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As filed with the Securities and Exchange Commission on November 16, 2004

Registration No. 333-

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-3

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

PITNEY BOWES INC.

(Exact name of registrant as specified in its charter)

Delaware	**06-0495050**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

Pitney Bowes Inc.
1 Elmcroft Road
Stamford, CT 06926-0700
(203) 356-5000
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Michele C. Mayes
Senior Vice President & General Counsel
Pitney Bowes Inc.
1 Elmcroft Road
Stamford, CT 06926-0700
(203) 356-5000
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Stephen D. Wayne	**Steven R. Finley**
Pitney Bowes Inc.	**Gibson, Dunn & Crutcher LLP**
1 Elmcroft Road	**200 Park Avenue**
Stamford, CT 06926-0700	**New York, New York 10166**
(203) 922-4596	**(212) 351-4000**

Approximate date of commencement of proposed sale to the public:
From time to time after the effective date of this registration statement.

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

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. ý

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

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

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

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price Per Unit(2)	Proposed Maximum Aggregate Offering Price(3)	Amount of Registration Fee
Debt Securities, Preferred Stock, Preference Stock, Common Stock, Purchase Contracts, Depositary Shares(4), Warrants(5) and Units(6)	$2,500,000,000		$2,500,000,000	$316,750

(1) Includes such indeterminate principal amount of debt securities, preferred stock, preference stock, or common stock as may be issued in the event the registrant elects to offer fractional interests in preferred stock and such indeterminate amounts of debt securities, preferred stock, preference stock or common stock as may be issued upon conversion of, in exchange for or upon exercise of convertible or exchangeable debt securities, preferred stock, purchase contract, warrant or unit that provides for exercise or conversion into such securities, including any securities issuable upon stock splits and similar transactions pursuant to Rule 416 under the Securities Act. The amount of common stock registered in any at-the-market offering by us or on our behalf shall be limited to that which is permissible under rule 415(a)(4)(ii) under the Securities Act. Amount shown is in United States dollars or equivalent thereof in any other currency, currency unit or units or composite currency or currencies.

(2) The proposed maximum offering price per unit is not specified as to each class of securities to be registered, pursuant to General Instruction II.D of Form S-3 under the Securities Act. The proposed maximum offering price per unit will be determined from time to time by the registrant in connection with, and at the time of, the issuance of the securities registered hereunder.

(3) Estimated solely for the purpose of determining the registration fee and calculated in accordance with Rule 457 under the Securities Act.

(4) Depositary Shares representing Preferred Stock or Preference Stock of Pitney Bowes Inc.

(5) Pursuant to Rule 457(g), no registration fee is attributable to the warrants registered hereby.

(6) Any securities registered hereunder may be sold separately or as units with other securities registered hereunder.

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, as amended, or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Subject to completion, November 15, 2004

PROSPECTUS



$2,500,000,000

Debt Securities
Preferred Stock
Preference Stock
Common Stock
Purchase Contracts
Depositary Shares
Warrants
Units

By this prospectus, Pitney Bowes Inc. from time to time may offer securities to the public. We will provide specific terms of these securities in supplements to this prospectus. You should read this prospectus and each applicable supplement carefully before you invest.

Our common stock is listed on the New York Stock Exchange under the ticker symbol "PBI."

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representations to the contrary are a criminal offense.

This prospectus may not be used to sell our securities unless it is accompanied by the applicable prospectus supplement.

The information contained in this prospectus is not complete and may be changed. You should rely only on the information incorporated by reference or provided in this prospectus or any prospectus supplement. We have not authorized anyone else to provide you with different information or to make additional representations. We are not making or soliciting an offer of any securities other than the securities described in this prospectus and any prospectus supplement. We are not making or soliciting an offer of these securities in any state or jurisdiction where the offer is not permitted or in any circumstances in which such offer or solicitation is unlawful. You should not assume that the information contained or incorporated by reference in this prospectus or any prospectus supplement is accurate as of any date other than the date on the front of those documents.

