signed by the registered holder or holders thereof or by the duly appointed legal representative thereof or by a duly authorized attorney, such signature to be guaranteed by (a) a bank or trust company, (b) a broker or dealer that is a member of the National Association of Securities Dealers, Inc. (the "NASD") or (c) a member of a national securities exchange. Upon any such registration of transfer, a new Warrant Certificate shall be issued to the transferee. Whenever a Warrant Certificate is surrendered for exchange or transfer, the Warrant Agent shall countersign and deliver to the person or persons entitled thereto one or more Warrant Certificates duly executed by the Company, as so requested. The Stock Warrant Agent shall not be required to effect any exchange or transfer which will result in the issuance of a Warrant Certificate evidencing a fraction of a Stock Warrant. All Warrant Certificates issued upon any exchange or transfer of a Warrant Certificate shall be the valid obligations of the Company, evidencing the same obligations, and entitled to the same benefits under this Agreement, as the Warrant Certificate surrendered for such exchange or transfer.

No service charge shall be made for any exchange or transfer

of Stock Warrants, 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 such exchange or transfer, in accordance with Section 2.02(f) hereof.

Section 4.02. Treatment of Holders of Warrant Certificates.

(a) In the event that the Stock Warrants are offered together with, and, prior to the Detachable Date, are not detachable from, Offered Securities, the Company, the Warrant Agent and all other persons may, prior to such Detachable Date, treat the holder of the Offered Security as the Holder of the Warrant Certificates initially attached thereto for any purpose and as the person entitled to exercise the rights represented by the Stock Warrants evidenced by such Warrant Certificates, any notice to the contrary notwithstanding. After the Detachable Date and prior to due presentment of a Warrant Certificate for registration or transfer, the Company and the Warrant Agent may treat the registered Holder of a Warrant Certificate as the absolute Holder thereof for any purpose and as the person entitled to exercise the rights represented by the Stock Warrants evidenced thereby, any notice to the contrary notwithstanding.

(b) In all other cases, the Company and the Warrant Agent may treat the registered Holder of a Warrant Certificate as the absolute Holder thereof for any purpose and as the person entitled to exercise the rights represented by the Stock Warrants evidenced thereby, any notice to the contrary notwithstanding.

Section 4.03. Cancellation of Warrant Certificates. In the event that the Company shall purchase, redeem or otherwise acquire any Stock Warrants after the issuance thereof, the Warrant Certificate or Warrant Certificates evidencing such Stock Warrants shall thereupon be delivered to the Warrant Agent and be cancelled by it. The Warrant Agent shall also cancel any Warrant Certificate (including any Warrant Certificate) delivered to it for exercise, in whole or in part, or for exchange or transfer. Warrant Certificates so cancelled shall be delivered by the Warrant Agent to the Company from time to time, or disposed of in accordance with the instructions of the Company.

ARTICLE V
CONCERNING THE WARRANT AGENT

Section 5.01. Warrant Agent. The Company hereby appoints

_____ as Warrant Agent of the Company in respect of the Stock Warrants upon the terms and subject to the conditions set forth herein; and _____ hereby accepts such appointment. The Warrant Agent shall have the powers and authority granted to and conferred upon it in the Warrant Certificates and hereby, and such further powers and authority acceptable to it to act on behalf of the Company as the Company may hereafter grant to or confer upon it. All of the terms and provisions with respect to such powers and authority contained in the Warrant Certificates are subject to and governed by the terms and provisions hereof.

Section 5.02. Conditions of Warrant Agent's Obligations. The Warrant Agent accepts its obligations set forth herein upon the terms and conditions hereof, including the following, to all of which the Company agrees and to all of which the rights hereunder of the Holders shall be subject:

(a) Compensation and Indemnification. The Company agrees to promptly pay the Warrant Agent the compensation set forth in Exhibit A hereto and to reimburse the Warrant Agent for reasonable out-of-pocket expenses (including counsel fees) incurred by the Warrant Agent in connection with the services rendered hereunder by the Warrant Agent. The Company also agrees to indemnify the Warrant Agent for, and to hold it harmless against, any loss, liability or expense (including the reasonable costs and expenses of defending against any claim of liability) incurred without negligence or bad faith on the part of the Warrant Agent arising out of or in connection with its appointment, status or service as Warrant Agent hereunder.

(b) Agent for the Company. In acting under this Agreement and in connection with any Warrant Certificate, the Warrant Agent is acting solely as agent of the Company and does not assume any obligation or relationship of agency or trust for or with any Holder.

(c) Counsel. The Warrant Agent may consult with counsel satisfactory to it, and the advice of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with the advice of such counsel.

(d) Documents. The Warrant Agent shall be protected and shall incur no liability for or in respect of any action taken,

suffered or omitted by it in reliance upon any notice, direction, consent, certificate, affidavit, statement or other paper or document reasonably believed by it to be genuine and to have been presented or signed by the proper parties.

(e) Officer's Certificate. Whenever in the performance of its duties hereunder the Warrant Agent shall reasonably deem it necessary that any fact or matter be proved or established by the Company prior to taking, suffering or omitting any action hereunder, the Warrant Agent may (unless other evidence in respect thereof be herein specifically prescribed), in the absence of bad faith on its part, rely upon a certificate signed by the Chairman of the Board of Directors, the Vice Chairman of the Board of Directors, the President, an Executive Vice President, the Treasurer, an Assistant Treasurer, the Secretary or an Assistant Secretary of the Company (an "Officer's Certificate") delivered by the Company to the Warrant Agent.

(f) Actions Through Agents. The Warrant Agent may execute and exercise any of the rights or powers hereby vested in it or perform any duty hereunder either itself or by or through its attorneys or agents, and the Warrant Agent shall not be answerable or accountable for any act, default, neglect or misconduct of any such attorney or agent or for any loss to the Company resulting from such neglect or misconduct; provided, however, that reasonable care shall have been exercised in the selection and continued employment of such attorneys and agents.

(g) Certain Transactions. The Warrant Agent, and any officer, director or employee thereof, may become the owner of, or acquire any interest in, any Stock Warrant, with the same rights that he, she or it would have if it were not the Warrant Agent, and, to the extent permitted by applicable law, he, she or it may engage or be interested in any financial or other transaction with the Company and may serve on, or as depository, trustee or agent for, any committee or body of holders of [Preferred/Common/Depositary] Shares or other obligations of the Company as if it were not the Warrant Agent.

(h) No Liability For Interest. The Warrant Agent shall not be liable for interest on any monies at any time received by it pursuant to any of the provisions of this Agreement or of the Warrant Certificates, except as otherwise agreed with the Company.

(i) No Liability For Invalidity. The Warrant Agent shall incur no liability with respect to the validity of this Agreement (except as to the due execution hereof by the Warrant Agent) or any Warrant Certificate (except as to the countersignature thereof by the Warrant Agent).

(j) No Responsibility For Company Representations. The Warrant Agent shall not be responsible for any of the recitals or representations contained herein (except as to such statements or recitals as describe the Warrant Agent or action taken or to be taken by it) or in any Warrant Certificate (except as to the Warrant Agent's countersignature on such Warrant Certificate), all of which recitals and representations are made solely by the Company.

(k) No Implied Obligations. The Warrant Agent shall be obligated to perform only such duties as are specifically set forth herein, and no other duties or obligations shall be implied. The Warrant Agent shall not be under any obligation to take any action hereunder that may subject it to any expense or liability, the payment of which within a reasonable time is not, in its reasonable opinion, assured to it. The Warrant Agent shall not be accountable or under any duty or responsibility for the use by the Company of any Warrant Certificate countersigned by the Warrant Agent and delivered by it to the Company pursuant to this Agreement or for the application by the Company of the proceeds of the issuance or exercise of Stock Warrants. The Warrant Agent shall have no duty or responsibility in case of any default by the Company in the performance of its covenants or agreements contained herein or in any Warrant Certificate or in case of the receipt of any written demand from a Holder with respect to such default, including, without limiting the generality of the foregoing, any duty or responsibility to initiate or attempt to initiate any proceedings at law or otherwise or, except as provided in Section 6.02 hereof, to make any demand upon the Company.

Section 5.03. Resignation and Removal; Appointment of Successor. (a) The Company agrees, for the benefit of the Holders of the Stock Warrants, that there shall at all times be a Warrant Agent hereunder until all the Stock Warrants are no longer exercisable.