We will sell these securities directly, or through agents, dealers or underwriters as designated from time to time, or through a combination of these methods. We reserve the sole right to accept, and together with our agents, dealers and underwriters reserve the right to reject, in whole or in part, any proposed purchase of securities to be made directly or through agents, underwriters or dealers. If any agents, dealers or underwriters are involved in the sale of any securities, the relevant prospectus supplement will set forth any applicable commissions or discounts. Our net proceeds from the sale of securities also will be set forth in the relevant prospectus supplement.

The date of this prospectus is , 200 .

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ABOUT THIS PROSPECTUS

This document is called a prospectus and is part of a registration statement that we filed with the Securities and Exchange Commission using a "shelf" registration or continuous offering process. Under this registration statement, we may sell any combination of the securities described in this prospectus from time to time, either separately or in units, in one or more offerings. Together, these offerings may total up to $2,500,000,000.

This prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a prospectus supplement containing specific information about the terms of that offering. That prospectus supplement may include a discussion of any risk factors or other special considerations applicable to those securities. The prospectus supplement also may add, update or change information in this prospectus. If there is any inconsistency between the information in this prospectus and any prospectus supplement, you should rely on the information in the prospectus supplement. You should read both this prospectus and any prospectus supplement together with the additional information described under the heading "Where You Can Find More Information." The registration statement containing this prospectus, including the exhibits to the registration statement, provides additional information about us and the securities offered under this prospectus. The registration statement, including the exhibits, can be read at the SEC's website or at the SEC's offices mentioned under the heading "Where You Can Find More Information."

Unless we have indicated otherwise, references in this prospectus to "Pitney Bowes," "we," "us" and "our" or similar terms are to Pitney Bowes Inc., a Delaware company, and its consolidated subsidiaries.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may access and read our SEC filings, including the complete registration statement and all exhibits to it, over the Internet at the SEC's web site at *http://www.sec.gov*. This uniform resource locator is an inactive textual reference only and is not intended to incorporate the contents of the SEC website into this prospectus.

You may read and copy any document we file with the SEC at the SEC's Public Reference Room located at 450 Fifth Street, N.W., Room 1024, Washington, DC 20549. You may also request copies of the documents that we file with the SEC by writing to the SEC's Public Reference Room, 450 Fifth Street, N.W., Room 1024, Washington, DC 20549, at prescribed rates. Please call the SEC at (800) 732-0330 for further information on the operations of the Public Reference Room and copying charges.

Our SEC filings are also available at the offices of the New York Stock Exchange, Inc., 20 Broad Street, New York, NY 10005, as well as at the offices of the following stock exchanges where our common stock is traded: the Chicago Stock Exchange, Inc., One Financial Place, 440 South LaSalle Street, Chicago, IL 60605; the Pacific Stock Exchange, Inc., 233 South Beaudry Avenue, Los Angeles, CA 90012 and 301 Pine Street, San Francisco, CA 94104; and the Philadelphia Stock Exchange, Inc., 1900 Market Street, Philadelphia, PA 19103. We also post our SEC filings on our website at *http://www.pb.com*. Information contained on our website is not intended to be incorporated by reference in this prospectus and you should not consider that information a part of this prospectus. Our website address is included in this prospectus as an inactive textual reference only.

INCORPORATION BY REFERENCE

The SEC allows us to "incorporate by reference" the information we file with it, which means we can disclose important information to you by referring you to other documents that contain that information. The information incorporated by reference is an important part of this prospectus. Any information that we file with the SEC in the future and incorporate by reference will automatically update and supersede the information contained or incorporated by reference in this prospectus. We incorporate by reference in this prospectus the following documents filed by us with the SEC and any future filings made with the SEC by us under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until we sell all of the securities, except as noted below:

- the description of our common stock contained in our Form 8-A filed February 16, 1996 and Form 8-A/A filed January 16, 1998, including any amendment or report filed for the purpose of updating this description;

- our Annual Report on Form 10-K for the year ended December 31, 2003, filed on March 9, 2004, which incorporates by reference certain portions of our proxy statement dated March 25, 2004;

- our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2004 (filed on May 7, 2004), June 30, 2004 (filed on August 5, 2004) and September 30, 2004 (filed on November 8, 2004); and

- our Current Reports on Form 8-K dated October 5, 2004 (as amended November 2, 2004), September 30, 2004, August 18, 2004, July 20, 2004, May 24, 2004, May 17, 2004 and April 13, 2004.

All documents that we file with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and prior to the termination of all offerings made pursuant to this prospectus also will be deemed to be incorporated herein by reference and will automatically update information in this prospectus. Nothing in this prospectus shall be deemed to incorporate information furnished but not filed with the SEC pursuant to Item 2.02 or Item 7.01 of Form 8-K.

Statements made in this prospectus, in any prospectus supplement or in any document incorporated by reference in this prospectus as to the contents of any contract or other document are not necessarily complete. In each instance we refer you to the copy of the contract or other document filed as an exhibit to the registration statement of which this prospectus is a part or as an exhibit to the documents incorporated by reference.

We will provide to you, at no cost, a copy of any document incorporated by reference in this prospectus and any exhibits specifically incorporated by reference in those documents. You may request copies of these filings from us by mail at the following address: Pitney Bowes Inc., 1 Elmcroft Road, Stamford, CT 06926-0700, Attention: Investor Relations, or by telephone at the following telephone number: (203) 356-5000.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this prospectus or any prospectus supplement, including information incorporated by reference, are "forward-looking statements" within the meaning of Section 27A of the Securities Act and are intended to be covered by the safe harbor created by that section. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. Forward-looking statements include statements preceded by, followed by or that include the words "may," "would," "could," "should," "believe," "expect," "anticipate," "plan," "estimate" or similar expressions. Although we believe that the expectations reflected in such forward-looking statements are reasonable, these expectations may prove to be incorrect. Our forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from future results expressed or implied by those forward-looking statements. Cautionary statements setting forth important factors that could cause actual results to differ materially from our forward-looking statements are discussed in our Annual Report on Form 10-K for the year ended December 31, 2003, which is incorporated by reference.

Given these uncertainties, we caution investors not to unduly rely on our forward-looking statements. We disclaim any intent or obligation to update publicly any forward-looking statements set forth in this prospectus, any prospectus supplements or incorporated herein by reference, whether as a result of new information, future events or otherwise.

THE COMPANY

Our company was incorporated in the state of Delaware on April 23, 1920, as the Pitney-Bowes Postage Meter Company. Today, we are a provider of leading-edge global, integrated mail and document management solutions for organizations of all sizes. Our world headquarters are located at 1 Elmcroft Road, Stamford, Connecticut 06926-0700. Our telephone number is (203) 356-5000.

Pitney Bowes Inc. and its subsidiaries operate in three reportable segments: Global Mailstream Solutions, Global Enterprise Solutions and Capital Services. We operate both inside and outside the United States.

Global Mailstream Solutions

Our Global Mailstream Solutions segment includes worldwide revenue and related expenses from the rental of postage meters and the sale, rental and financing of mailing equipment, including mail finishing and software-based mail creation equipment. We also include in this segment software-based shipping, transportation and logistics systems, related supplies and services, presort mail services, postal payment solutions and supply chain solutions such as order management and fulfillment support. We sell, rent or finance our products. We sell our supplies and services. Some of our products are sold through dealers.

Products in this segment include postage meters, mailing machines, address hygiene software, manifest systems, letter and parcel scales, mail openers, mailroom furniture, folders, table-top inserters, paper handling equipment, shipping equipment, software-based shipping and logistics systems, presort machines and postal payment solutions.

Global Enterprise Solutions

Our Global Enterprise Solutions segment includes Pitney Bowes Management Services (PBMS) and Document Messaging Technologies (DMT). In this segment, we sell, rent or finance our products. We sell our supplies and services.

PBMS includes worldwide revenue and related expenses from facilities management contracts for advanced mailing, secure mail services, reprographic, document management and other high-value services. PBMS offers a variety of business support services to our customers to manage copy, reprographic and mail centers, facsimile, electronic printing and imaging services, and records management. PBMS is a major provider of on- and off-site services which help our customers manage the creation, processing, storage, retrieval, distribution and tracking of documents and messages in both paper and digital form.