(b) The Warrant Agent may at any time resign as such by giving written notice to the Company, specifying the date on which its desired resignation shall become effective; provided that such date shall not be less than [90] days after the date on which such notice if given unless the Company agrees to accept a shorter notice. The Warrant Agent hereunder may be removed at any time by the filing with

it of an instrument in writing signed by or on behalf of the Company and specifying such removal and the date when it shall become effective. Notwithstanding the provisions of this Section 5.03(b), such resignation or removal shall take effect upon the appointment by the Company, as hereinafter provided, of a successor Warrant Agent (which shall be a banking institution organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia, authorized under the laws of such jurisdiction to exercise corporate trust powers and having at the time of its appointment as Warrant Agent a combined capital and surplus (as set forth in its most recent published report of financial condition) of at least [$50,000,000])and the acceptance of such appointment by such successor Warrant Agent. In the event a successor Warrant Agent has not been appointed and has not accepted its duties within [90] days of the Warrant Agent's notice of resignation, the Warrant Agent

may apply to any court of competent jurisdiction for the designation of a successor Warrant Agent. The obligations of the Company under Section 5.02(a) shall continue to the extent set forth therein notwithstanding the resignation or removal of the Warrant Agent.

(c) In case at any time the Warrant Agent shall resign, or shall be removed, or shall become incapable of acting, or shall file a petition seeking relief under Title 11 of the United States Code, as now constituted or hereafter amended or under any other applicable federal or state bankruptcy law or similar law, or make an assignment for the benefit of its creditors or consent to the appointment of a receiver or custodian of all or any substantial part of its property, or shall admit in writing its inability to pay or meet its debts as they mature, or if a receiver or custodian of it or all or any substantial part of its property shall be appointed, or if an order of any court shall be entered for relief against it under the provisions of Title 11 of the United States Code, as now constituted or hereafter amended, or under any other applicable federal or state bankruptcy or similar law, or if any public officer shall have taken charge or control of the Warrant Agent or of its property or affairs, for the purpose of rehabilitation, conservation or liquidation, a successor Warrant Agent, qualified as aforesaid, shall be appointed by the Company by an instrument in writing, filed with the successor Warrant Agent. Upon the appointment as aforesaid of a successor Warrant Agent and acceptance by the latter of such appointment, the Warrant Agent so superseded shall cease to be Warrant Agent hereunder.

(d) Any successor Warrant Agent appointed hereunder shall

execute, acknowledge and deliver to its predecessor and to the Company an instrument accepting such appointment hereunder, and thereupon such successor Warrant Agent, without any further act, deed or conveyance, shall become vested with all the authority, rights, powers, trusts, immunities, duties and obligations of such predecessor with like effect as if originally named as Warrant Agent hereunder, and such predecessor, upon payment of its charges and disbursements then unpaid, shall thereupon become obligated to transfer, deliver and pay over, and such successor Warrant Agent shall be entitled to receive all moneys, securities and other property on deposit with or held by such predecessor, as Warrant Agent hereunder.

(e) Any corporation into which the Warrant Agent hereunder may be merged or converted or any corporation with which the Warrant Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Warrant Agent shall be a party, or any corporation to which the Warrant Agent shall sell or otherwise transfer all or substantially all of the assets and business of the Warrant Agent, provided that such Corporation shall be qualified as aforesaid, shall be the successor Warrant Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto.

Section 5.04. Compliance With Applicable Laws. The Warrant Agent agrees to comply with all applicable federal and state laws imposing obligations on it in respect of the services rendered by it under this Warrant Agreement and in connection with the Stock Warrants, including (but not limited to) the provisions of United States federal income tax laws regarding information reporting and backup withholding. The Warrant Agent expressly assumes all liability for its failure to comply with any such laws imposing obligations on it, including (but not limited to) any liability for failure to comply with any applicable provisions of United States federal income tax laws regarding information reporting and backup withholding.

Section 5.05. Office. The Company will maintain an office or agency where Warrant Certificates may be presented for exchange, transfer or exercise. The office initially designated for this purpose shall be the corporate trust office of the Warrant Agent at _____.

ARTICLE VI
MISCELLANEOUS

Section 6.01. Supplements and Amendments. (a) The Company and Warrant Agent may from time to time supplement or amend this Agreement without the approval or consent of any Holder in order to cure any ambiguity, to correct or supplement any provision contained herein that may be defective or inconsistent with any other provisions herein, or to make any other provision in regard to matters or questions arising hereunder that the Company and the Warrant Agent may deem necessary or desirable and that shall not adversely affect the interests of the Holders. Every Holder of Debt Warrants, whether issued before or after any such supplement or amendment, shall be bound thereby. Promptly after the effectiveness of any supplement or amendment that affects the interest of the Holders, the Company shall give notice thereof, as provided in Section 6.03 hereof, to the Holders affected thereby, setting forth in general terms the substance of such supplement or amendment.

(b) The Company and the Warrant Agent may modify or amend this Agreement and the Warrant Certificates with the consent of the Holders of not fewer than a majority in number of the underlying [Preferred/Common/Depositary] Shares affected by such modification or amendment, for any purpose; provided, however, that no such modification or amendment that shortens the period of time during which the Stock Warrants may be exercised, or otherwise materially and adversely affects the exercise rights of the Holders or reduces the percentage of Holders of outstanding Stock Warrants the consent of which is required for modification or amendment of this Agreement or the Stock Warrants, may be made without the consent of each Holder affected thereby.

Section 6.02. Notices and Demands to the Company and Warrant Agent. If the Warrant Agent shall receive any notice or demand addressed to the Company by any Holder pursuant to the provisions of the Warrant Certificates, the Warrant Agent shall promptly forward such notice or demand to the Company.

Section 6.03. Addresses for Notices. Any communications from the Company to the Warrant Agent with respect to this Agreement shall be addressed to [name of Warrant Agent, _____, Attention: Corporate Trust Department;] any communications from the Warrant Agent to the Company with respect to this Agreement shall be addressed to Arvin Industries, Inc., One Noblitt Plaza, Columbus, Ohio 47202-3000, Attention: Treasurer (with a copy to the Secretary); or such other addresses as shall be specified in writing by the Warrant

Agent or by the Company, as the case may be.

Section 6.04. Governing Law. This Agreement and the Stock Warrants shall be governed by the laws of the [State of Indiana] applicable to contracts made and to be performed entirely within such State.

Section 6.05. Governmental Approvals. The Company will from time to time use all reasonable efforts to obtain and keep effective any and all permits, consents and approvals of governmental agencies and authorities and the national securities exchange on which the Stock Warrants may be listed or authorized for trading from time to time and will make all filings under the federal and state securities laws (including without limitation the Securities Act of 1933), as may be or become requisite in connection with the issuance, sale, trading, transfer or delivery of the Stock Warrants and Warrant Certificates, the exercise of the Stock Warrants and the issuance, sale and delivery of the underlying [Preferred/Common/Depositary] Shares issued upon the exercise of the Stock Warrants.

Section 6.06. Persons Having Rights Under Stock Warrant Agreement. Nothing in this Agreement expressed or implied and nothing that may be inferred from any of the provisions hereof is intended, or shall be construed, to confer upon, or give to, any person or corporation other than the Company, the Warrant Agent and the Holders any right, remedy or claim under or by reason of this Agreement or of any covenant, condition, stipulation, promise or agreement hereof; and all covenants, conditions, stipulations, promises and agreements in this Agreement contained shall be for the sole and exclusive benefit of the Company and the Warrant Agent and their respective successors and of the Holders of Warrant Certificates.

Section 6.07. Delivery of Prospectus. The Company will furnish to the Warrant Agent sufficient copies of a prospectus or prospectuses relating to the [Preferred/Common/Depositary] Shares deliverable upon exercise of any outstanding Stock Warrants (each a "Prospectus"), and prior to or concurrent with the delivery of the [Preferred/Common/Depositary] Shares issued upon the exercise thereof, a copy of the Prospectus relating to such [Preferred/ Common/Depositary] Shares.

Section 6.08. Headings. The descriptive headings of the several Articles and Sections and the Table of Contents of this Agreement are for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 6.09. Counterparts. This Agreement may be executed by the parties hereto in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original; but all such counterparts shall together constitute but one and the same instrument.

Section 6.10. Inspection of Agreement. A copy of this Agreement shall be available at all reasonable times at the principal corporate trust office of the Warrant Agent, for inspection by the Holders of Stock Warrants.

* * * * *

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

ARVIN INDUSTRIES, INC.