DMT includes U.S. revenue and related expenses from the sale, service and financing of high-speed, software-enabled production mail systems, sorting equipment, incoming mail systems, electronic statement, billing and payment solutions, and mailing software.

We include our internal financial services operations in both the Global Mailstream Solutions and Global Enterprise Solutions segments. The internal financial services operations provide lease financing for our products in the U.S., Canada, the United Kingdom, Germany, France, Norway, Ireland, Australia, Austria, Spain, Italy, Switzerland, Sweden, Denmark and the Netherlands.

Capital Services

Our Capital Services segment consists of financing for non-Pitney Bowes equipment. It includes primarily interest and fee-based income generated by financing arrangements. Core Capital Services consists primarily of financing of Imagistics International Inc. copier equipment. Non-core Capital Services consists primarily of financing of large-ticket, non-Pitney Bowes equipment.

In the past, we have directly financed or arranged financing for commercial and non-commercial aircraft, real estate, over-the-road trucks and trailers, locomotives, railcars, rail and bus facilities, office equipment and high-technology equipment such as data processing and communications equipment. In January 2003, we announced that we would cease originating large-ticket, structured, third-party, financing of non-core lease assets.

USE OF PROCEEDS

Unless otherwise indicated in an accompanying prospectus supplement, the net proceeds we expect to receive from the sale of the securities will be used to reduce outstanding debt or for general corporate purposes, which may include, among others, the following:

- repaying existing debt;
- making capital investments;
- funding working capital requirements; and
- funding possible acquisitions and investments.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our ratio of earnings to fixed charges on a consolidated basis for the periods shown. For purposes of computing the ratio of earnings to fixed charges, "earnings" consists of income from continuing operations before income taxes and interest expense (including amortization of debt issuance cost), and "fixed charges" consists of interest expense (including amortization of debt issuance cost).

Year Ended December 31,					Nine Months Ended September 30,
1999	2000	2001	2002	2003	2004
4.59x	4.08x	4.12x	3.62x	4.29x	4.44x

The following table sets forth our ratio of earnings to fixed charges and preferred and preference stock dividends on a consolidated basis for the periods shown. For purposes of computing the ratio of earnings to fixed charges and preferred and preference stock dividends, "earnings" consists of income from continuing operations before income taxes and interest expense (including amortization of debt issuance cost), "fixed charges" consists of interest expense (including amortization of debt issuance cost) and "preferred and preference stock dividends" consists of pre-tax earnings that are required to pay dividends on outstanding preferred and preference securities.

Year Ended December 31,					Nine Months Ended September 30,
1999	2000	2001	2002	2003	2004
4.59x	4.08x	4.12x	3.62x	4.28x	4.44x

DESCRIPTION OF THE DEBT SECURITIES

The following is a general description of the debt securities that we may offer from time to time. The particular terms of the debt securities offered by any prospectus supplement and the extent, if any, to which the general provisions described below may apply to those securities will be described in the applicable prospectus supplement. We may sell hybrid securities that combine certain features of debt securities and other securities described in this prospectus. As you read this section, please remember that the specific terms of a debt security as described in the applicable prospectus supplement will supplement and may modify or replace the general terms described in this section. If there are any differences between the applicable prospectus supplement and this prospectus, the applicable prospectus supplement will control. As a result, the statements we make in this section may not apply to the debt security you purchase.

As used in this "Description of the Debt Securities," the "Company" refers to Pitney Bowes Inc., and does not, unless the context otherwise indicates, include our subsidiaries.

Capitalized terms used but not defined in this section have the respective meanings set forth in the applicable indenture.