Seal

By: _____
Name and Title

Attest:

_____
Name and Title:

STOCK WARRANT AGENT

Seal

By: _____
Name and Title

Attest:

_____
NAME AND TITLE:

Exhibit A

to

Stock Warrant Agreement

dated as of _____, 19__

[Compensation of Warrant Agent]

SCHIFF HARDIN & WAITE
A Partnership Including Professional Corporations

7200 Sears Tower, Chicago, Illinois 60606-6473
Telephone (312) 876-1000 Facsimile (312) 258-5600

Frederick L. Hartmann
(312) 258-5656

EXHIBIT 5-1

April 11, 1994

Arvin Industries, Inc.
One Noblitt Plaza, Box 3000
Columbus, IN 47202-3000

Re: Arvin Industries, Inc. Registration Statement on Form S-3

Gentlemen:

We have acted as counsel to Arvin Industries, Inc., an Indiana corporation (the "Company"), in connection with the filing of a Registration Statement on Form S-3 (the "Registration Statement") with the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended (the "Act"). The Registration Statement relates to the registration under the Act of up to $225,000,000 of (i) the Company's unsecured, senior and subordinated debt securities, consisting of debentures, notes or other evidences of indebtedness in one or more series ("Debt Securities"); (ii) Preferred Shares, no par value, of the Company in one or more series ("Preferred Shares"), which may be issued in the form of depositary shares ("Depositary Shares") evidenced by depositary receipts; (iii) Common Shares, $2.50 par value ("Common Shares"), of the Company and related rights to purchase Series C Junior Participating Preferred Shares of the Company; (iv) warrants ("Warrants") to purchase any of the Debt Securities, Preferred Shares, Depositary Shares and Common Shares as designated by the Company; and (v) any such Debt Securities, Preferred Shares and Common Shares as may be issuable on conversion of

subordinated Debt Securities or Preferred Shares. The Debt Securities, Preferred Shares, Depositary Shares, Common Shares and Warrants are collectively referred to as the "Securities."

The senior Debt Securities are to be issued under an indenture, dated as of July 3, 1990, between the Company and Harris Trust and Savings Bank, as trustee. The subordinated Debt Securities are to be issued under an indenture, to be entered into between the Company and NBD Bank, N.A., as trustee. (Each such indenture is referred to as an "Indenture" and, together, as the "Indentures.") The Depositary Shares are to be issued under one or more deposit agreements among the Company, the depositary named therein and the holders from time to

time of the depositary receipts described therein (a "Deposit Agreement"). The Warrants are to be issued pursuant to either a warrant agreement relating to warrants to purchase Debt Securities or a warrant agreement relating to warrants to purchase Common Shares, Preferred Shares or Depositary Shares, each such warrant agreement to be between the Company, as issuer, and a warrant agent (collectively, the "Warrant Agreements"). The Securities may be offered and sold pursuant to one or more underwriting agreements (each, together with any related schedule of terms, an "Underwriting Agreement") between the Company and the underwriters named therein, or as otherwise provided pursuant to the Registration Statement.

In this regard, we have reviewed the Registration Statement and the exhibits thereto and have examined such other documents and made such investigation as we have deemed necessary in order to enable us to render the opinions set forth below. In rendering such opinions, we have assumed that (i) the Registration Statement will have become effective under the Act and the Indentures will have been qualified under the Trust Indenture Act of 1939, as amended, (ii) a Prospectus Supplement (a "Prospectus Supplement") relating to the Securities to be offered and sold as contemplated by the Registration Statement will be prepared, delivered and filed as contemplated by the Act, (iii) the Indenture with respect to the subordinated Debt Securities will have been authorized, executed and delivered by NBD Bank, N.A., as trustee, in substantially the form filed as an exhibit to the Registration

Statement, (iv) each of the Indentures will represent the valid and binding obligation of the respective trustee, (v) each Deposit Agreement, Warrant Agreement and Underwriting Agreement, as applicable, will be executed and delivered in substantially the respective form filed as an exhibit to the Registration Statement, (vi) each Deposit Agreement will be authorized, executed and delivered by the depositary named therein and will represent a valid and binding obligation of the depositary, (vii) each Warrant Agreement will be authorized, executed and delivered by the warrant agent named therein and will represent a valid and binding obligation of the warrant agent, and (viii) each Underwriting Agreement will be authorized, executed and delivered by or on behalf of the underwriters named therein and will represent a valid and binding obligation of each such underwriter.

Based on the foregoing, we are of the opinion that:

1. The Company is a corporation duly incorporated and validly existing under the laws of the State of Indiana.

2. The Debt Securities will be valid and binding obligations of the Company, enforceable in accordance with their terms (except as enforcement thereof may be limited by bankruptcy, insolvency,

reorganization, moratorium or other laws relating to or affecting enforcement of creditors' rights generally or by general equity principles and except that a claim in respect of any Debt Securities denominated other than in U.S. dollars may be converted into U.S. dollars at a rate of exchange prevailing at a date determined by applicable law), at such time as: (a) the board of directors of the Company or a duly authorized committee thereof (the "Board of Directors") shall have established by resolution, not inconsistent with the applicable Indenture, a series in which such Debt Securities are to be issued and the terms of such Debt Securities, and such series and terms shall have been set forth in an officers' certificate or established in a supplemental indenture in accordance with the requirements of the Indenture; and (b) the issuance and sale of such Debt Securities shall have been duly authorized by the Board of

Directors, and such Debt Securities shall have been duly executed, authenticated, issued and delivered pursuant to the provisions of the applicable Indenture and, if applicable, in accordance with a duly authorized, completed and executed Underwriting Agreement, as contemplated in the Registration Statement and the related Prospectus Supplement, against payment of the agreed consideration therefor.

3. At such time as: (a) the Board of Directors shall have established by resolution a series in which such Preferred Shares are to be issued and the terms of such Preferred Shares in accordance with the Indiana Business Corporation Law and the Company's Restated Articles of Incorporation, and an amendment to the Company's Restated Articles of Incorporation setting forth such terms shall have been filed with the Secretary of State of Indiana; and (b) such Preferred Shares are issued and sold pursuant to resolutions of the Board of Directors and, if applicable, in accordance with a duly authorized, completed and executed Underwriting Agreement, as contemplated in the Registration Statement and the related Prospectus Supplement, against payment of the consideration fixed therefor by the Board of Directors, the Preferred Shares covered by the Registration Statement will be duly authorized, legally issued, fully paid and non-assessable.

4. When duly issued, authenticated and delivered pursuant to a Deposit Agreement that has been duly authorized, executed and delivered by the Company, against payment of the consideration fixed therefor by the Board of Directors and, if applicable, in accordance with a duly authorized, completed and executed Underwriting Agreement, as contemplated in the Registration Statement and the related Prospectus Supplement, the Depositary Shares covered by the Registration Statement will be duly authorized, legally issued, fully paid and non-assessable.

5. When duly issued and sold pursuant to resolutions of the Board of Directors and, if applicable, in accordance with a duly

authorized, completed and executed Underwriting Agreement, as contemplated in the Registration Statement and the related Prospectus Supplement, against payment of the consideration fixed therefor by the

Board of Directors, the Common Shares covered by the Registration Statement will be duly authorized, legally issued, fully paid and non-assessable and the related rights to purchase Series C Junior Participating Preferred Shares will be entitled to the benefits of the amended Rights Agreement incorporated by reference as an exhibit to the Registration Statement.

6. When duly issued, authenticated and delivered pursuant to a Warrant Agreement that has been duly authorized, executed and delivered by the Company, against payment of the consideration fixed therefor by the Board of Directors and, if applicable, in accordance with a duly authorized, completed and executed Underwriting Agreement, as contemplated in the Registration Statement and the related Prospectus Supplement, the Warrants covered by the Registration Statement will be duly authorized, legally issued, fully paid and non-assessable.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the use of our name under the caption "Legal Opinions" in the prospectus constituting a part of the Registration Statement.

Very truly yours,

SCHIFF HARDIN & WAITE

By: /s/ Frederick L. Hartmann

Frederick L. Hartmann

EXHIBIT 12-1

<TABLE>
<CAPTION>

ARVIN INDUSTRIES, INC.
Computation of Ratio of Earnings to Fixed Charges
(in thousands, except ratios)

	Fiscal Year Ended				
	Dec. 31, 1989	Dec. 30, 1990	Dec. 29, 1991	Jan. 3, 1993	Jan. 2, 1994
<S>	<C>	<C>	<C>	<C>	<C>
Earnings before income taxes	$ 34,358	$ 56,970	$ 38,835	$ 66,482	$ 40,341
Adjustments:					
Earnings of less-than-fifty-percent-owned affiliates	(2,999)	(4,547)	(5,408)	(8,282)	(7,986)
Losses of less-than-fifty-percent-owned affiliates	1,469	288	339	433	3,771
Dividends of less-than-fifty-percent-owned affiliates	974	1,139	2,018	324	72
Minority interest in the income/(loss) of majority-owned subsidiaries that have fixed charges	1,659	658	431	(539)	675
Adjusted Earnings Before Income Taxes	$ 35,461	$ 54,508	$ 36,215	$ 58,418	$ 36,873
Fixed Charges					
Interest expense	42,231	45,154	44,334	40,823	38,525
Portion of rents representative of Interest Factor	5,200	5,853	5,349	5,399	4,625
Total Fixed Charges	$ 47,431	$ 51,007	$ 49,683	$ 46,222	$ 43,150
Preferred Dividends	15,093	16,728	15,431	12,712	0
Total Fixed Charges and Preferred Dividends	$ 62,524	$ 67,735	$ 65,114	$ 58,934	$ 43,150
Earnings Before Income Taxes and Fixed Charges	$ 82,892	$105,515	$ 85,898	$ 104,640	$ 80,023
Ratio of Earnings to Fixed	1.75	2.07	1.73	2.26	1.85

Charges					
Ratio of Earnings to Combined fixed charges and Preferred Dividends	1.33	1.56	1.32	1.78	1.85

</TABLE>

EXHIBIT 23-1

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Prospectus constituting part of this Registration Statement on Form S-3 of our report on the financial statements of Arvin Industries, Inc. for the year ended January 2, 1994 dated February 1, 1994 except as to Note 5 which is as of February 16, 1994 appearing in the Annual Report on Form 10-K of Arvin Industries, Inc. for the year ended January 2, 1994. We also consent to the reference to us under the heading "Experts" in such Prospectus.

Price Waterhouse
Indianapolis, Indiana
April 11, 1994

EXHIBIT 23-2

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference in the registration statement on Form S-3 of Arvin Industries, Inc. of our report dated January 25, 1994, relating to the consolidated balance sheets of Space Industries International, Inc. and subsidiaries as of January 2, 1994 and the related consolidated statement of operations, shareholders' equity, and cash flows for the year then ended which report appears in the January 2, 1994 annual report on Form 10-K of Arvin Industries, Inc. We also consent to the reference to our firm under the heading "Experts" in the registration statement.

Our report dated January 25, 1994, contains an explanatory paragraph that states that the consolidated balance sheet as of January 2, 1994 includes $18,154,619 of capitalized costs related to the Space Facility Technology. As described in Note 4 to the Space Industries International, Inc. financial statements, the recovery of these costs is dependent on the future success in selling the Space Facility Technology or the Industrial Space Facility or the related service, at profitable terms, or the sale of the engineering designs of the Industrial Space Facility.

KPMG Peat Marwick
Houston, Texas
April 11, 1994

EXHIBIT 25-1

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

Statement of Eligibility
Under the Trust Indenture Act of 1939
of a Corporation Designated to Act as
Trustee

Check if an Application to Determine
Eligibility of a Trustee Pursuant to Section
305(b)(2) _____

HARRIS TRUST AND SAVINGS BANK
(Name of Trustee)

Illinois	36-1194448
(State of Incorporation)	(I.R.S. Employer Identification No.)

111 West Monroe Street; Chicago, Illinois 60603
(Address of principal executive offices)

Carolyn C. Potter, Harris Trust and Savings Bank,
111 West Monroe Street, Chicago, Illinois, 60603
312-461-2531
(Name, address and telephone number for agent for service)

ARVIN INDUSTRIES, INC.
(Name of obligor)

Indiana	35-0550190
(State of Incorporation)	(I.R.S. Employer Identification No.)

One Noblitt Plaza
Box 3000
Columbus, Indiana 47202-3000
(Address of principal executive offices)

Debt Securities
(Title of indenture securities)

1. GENERAL INFORMATION. Furnish the following information as to the Trustee:

(a) Name and address of each examining or supervising authority

to which it is subject.

Commissioner of Banks and Trust Companies, State of Illinois, Springfield, Illinois; Chicago Clearing House Association, 164 West Jackson Boulevard, Chicago, Illinois; Federal Deposit Insurance Corporation, Washington, D.C.; The Board of Governors of the Federal Reserve System,Washington, D.C.

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

Harris Trust and Savings Bank is authorized to exercise corporate trust powers.

2. AFFILIATIONS WITH OBLIGOR. If the Obligor is an affiliate of the Trustee, describe each such affiliation.

The Obligor is not an affiliate of the Trustee.

3. thru 15.

NO RESPONSE NECESSARY

16. LIST OF EXHIBITS.

1. A copy of the articles of association of the Trustee is now in effect which includes the authority of the trustee to commence business and to exercise corporate trust powers.

A copy of the Certificate of Merger dated April 1, 1972 between Harris Trust and Savings Bank, HTS Bank and Harris Bankcorp, Inc. which constitutes the articles of association of the Trustee as now in effect and includes the authority of the Trustee to commence business and to exercise corporate trust powers was filed in connection with the Registration Statement of Louisville Gas and Electric Company, File No. 2-44295, and is incorporated herein by reference.

2. A copy of the existing by-laws of the Trustee.

A copy of the existing by-laws of the Trustee was filed in connection with the Registration Statement of Hillenbrand Industries, Inc., File No. 33-44086, and is incorporated herein by reference.

3. The consents of the Trustee required by Section 321(b) of the Act.

(included as Exhibit A on page 2 of this statement)

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

(included as Exhibit B on page 3 of this statement)

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, the Trustee, HARRIS TRUST AND SAVINGS BANK, a corporation organized and existing under the laws of the State of Illinois, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Chicago, and State of Illinois, on the 1st day of April, 1994.

HARRIS TRUST AND SAVINGS BANK

By: C. Potter

C. Potter
Assistant Vice President

EXHIBIT A

The consents of the trustee required by Section 321(b) of the Act.

Harris Trust and Savings Bank, as the Trustee herein named, hereby consents that reports of examinations of said trustee by Federal and State authorities may be furnished by such authorities to the Securities and Exchange Commission upon request therefor.

HARRIS TRUST AND SAVINGS BANK

By: C. Potter

C. Potter
Assistant Vice President

EXHIBIT B

Attached is a true and correct copy of the statement of condition of Harris Trust and Savings Bank as of December 31, 1994, as published in accordance with a call made by the State Banking Authority and by the Federal Reserve Bank of the Seventh Reserve District.

HARRIS BANK

Harris Trust and Savings Bank
111 West Monroe Street
Chicago, Illinois 60603

of Chicago, Illinois, And Foreign and Domestic Subsidiaries, at the close of business on September 30, 1993, a state banking institution organized and operating under the banking laws of this State and a member of the Federal Reserve System. Published in accordance with a call made by the Commissioner of Banks and Trust Companies of the State of Illinois and by the Federal Reserve Bank of this District.

Bank's Transit Number 71000288

<TABLE>
<CAPTION>

	THOUSANDS OF DOLLARS	
ASSETS		
<S>	<C>	<C>
Cash and balances due from depository institutions:		
Non-interest bearing balances and currency and coin . . .		$975,066
Interest bearing balances		$507,329
Securities		$1,963,274
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		$159,506
Securities purchased under agreements to resell		$328,039
Loans and lease financing receivables:		
Loans and leases, net of unearned income	$5,848,781	
LESS: Allowance for loan and lease losses	$93,990	
	==========	
Loans and leases, net of unearned income, allowance, and reserve (item 4. a minus 4.b)		$5,754,791
Assets held in trading accounts		$50,061
Premises and fixed assets (including capitalized leases)		$141,460
Other real estate owned		$3,568
Investments in unconsolidated subsidiaries and associated companies		$429
Customer's liability to this bank on acceptances outstanding . . .		$58,399
Intangible assets		$31,638
Other assets		$219,058
		==========
TOTAL ASSETS		$10,192,618
		==========
LIABILITIES		
Deposits:		

In domestic offices		$4,858,793
Non-interest bearing	$2,569,574	
Interest bearing	$2,289,219	
In foreign offices, Edge and Agreement subsidiaries, and IBF's		$1,598,561
Non-interest bearing	$17,768	
Interest bearing	$1,580,793	
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		$1,078,476
Securities sold under agreements to repurchase		$984,642
Other borrowed money		$471,563
Bank's liability on acceptances executed and outstanding		$58,798
Subordinated notes and debentures		$235,000
Other liabilities		$172,334
TOTAL LIABILITIES		$9,458,167

EQUITY CAPITAL

Common stock	$100,000
Surplus	$275,000
Undivided profits and capital reserves	$337,091
TOTAL EQUITY CAPITAL	$734,451
Total liabilities, limited-life preferred stock, and equity capital	$10,192,618

</TABLE>

I, David H. Charney, Vice President of the above-named bank, do hereby declare that this Report of Condition has been prepared in conformance with the instructions issued by the Board of Governors of the Federal Reserve System and is true to the best of my knowledge and belief.