General

The debt securities that we offer will be either senior debt securities or subordinated debt securities. We will issue senior debt securities under an indenture, which we refer to as the senior indenture, to be entered into between us and the trustee named in the applicable prospectus supplement. We will issue subordinated debt securities under a different indenture, which we refer to as the subordinated indenture, to be entered into between us and the trustee named in the applicable prospectus supplement. We refer to both the senior indenture and the subordinated indenture as the indentures, and to each of the trustees under the indentures as a trustee. In addition, the indentures may be supplemented or amended as necessary to set forth the terms of the debt securities issued under the indentures. You should read the indentures, including any amendments or supplements, carefully to fully understand the terms of the debt securities. The forms of the indentures have been filed as exhibits to the registration statement of which this prospectus is a part. The indentures are subject to, and are governed by, the Trust Indenture Act of 1939.

The senior debt securities will be unsubordinated obligations of the Company. They will be unsecured and will rank equally with each other and all of our other unsubordinated debt, unless otherwise indicated in the applicable prospectus supplement. The subordinated debt securities will be subordinated in right of payment to the prior payment in full of our senior debt. See "Subordination of Subordinated Debt Securities." The subordinated debt securities will be unsecured and will rank equally with each other, unless otherwise indicated in the applicable prospectus supplement. We will indicate in each applicable prospectus supplement, as of the most recent practicable date, the aggregate amount of our outstanding debt that would rank senior to the subordinated debt securities.

Unless otherwise provided in the prospectus supplement relating to any debt securities, the debt securities will not constitute obligations of our subsidiaries. Creditors of our subsidiaries are entitled to a claim on the assets of those subsidiaries. Consequently, in the event of a liquidation or reorganization of any subsidiary, creditors of the subsidiary are likely to be paid in full before any distribution is made to the Company and holders of debt securities, except to the extent that the Company is itself recognized as a creditor of such subsidiary, in which case the Company's claims would still be subordinate to any security interests in the assets of such subsidiary and any debt of such subsidiary senior to that held by the Company.

The indentures do not limit the amount of debt securities that can be issued thereunder and provide that debt securities of any series may be issued thereunder up to the aggregate principal amount that we may authorize from time to time. The indentures do not limit the amount of other indebtedness or securities that we may issue. We may issue debt securities of the same series at more than one time and, unless prohibited by the terms of the series, we may reopen a series for issuances of additional debt securities, without the consent of the holders of the outstanding debt securities of that series.

Reference is made to the prospectus supplement for the following and other possible terms of each series of the debt securities in respect of which this prospectus is being delivered:

- the title of the debt securities;
- any limit upon the aggregate principal amount of the debt securities;
- if other than 100% of the principal amount, the percentage of their principal amount at which the debt securities will be offered;
- the date or dates on which the principal of the debt securities will be payable, or method of determination thereof;
- the rate or rates, or method of determination thereof, at which the debt securities will bear interest, if any, the date or dates from which any such interest will accrue and on which such interest will be payable, and the record dates for the determination of the holders to whom interest is payable;
- if other than as set forth herein, the place or places where the principal of and interest, if any, on the debt securities will be payable;
- the price or prices at which, the period or periods within which and the terms and conditions upon which debt securities may be redeemed, in whole or in part, at our option;
- if other than the principal amount thereof, the portion of the principal amount of the debt securities payable upon declaration of acceleration of the maturity thereof;
- if other than U.S. dollars, the foreign currencies or units based on or related to foreign currencies in which the debt securities may be denominated or payable;
- our obligation, if any, to redeem, repurchase or repay debt securities, whether pursuant to any sinking fund or analogous provisions or pursuant to other provisions set forth therein or at the option of a holder thereof;
- the name of the trustee and any authenticating agent, paying agent, transfer agent or registrar for the debt securities;
- whether the debt securities will be represented in whole or in part by one or more global notes registered in the name of a depositary or its nominee;
- the ranking of such debt securities as senior debt securities or subordinated debt securities;
- whether there are any authentication agents, paying agents, transfer agents or registrars with respect to the debt securities;
- whether the debt securities are convertible into our common stock and, if so, the terms and conditions of such conversion;
- whether the debt securities are subject to a periodic offering; and
- any other terms or conditions not inconsistent with the provisions of the indenture under which the debt securities will be issued.

"Principal" when used herein includes any premium on any series of the debt securities.

Unless otherwise provided in the prospectus supplement relating to any debt securities, principal and interest, if any, will be payable, and transfers of the debt securities may be registered, at the office or offices or agency we maintain for such purposes. Payment of interest on the debt securities, however, will be paid at such place by check mailed to the persons entitled thereto at the addresses of such persons appearing on the security register. Interest on the debt securities will be payable on any interest payment date to the persons in whose name the debt securities are registered at the close of business on the record date for such interest payment.

The debt securities may be issued only in fully registered form in minimum denominations of $1,000 and any integral multiple thereof. Additionally, the debt securities may be represented in whole or in part by one or more global notes registered in the name of a depositary or its nominee and, if so represented, interests in such global note will be shown on, and transfers thereof will be effected only through, records maintained by the designated depository and its participants.

The debt securities may be exchanged for an equal aggregate principal amount of debt securities of the same series and date of maturity in such authorized denominations as may be requested upon surrender of the debt securities at an agency of the Company maintained for such purpose and upon fulfillment of all other requirements of such agent. No service charge will be made for any registration of transfer or exchange of the debt securities, but we may require payment of an amount sufficient to cover any tax or other governmental charge payable in connection therewith.

The indentures require the annual filing by the Company with the Trustee of a certificate as to compliance with certain covenants contained in the indentures.

We will comply with Section 14(e) under the Exchange Act, to the extent applicable, and any other tender offer rules under the Exchange Act which may then be applicable, in connection with any obligation to purchase debt securities at the option of the holders thereof. Any such obligation applicable to a series of debt securities will be described in the prospectus supplement relating thereto.

Unless otherwise described in a prospectus supplement relating to any debt securities, there are no covenants or provisions contained in the indentures that may afford the holders of debt securities protection in the event that we enter into a highly-leveraged transaction.

The statements made hereunder relating to the indentures and the debt securities are summaries of certain provisions thereof, do not purport to be complete and are qualified in their entirety by reference to all provisions of the indentures and the debt securities.

Events of Default

An Event of Default with respect to the debt securities of any series is defined in the indentures as:

- default in the payment of any installment of interest upon any of the debt securities of such series as and when the same shall become due and payable, and continuance of such default for a period of 30 days;

- default in the payment of all or any part of the principal of any of the debt securities of such series as and when the same shall become due and payable either at maturity, upon any redemption, by declaration or otherwise;

- default in the performance, or breach, of any other covenant or warranty contained in the debt securities of such series or set forth in the applicable indenture (other than a covenant or warranty included in the applicable indenture solely for the benefit of one or more series of debt securities other than such series) and continuance of such default or breach for a period of 90 days after due notice by the trustee or by the holders of at least 25% in principal amount of the outstanding securities of such series; or

- certain events of bankruptcy, insolvency or reorganization of the Company.

Additional Events of Default may be added for the benefit of holders of certain series of debt securities which, if added, will be described in the prospectus supplement relating to such debt securities.

The indentures provide that the trustee shall notify the holders of debt securities of each series of any continuing default known to the trustee which has occurred with respect to such series within 90 days after the occurrence thereof. The indentures provide that, notwithstanding the foregoing, except in the case of default in the payment of the principal of, or interest, if any, on any of the debt securities of such series, the trustee may withhold such notice if the trustee in good faith determines that the withholding of such notice is in the interests of the holders of debt securities of such series.

The indentures provide that if an Event of Default with respect to any series of debt securities shall have occurred and be continuing, either the trustee or the holders of not less than 25% in aggregate principal amount of debt securities of such series then outstanding may declare the principal amount of all debt securities of such series to be due and payable immediately, but upon certain conditions such declaration may be annulled. Any past defaults and the consequences thereof, except a default in the payment of principal of or interest, if any, on debt securities of such series, may be waived by the holders of a majority in principal amount of the debt securities of such series then outstanding.