DAVID H. CHARNEY
1/26/1994

We, the undersigned directors, attest to the correctness of this Report of Condition and declare that it has been examined by us and, to the best of our knowledge and belief, has been prepared in conformance with the instructions issued by the Board of Governors of the Federal Reserve System and the Commissioner of Banks and Trust Companies of the State of Illinois and is true and correct.

ALAN G. McNALLY,
DONALD S. HUNT,
JAMES J GLASER

Directors.

STATE OF ILLINOIS, COUNTY OF COOK, ss:

Sworn to and subscribed before me this 26th day of January 1994. My commission expires April 22, 1996.

DIANALYNN GIRTEN

919923\

EXHIBIT 25-2

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY AND QUALIFICATION
UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED,
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

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

NBD BANK, NATIONAL ASSOCIATION
(Exact name of Trustee as specified in its charter)

611 Woodward Avenue Detroit, Michigan (Address of principal executive offices)	48226 (Zip Code)	38-0864715 (I.R.S. Employer Identification No.)

NBD Bank, National Association
611 Woodward Ave.
Detroit, Michigan 48226
Corporate Trust Department
Attn: K.D. O'Donoghue (313) 225-3185
(Name, address and telephone number of agent for service)

ARVIN INDUSTRIES, INC.
(Exact name of obligor as specified in its charter)

Indiana (State or other jurisdiction of incorporation or organization)	35-055-0190 (I.R.S. Employer Identification No.)

One Noblitt Plaza
Box 3000
Columbus, Indiana 47202-3000
(Address of principal executive offices) (Zip Code)

CONVERTIBLE and NON-CONVERTIBLE
SUBORDINATED DEBT SECURITIES
(Title of the indenture securities)

1. General Information

(a) The following are the names and addresses of each examining or supervising authority to which the Trustee is subject:

The Comptroller of the Currency, Washington, D.C.

Federal Reserve Bank of Chicago, Chicago, Illinois

Federal Deposit Insurance Corporation, Washington, D.C.

(b) The Trustee is authorized to exercise corporate trust powers.

2. Affiliations with obligor.

The obligor is not an affiliate of the Trustee.

3. Voting Securities of the Trustee.

The following information is furnished as to each class of voting securities of the Trustee:

As of March 30, 1994

Column A	Column B
Title of Class	Amount Outstanding
Common Stock, par value $12.50 per share	8,948,648 shares

4. Trusteeships under other indentures.

The Trustee is not a Trustee under another indenture under which any other securities, or certificates of interest or participation in any other securities, of the obligor are outstanding.

5. Interlocking directorates and similar relationships with the obligor or underwriters.

Neither the Trustee nor any of the directors nor executive officers of the Trustee is a director, officer, partner, employee, appointee or representative of the obligor or of any underwriter for the obligor.

6. Voting securities of the Trustee owned by the obligor or its officials.

Voting securities of the Trustee owned by the obligor and its directors, partners and executive officers, taken as a group, do

not exceed one percent of the outstanding voting securities of the Trustee.

7. Voting securities of the Trustee owned by underwriters or their officials.

Voting securities of the Trustee owned by any underwriter and its directors, partners and executive officers, taken as a group, do not exceed one percent of the outstanding voting securities of the Trustee.

8. Securities of obligor owned or held by the Trustee.

The amount of securities of the obligor which the Trustee owns beneficially or holds as collateral security for obligations in default does not exceed one percent of the outstanding securities of the obligor.

9. Securities of underwriters owned or held by the Trustee.

The Trustee does not own beneficially or hold as collateral security for obligations in default any securities of an

underwriter for the obligor.

10. Ownership or holdings by the Trustee of voting securities of certain affiliates or security holders of the obligor.

The Trustee does not own beneficially or hold as collateral security for obligations in default voting securities of a person who, to the knowledge of the Trustee (1) owns 10 per cent or more of the voting securities of the obligor, or (2) is an affiliate, other than a subsidiary, of the obligor.

11. Ownership or holdings by the Trustee of any securities of a person owning 50 per cent or more of the voting securities of the obligor.

The Trustee does not own beneficially or hold as collateral security for obligations in default any securities of a person who, to the knowledge of the Trustee, owns 50 percent or more of the voting securities of the obligor.

12. Indebtedness of the obligor to the Trustee.

As of March 28, 1994 the Company is indebted to the Trustee in the amount of $6,100,000.00 which is unsecured.

13. Defaults by the obligor.

Not applicable.

14. Affiliations with the underwriters.

No underwriter is an affiliate of the Trustee.

15. Foreign trustee.

Not applicable.

16. List of Exhibits.

(1) Articles of Association of the Trustee.

(2) Certificate of Authority of the Trustee to commence

business. Incorporated by reference to Exhibit (2) filed with Amendment No. 1 to Form T-1 Statement, Registration No. 22-4501.

(3) Authorization of the Trustee to exercise corporate trust powers. Incorporated by reference to Exhibit (3) filed with Amendment No. 1 to Form T-1 Statement, Registration No. 22-4501.

(4) By-Laws of the Trustee.

(5) Not Applicable.

(6) Consent by the Trustee required by Section 321 (b) of the Trust Indenture Act of 1939. Incorporated by reference to Exhibit (6) filed with Amendment No. 1 to Form T-1 Statement, Registration No. 22-4501.

(7) Report of condition of Trustee.

(8) Not applicable.

(9) Not applicable.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the Trustee, NBD BANK, NATIONAL ASSOCIATION, a national association organized and existing under the laws of the United States of America, has duly caused this statement of eligibility and qualification to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Detroit, State of Michigan on the 30th day of March, 1994.

NBD BANK, NATIONAL ASSOCIATION
(Trustee)

By: /s/ Karen D. O'Donoghue

Karen D. O'Donoghue
Vice President

NBD BANK, NATIONAL ASSOCIATION
Detroit, Michigan
Charter No. 13671

ARTICLES OF ASSOCIATION

Effective January 1, 1973
(As amended effective May 1, 1990)

FIRST.

The title of the Association shall be NBD Bank, National Association.

SECOND.

The place where its banking house or office shall be located, and its operations of discount and deposit carried on, and its general business conducted, shall be the City of Detroit, Wayne County, State of Michigan.

The Board of Directors shall have the power to change the location of the main office to any other place within the limits of the City of Detroit, without the approval of the shareholders and shall have the power to establish or change the location of any branch or branches of the Association to any other location, without the approval of the shareholders.

THIRD.

The Board of Directors shall consist of such number of persons, not less than five nor more than twenty-five, as from time to time shall be determined by a majority of the votes to which all shareholders are at the time entitled. Each Director, during the full term of his or her directorship, shall own a minimum of $1,000 aggregate par value of stock of this Association or a minimum par value, market value or equity interest equivalent to $1,000 of common stock in the bank holding company controlling this Association. The Board of Directors, by vote of the majority of the entire Board, may, between annual meetings of the shareholders, increase the number of members of the Board of Directors by not more than two where the number of directors last elected by shareholders was fifteen or less or by not more than four where the number of directors last elected by shareholders was sixteen or more, but in no event so that the total number of directors shall exceed twenty-1five, and by like vote appoint qualified persons to fill the vacancies created thereby.

FOURTH.

The regular annual meeting of the shareholders of this Association shall be held at its main banking house, or other convenient place

duly authorized by the Board of Directors on such day of each year as

is specified therefor in the By-Laws. All elections shall be held according to such regulations as may be prescribed by the Board of Directors, not inconsistent with the provisions of the National Bank Act and of these Articles of Association.

FIFTH.

The authorized amount of the capital stock of the Association shall be 10,000,000 shares of common stock of the par value of $12.50 each. The authorized amount of the capital stock of the Association may be increased or decreased from time to time in accordance with provisions of the laws of the United States.

In case of the increase of the capital of the Association each shareholder shall have the privilege of subscribing for such number of shares of the proposed increase of the capital stock as he may be entitled to according to the number of shares owned by him before the stock is increased, provided that no holder of shares of the capital stock of the Association shall have any preemptive right of subscription to any shares of the capital stock of the Association which are authorized and kept available for issuance in conversion of obligations of the Association or any preferential right of subscription to convertible obligations specifically authorized by the shareholders to be issued free of such preferential right of subscription.

The Association, at any time and from time to time, may authorize and issue debt obligations not convertible into capital stock of the Association, without the approval of the shareholders.

SIXTH.

(a) Powers of Board of Directors. The Board of Directors, a majority of whom shall be a quorum to transact business, shall have power to manage and administer the business and affairs of the Association and to prescribe By-Laws for the regulation of the business of the Association and the conduct of its affairs not inconsistent with law and these Articles of Association. Except as expressly limited by law, all corporate powers of the Association shall be vested in and may be exercised by the Board of Directors.

(b) Officers and Employees. The Board of Directors shall have power to elect or appoint such officers and employees as may be required to transact the business of the Association, to define their duties, to fix the salaries to be paid to them, to require bonds from them and to fix the penalty thereof, and to continue them in office or dismiss them.

(c) Indemnification of Directors, Officers and Employees. Any person shall be indemnified and reimbursed by the Association for expenses reasonably incurred by him and liabilities imposed upon him in connection with or arising out of any action, suit or proceeding,

civil or criminal, or threat thereof, in which he may be involved by reason of his being or having been a director, officer, or employee of the Association or of any firm, corporation or organization which he served in any capacity at the request of the Association; provided, however, that no person shall be so indemnified or reimbursed (a) in relation to any matter in such action, suit or proceeding as to which he shall finally be adjudged to have been guilty of breach of duty as a director, officer, or employee of the Association or (b) in relation to any matter in such action, suit or proceeding, or threat thereof, which has been made the subject of a compromise settlement, unless in either such case such person acted in good faith for a purpose which he reasonably believed to be in the best interest of the Association and, in a criminal action or proceeding, in addition, had no reasonable cause to believe that his conduct was unlawful or, (c) against expenses, penalties, or other payments incurred in an administrative proceeding or action instituted by an appropriate bank regulatory agency which proceeding or action results in a final order assessing civil money penalties or requiring affirmative action by such person in the form of payments to the bank. The determination whether the conduct of such person met the standard required in order to entitle him to indemnification and reimbursement in relation to any matter described in (a) or (b) of the preceding sentence may be made by the Board of Directors of the Association, or by the holders of record of a majority of the outstanding shares of the Association or by a court of competent jurisdiction. No adjudication of liability or guilt as to such person shall in itself create a presumption that he did not meet the standard of conduct required in order to entitle him to indemnification and reimbursement hereunder. Neither the Association nor its directors or officers shall be liable to anyone

for any determination of such directors or officers as to the existence or absence of conduct which would provide a basis for making or refusing to make any payment hereunder or for taking or omitting to take any other action hereunder, in reliance upon the advice of counsel. A court of competent jurisdiction may make a determination as to the right of a person to indemnification and reimbursement hereunder in any specific case upon the application of such person, despite the failure or refusal of the directors and shareholders to make provision therefor. The foregoing right of indemnification and reimbursement shall not be exclusive of other rights to which such person may be entitled as a matter of law and shall inure to the benefit of his heirs, executors and administrators.

SEVENTH.

The Association shall have succession from the date of its organization certificate until such time as it may be dissolved by the act of its shareholders according to law or until its franchise becomes forfeited by reason of violation of law, or until terminated by either a general or a special act of Congress or until its affairs be placed in the hands of a receiver and finally wound up by him.

EIGHTH.

Except as otherwise specifically provided by statute, special meetings of the shareholders may be called for any purpose at any time by the Board of Directors or by the holders of at least ten per cent of the then outstanding shares of stock. Every such special meeting shall be called by mailing, not less than ten days before the time fixed for the meeting, to all shareholders of record entitled to act and vote at such meeting, at their respective addresses as shown on the books of the Association, a notice stating the purposes of the meeting. Such notice may be waived in writing.

NINTH.

These Articles of Association may be changed or amended at any time by shareholders owning a majority of the stock of the Association in any manner not inconsistent with the provisions of law.

TENTH.

Any action required or permitted to be taken at an annual or special meeting of shareholders may be taken without a meeting, without prior notice and without a vote, if all of the shareholders entitled to vote thereon consent thereto in writing.

EXHIBIT 4

NBD BANK, NATIONAL ASSOCIATION
DETROIT, MICHIGAN
CHARTER NO. 13671

BY-LAWS

Effective January 1, 1973
(As amended effective May 17, 1993)

ARTICLE I
Shareholders' Meetings

Section 1. The regular Annual Meeting of the Shareholders of this Bank for the election of directors and for the transaction of any other business as may properly come before the meeting shall be held on the third Monday in May of each year at eleven o'clock in the forenoon or at such other date and hour as from time to time may be designated by the Board of Directors.

Nominations for election to the Board of Directors may be made by the Board of Directors or by any shareholder entitled to vote for the election of directors. Notification of nominations, other than those made by or on behalf of the existing management of the Bank, shall be made in writing and shall be delivered or mailed to the President of the Bank and to the Comptroller of the Currency, Washington, D.C. not less than fourteen days nor more than fifty days prior to the annual meeting of shareholders. Such notification shall contain the following information, to the extent known to the notifying shareholders: (a) The name and address of each proposed nominee; (b) The principal occupation of each proposed nominee; (c) The total number of shares of capital stock of the Bank that will be voted for each proposed nominee; (d) The names and residence addresses of the notifying shareholders; and (e) The number of shares of capital stock of the Bank owned by the notifying shareholders. Any nomination not made in accordance herewith may, in his discretion, be disregarded by the chairman of the meeting, and upon his instructions, the vote tellers may disregard all votes cast for such nominee unless otherwise properly nominated in accordance herewith.

Section 2. All proxies secured for any annual or special meeting of shareholders shall be dated and filed by the Cashier with the records

of the meeting. No officer or regular employee of the Bank shall act as proxy at any shareholders' meeting, but any other person or group of persons including attorneys of the Bank and Directors of the Bank who are not officers, may act as proxy at any shareholders' meeting.

Section 3. The Cashier, upon receiving the returns of the judges of election as aforesaid, shall cause the same to be recorded upon the minute book of the Bank, and shall notify the directors-elect of their election, and of the time at which they are required to meet at the banking house of the Bank for the purpose of organizing the new Board of Directors. If at the time fixed for the meeting of the directors-elect there is not a quorum in attendance, the members present may adjourn from time to time until a quorum is secured; and no business shall be transacted prior to their taking the oath of office as provided by law.

Section 4. If, for any cause, the annual election of Directors is not held on the date fixed herein or in the Articles of Association, the Directors in office shall order a special election to be held on some other day which shall be designated and of which notice shall be given in accordance with Section 5149, United States Revised Statutes, as amended, and for which nominations for election to the Board of Directors and notifications thereof shall be made, judges appointed, returns made and recorded, and the directors-elect notified according to the provisions of Sections 1, 2 and 3 of this Article I; except that as to any nomination for election to the Board of Directors at such special election, other than those made by or on behalf of the existing management of the Bank, if less than twenty-one days' notice of the meeting is given to shareholders, notification of such nomination shall be delivered or mailed to the President of the Bank and to the Comptroller of the Currency not later than the close of business on the seventh day following the day on which the notice of meeting was mailed.

Section 5. Special meetings of shareholders may be held as provided in the Articles of Association and any amendments thereof.

Section 6. For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders, annual or special, or entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors shall fix in advance a record date and hour for any such determination of shareholders, such date in any case to be not more than fifty (50) days and, in case of a meeting of shareholders, not less than ten (10) days prior to the date on which the particular action, requiring such determination of shareholders, is to be taken. When a determination of shareholders entitled to vote

at any meeting of shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof.

ARTICLE II
Directors' Meetings

Section 1. The regular meetings of the Board of Directors shall be held on such date and at such time each month as shall from time to time be determined by the Board of Directors, except that in the month in which the regular annual meeting of the shareholders is held, the regular meeting of the Board of Directors shall be held following and on the same day as the regular meeting of the shareholders. When any regular meeting of the Board of Directors falls upon a holiday, the meeting shall be held on such other day as the Board of Directors may previously designate. Special meetings of the Board of Directors may be called at any time by the Cashier or by any officer of higher rank than Vice President, or any three Directors. Notice of each special meeting shall be given personally or by duly mailing, telephoning, or telegraphing the same, at least twenty-four hours before the meeting. Any or all Directors may waive notice of any meeting either before or after the meeting.

ARTICLE III
Officers

Section 1. The officers of this Bank shall include a Chairman of the Board and a President and may include one or more Vice Chairman of the Board (each of whom shall be a member of the Board of Directors), and shall include one or more Vice Presidents, a Cashier, one or more Deputy Cashiers, and such other officers as may be from time to time required for the prompt and orderly transaction of its business, to be elected by the Board of Directors. The same person may hold any two or more offices, and in any such case, these By-Laws shall be construed and understood accordingly; provided that the same person may not hold the offices of Chairman of the Board and Cashier or President and Cashier. The duties and authorities of the officers of the Bank, other than those mentioned in these By-Laws, shall be those usually pertaining to their respective offices, or as may be designated by the Chairman of the Board, subject to the supervision

and direction of the Board of Directors.

Section 2. The Chairman of the Board, the President and any Vice Chairman of the Board shall hold office for the current year for which the Board of Directors of which they shall be members was elected, unless they shall resign, become disqualified, or be removed; and any vacancy occurring in any of such offices may be filled by the remaining members of the Board of Directors.

Section 3. The Chairman of the Board shall be the chief executive officer of the Bank, shall preside at meetings of shareholders and directors, shall have general supervision and direction of the business of the Bank, and perform such other duties as may be designated by the Board of Directors. The President shall perform such duties as may be designated by the Board of Directors and, in the event of the absence or disability of the Chairman of the Board, shall

have his powers and duties. The Vice Chairman of the Board shall perform such duties as may be designated by the Board of Directors.

Section 4. The Cashier, the Deputy Cashiers, and all other officers shall be elected, and employees shall be appointed, to hold their respective offices and positions during the pleasure of the Board of Directors, and shall have such duties, other than those mentioned herein, as shall be prescribed by the Board of Directors.

Section 5. The Cashier of this Bank shall be responsible for all moneys, funds, indemnity bonds, stock books, and records, and other valuables of the Bank, and shall qualify under the bankers blanket bond covering the bank officers and employees, approved as to type and amount from year to year by the Board of Directors, conditioned for the faithful and honest discharge of his duties as such Cashier, and that he will faithfully apply and account for all such moneys, funds and valuables, and deliver the same to the order of the Board of Directors of this Bank, or to the person or persons authorized to receive them.

Section 6. The other officers of this Bank shall be responsible for all such sums of money and property of every kind as may be entrusted to their care or placed in their hands by the Board of Directors or by the Cashier, or otherwise come into their hands as officers, and shall qualify under the bankers blanket bond covering the bank officers and

employees, approved as to type and amount from year to year by the Board of Directors, conditioned for the faithful discharge of their duties as such officers, and that they will faithfully and honestly apply and account for all sums of money and other property of this Bank that may come into their hands as such officers, and pay over and deliver the same to the order of the Board of Directors, or to any other person or persons authorized by the Board of Directors to receive the same.

Section 7. All agents and employees shall be responsible for all such sums of money, property and funds of every description as may from time to time be placed in their hands by the Cashier, or otherwise come into their possession as agents or employees; and shall qualify under the bankers blanket bond covering the bank officers and employees, approved as to type and amount from year to year by the Board of Directors, conditioned for the honest and faithful discharge of their duties as agents and employees, and that they will faithfully apply, account for, and pay over all moneys, property, and funds of every description that may come into their hands, by virtue of their position, to the order of the Board of Directors aforesaid, or to such person or persons as may be authorized to demand and receive the same.

ARTICLE IV
Seal

Section 1. The following is an impression of the seal adopted by the Board of Directors of this Bank.

[Impression of seal]

Section 2. The Cashier shall be the official custodian of the seal and shall be responsible for the safekeeping and proper use thereof. The seal shall not be used or affixed to any paper or document whatsoever except by him or any Deputy Cashier, or such other officers or employees of the Bank as may be authorized by the Cashier to affix

the seal.

ARTICLE V
Conveyance of Real Estate

Section 1. All transfers and conveyances of real estate shall be made by the Bank, under seal, in accordance with the orders of the Board of Directors, and shall be signed by the President or any Vice President or any other officer, employee or agent of the Bank as may be designated by the Board of Directors, and shall be attested by the Cashier or any Deputy Cashier, or such other officer or employee of this Bank as may be authorized by the Cashier to affix the seal.

ARTICLE VI
Banking Hours

Section 1. The Bank shall be open for business upon such hours of each day of the year as the Board of Directors shall from time to time direct and the Board of Directors may, in its discretion, prescribe different banking hours for different classes of business and different banking hours for one or more branch offices, than it prescribes for its principal banking office.

Section 2. The Board of Directors may delegate to the chief executive officer this authority to establish the hours of each day of the year that the bank shall be open for business, including the discretion to prescribe different banking hours for one or more branch offices, than it prescribed for the Bank's principal banking office; reserving, however, to itself the authority to act concurrently in such matters.

ARTICLE VII
Executive Committee

Section 1. Committee. There shall be a committee composed of not less than four (4) members to be known as the Executive Committee which shall consist of all the officer-directors of the Bank and two (2) other directors appointed as shall be provided by the Board of Directors. Provision shall be made by the Board of Directors for the

appointment of alternates to act for members in the event of their absence or disability.

Section 2. Presiding Officer. The Chairman of the Board shall act as presiding officer at any meeting of the Executive Committee. In the event of the absence or disability of the Chairman of the Board, the President shall act as presiding officer. In the event of the absence or disability of the Chairman of the Board and President, another officer-director, if present, shall act as presiding officer. If no officer-director member is present, an officer-director of the Bank's parent holding company may serve as the presiding officer, and if no officer-director of the parent holding company is present, the other members present at the meeting shall elect one of their members as presiding officer.

Section 3. Quorum. Any two (2) persons, each of whom is a member or alternate member of the Executive Committee, of whom not less than one (1) shall be non-officer directors, shall constitute a quorum for the transaction of business at any meeting of the Executive Committee.

Section 4. Duties. The Executive Committee shall function from day to day or such other short intervals as shall be found requisite and expedient in the carrying on of the business and affairs of the Bank, and between meetings of the Board of Directors, said Committee, within the scope of the jurisdiction and functions assigned by the Board of Directors to such Committee, shall have and may exercise, so far as may be permitted by law, all power and authority of the Board of Directors (including the right to authorize the seal of the Bank to be affixed to all instruments on which the same may be required or appropriate) and shall have power, but not by way of limitation of its general powers, to discount and purchase bills, notes, and other evidences of debt, and to buy and sell bills of exchange. A record of the meetings of the Committee shall be kept, which shall be accessible to inspection by the Directors at all times, and the Committee shall, at each regular meeting of the Board of Directors and at such other times as the Board of Directors may request, submit in writing a full report of its actions, including a report of all bills, notes, and other evidences of debt discounted and purchased by it for the Bank since its last report. The Board of Directors shall approve or disapprove the report of the Executive Committee, such action to be recorded in the minutes of the meeting; provided, however, that no rights of third parties shall be affected by any action of the Board of Directors, if such rights have attached by virtue of action of the Executive Committee within the scope of the jurisdiction and functions assigned by the Board of Directors to said Committee.

ARTICLE VIII
Minute Book

Section 1. The organization papers of this Bank, the returns of the judges of the elections, the proceedings of all regular and special meetings of the Board of Directors and of the shareholders, the By-

Laws and any amendments thereto, and reports of the committees of the Board of Directors shall be recorded in the minute book; and the minutes of each meeting shall be signed by the person presiding at such meeting and attested by the Cashier.

ARTICLE IX
Transfers of Stock

Section 1. The stock of this Bank shall be assignable and transferable only on the books of this Bank, subject to the restrictions and provisions of the National Banking Laws; and a transfer book shall be provided in which all assignments and transfers of stock shall be made.

Section 2. The stock transfer books of the Bank shall not be closed for the determination of shareholders entitled to dividends, but any dividend can be made payable to shareholders of record on the date such dividend is declared, or any subsequent date. The Bank shall be fully protected in giving notices of meetings, paying dividends and doing such other things as require a knowledge of the names of the shareholders of the Bank, in relying upon the names of the shareholders as they appear upon the stock books of the Bank.

Section 3. Certificates of stock, bearing the manual or facsimile signature of the Chairman of the Board, President or any Vice President, and the Cashier, or the manual or facsimile signature of any two of such other employees of the Bank as may be designated for such purpose from time to time by resolution of the Board of Directors, and bearing the impressed or facsimile seal of the Bank, may be issued to shareholders. The death, resignation, discharge or incapacity of any person whose manual or facsimile signature appears on any certificate, shall not affect the validity of such certificate of stock, whether such certificate has theretofore or is thereafter issued. All certificates of stock shall state upon the face thereof that the stock is transferable only upon the books of the Bank; and when stock is transferred, the certificates therefor shall be returned to the Bank, canceled, preserved and new certificates issued.

ARTICLE X
Expenses

Section 1. All the current expenses of the Bank shall be paid by the Cashier and such other officers of the Bank as may be selected by the

Board of Directors, who shall, every month or more often, if required, make a detailed statement thereof in writing to the Board of Directors.

ARTICLE XI
Contracts

Section 1. All contracts, checks, drafts, etc., shall be signed by the Cashier, or any officer of the rank of Vice President or higher

rank, or any other officer or employee designated by the Board of Directors.

ARTICLE XII
Examining Committee

Section 1. (a) Committee. There shall be appointed annually by the Board of Directors an Examining Committee composed of not less than three Directors none of whom shall be officers of the Bank.

(b) Duties. The Examining Committee shall:

(i) Cause to be made by the Auditing Department of the Bank a suitable examination of the financial records and operations of the Bank through a program of continuous internal audits. The Committee may employ independent certified public accounting firms of recognized standing to make such additional examinations and audits as it may deem advisable. The examinations caused to be made by the Committee shall meet any examination requirements prescribed from time to time by the Comptroller of the Currency or other regulatory authorities having jurisdiction and may be made in conjunction with examinations of the Comptroller of the Currency.

(ii) Report to the Board of Directors at least once in each calendar year the results of the examinations made and such conclusions and recommendations as the Committee deems appropriate.

ARTICLE XIII
Trust Division

Section 1. Exercise of Fiduciary Powers. All fiduciary powers of the Bank shall be exercised through the Trust Division, subject to such regulations as the Comptroller of the Currency shall from time to time establish. All books and records of the Trust Division shall be kept separate and distinct from the other books and records of the Bank.

Section 2. Officer in Charge. The Trust Division shall be placed under the management and immediate supervision of an officer appointed by the Board of Directors. The duties of such officer shall be to cause the policies and instructions of the Board of Directors, the chief executive officer and the Trust Committee, with respect to the fiduciary accounts entrusted to the Bank, to be carried out, and to supervise the due performance of such accounts in accordance with law and their terms.

Section 3. Other Officers. Any other officer specifically appointed for Trust Division duties by the Board of Directors shall exercise such powers and perform such duties as are prescribed by these By-Laws, or as may be assigned to them by the Board of Directors, the

chief executive officer or the officer in charge of the Trust Division.

Section 4. Signature and Authentication of Instruments. All instruments in which the Bank is named as Trustee or in any other fiduciary capacity and all authentications or certificates by the Bank as Trustee under any mortgage, deed of trust or other instrument securing bonds, debentures, notes or other obligations of any individual, association or corporation, and all certificates as Registrar or Transfer Agent and all certificates of deposit for stocks and bonds, interim certificates, trust certificates and any other certificates, document or instrument requiring execution may be signed or countersigned in behalf of the Bank by any Trust Officer or officer of higher rank specifically elected or appointed for Trust Division duties or the Cashier or any officer of the rank of Vice President or higher rank or by any other person appointed for that purpose by the Board of Directors.

Section 5. Custody of Investments. The investments of each fiduciary account shall be kept separate from the assets of the Bank, and shall be placed in the joint custody or control of not less than two of the

officers or employees of the Bank designated for that purpose by the Board of Directors. All such officers and employees shall be adequately bonded. The investments of each such fiduciary account shall be either: kept separate from those of all other accounts, except as provided under the regulations of the Comptroller of the Currency for collective investment, or adequately identified as the property of the relevant account.

Section 6. Trust Committee. There shall be a Trust Committee which shall be composed of not less than five (5) members of the Board of Directors, at least three (3) of whom shall be non-officer directors, and may include one or more officers of the Bank who are not directors, appointed by the Board of Directors to serve during its pleasure. The Trust Committee shall determine the policies of the Trust Division. It shall have general supervision of the Trust Division, the other committees to which the exercise of fiduciary powers of the Bank are assigned, and the investment of funds and disposition of investments held by the Bank in a fiduciary capacity. It shall have such other powers and duties relating to the administration of fiduciary accounts entrusted to the Bank as may be conferred upon it from time to time by the Board of Directors. The Trust Committee shall meet at least once a month and shall keep minutes of its meetings showing the disposition of all matters considered and passed upon, and shall make monthly reports to the Board of Directors.

ARTICLE XIV
Quorum

Section 1. Except as otherwise provided by statute or in the Articles of Association, a majority of all the shareholders or Directors, as

the case may be, shall be required to constitute a quorum to do business. Should there be no quorum at any regular or special meeting of shareholders or Directors, the shareholders or Directors present may adjourn from day to day until a quorum is in attendance. In the absence of a quorum no business shall be transacted.

ARTICLE XV
Changes in By-Laws

Section 1. These By-Laws may be repealed, altered, or amended, in

whole or in part, by the vote of a majority of the Directors, at any regular or special meeting of the Board of Directors upon giving at least one week's prior notice of such proposed change or changes.

I, ----------, ---------- of NBD Bank, National Association, Detroit, Michigan, do hereby certify that the foregoing is a true and exact copy of the By-Laws of NBD Bank, National Association as effective May 17, 1993.

IN WITNESS WHEREOF, I have hereunto affixed my name as ---------- and have caused the corporate seal of said Bank to be hereto affixed this date ----------.

EXHIBIT 7

Charter No. 13671 Comptroller of the Currency District

REPORT OF CONDITION CONSOLIDATING
DOMESTIC AND FOREIGN SUBSIDIARIES OF THE

NBD BANK, N.A.

in the State of Michigan, at the close of business on December 31, 1993 published in response to call made by Comptroller of the Currency, under title 12, United States Code, Section 161.

<TABLE>
<CAPTION>

ASSETS

		Thousands of dollars
<S>	<C>	<C>
Cash and balances due from depository institutions		
Noninterest-bearing balances and currency and coin		1,330,746
Interest-bearing balances		741,329
Securities		6,812,365
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 IBFs:		
Federal funds sold		700,800
Securities purchased under agreements to resell		243,831
Loans and lease financing receivables:		
Loans and leases, net of unearned income	14,752,976	
LESS: Allowance for loan and lease losses	209,410	
Loans and leases, net of unearned income and allowance		14,543,566
Assets held in trading accounts		101,271
Premises and fixed assets (including capitalized leases)		296,376
Other real estate owned		18,802
Investments in unconsolidated subsidiaries and associated companies		256
Customers' liability to this bank on acceptances outstanding		163,082
Intangible assets		47,887
Other assets		354,420
Total assets		25,354,731

LIABILITIES

Deposits:		
In domestic offices		14,875,727
Noninterest-bearing	4,325,214	
Interest-bearing	10,550,513	

In foreign offices, Edge and Agreement subsidiaries, and IBFs		2,099,981
Noninterest-bearing	65,729	
Interest-bearing	2,034,252	
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 IBFs:		
Federal funds purchased		1,675,519
Securities sold under agreements to repurchase		1,077,929
Demand notes issued to the U.S. Treasury		1,094,693
Other borrowed money		1,663,185
Mortgage indebtedness and obligations under capitalized leases		17,884
Bank's liability on acceptances executed and outstanding		163,082
Notes and debentures subordinated to deposits		450,166
Other liabilities		508,796
Total liabilities		23,626,962
EQUITY CAPITAL		
Common stock		111,858
Surplus		617,048
Undivided profits and capital reserves		1,004,328
LESS: Net unrealized loss on marketable equity securities		9,849
Cumulative foreign currency translation adjustments		4,384
Total equity capital		1,727,769
Total liabilities and equity capital		25,354,731

</TABLE>

I, Jason N. Hansen, Second Vice President 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.

JASON N. HANSEN
January 27, 1994

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.

THOMAS H. JEFFS II
VERNE G. ISTOCK
ALFRED E. GLANCY III
Directors