Subject to the provisions of the indentures relating to the duties of the trustee, in case an Event of Default with respect to any series of debt securities shall occur and be continuing, the trustee shall not be under any obligation to exercise any of the trusts or powers vested in it by the indentures at the request or direction of any of the holders of such series, unless such holders shall have offered to such trustee reasonable security or indemnity. The holders of a majority in aggregate principal amount of the debt securities of each series affected and then outstanding shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee under the applicable indenture or exercising any trust or power conferred on the trustee with respect to the debt securities of such series; provided that the trustee may refuse to follow any direction which is in conflict with any law or such indenture and subject to certain other limitations.

No holder of any debt security of any series will have any right by virtue or by availing of any provision of the indentures to institute any proceeding at law or in equity or in bankruptcy or otherwise with respect to the indentures or for any remedy thereunder, unless such holder shall have previously given the trustee written notice of an Event of Default with respect to debt securities of such series and unless the holders of at least 25% in aggregate principal amount of the outstanding debt securities of such series shall have made written request, and offered reasonable indemnity, to the trustee to institute such proceeding as trustee, and the trustee shall have failed to institute such proceeding within 60 days after its receipt of such request, and the trustee shall not have received from the holders of a majority in aggregate principal amount of the outstanding debt securities of such series a direction inconsistent with such request. The right of a holder of any debt security to receive payment of the principal of and interest, if any, on such debt security on or after the due dates expressed in such debt security, or to institute suit for the enforcement of any such payment on or after such dates, shall not be impaired or affected without the consent of such holder.

Merger

Each indenture provides that the Company may consolidate with, sell, convey or lease all or substantially all of its assets to, or merge with or into, any other corporation, if:

- either the Company is the continuing corporation or the successor corporation is a domestic corporation and expressly assumes the due and punctual payment of the principal of and interest on all the debt securities outstanding under such indenture according to their tenor and the due and punctual performance and observance of all of the covenants and conditions of such indenture to be performed or observed by the Company; and

- immediately after such merger, consolidation, sale, conveyance or lease, the Company or such successor corporation, as the case may be, is not in material default in the performance or observance of any such covenant or condition.

Satisfaction and Discharge of Indentures

The indenture with respect to any series of debt securities—except for certain specified surviving obligations including the Company's obligation to pay the principal of and interest on the debt securities of such series—will be discharged and cancelled upon the satisfaction of certain conditions,

including the payment of all the debt securities of such series or the deposit with the trustee under such indenture of cash or appropriate Government Obligations or a combination thereof sufficient for such payment or redemption in accordance with the applicable indenture and the terms of the debt securities of such series.

Modification of the Indentures

The indentures contain provisions permitting the Company and the trustee, with the consent of the holders of not less than a majority in aggregate principal amount of the debt securities of each series at the time outstanding under the indenture affected thereby, to execute supplemental indentures adding any provisions to, or changing in any manner or eliminating any of the provisions of, the applicable indenture or any supplemental indenture or modifying in any manner the rights of the holders of the debt securities of each such series. No such supplemental indenture, however, may:

- extend the final maturity date of any debt security, or reduce the principal amount thereof, or reduce the rate or extend the time of payment of any interest thereon, or reduce any amount payable on redemption thereof, or impair or affect the right of any holder of debt securities to institute suit for payment thereof or, if the debt securities provide therefor, any right of repayment at the option of the holders of the debt securities, without the consent of the holder of each debt security so affected;

- reduce the aforesaid percentage of debt securities of such series, the consent of the holders of which is required for any such supplemental indenture, without the consent of the holders of all debt securities of such series so affected; or

- reduce the amount of principal payable upon acceleration of the maturity date of any Original Issue Discount Security.

Additionally, in certain prescribed instances, the Company and the trustee may execute supplemental indentures without the consent of the holders of debt securities.

Defeasance

Defeasance and Discharge. The indentures will provide, if such provision is made applicable to the debt securities of a series, that the Company may elect to terminate, and be deemed to have satisfied and to be discharged from, all its obligations with respect to such series of debt securities—except for the obligations to register the transfer or exchange of such debt securities, to replace mutilated, destroyed, lost or stolen debt securities, to maintain an office or agency in respect of such debt securities, to compensate and indemnify the trustee and to pay or cause to be paid the principal of, and interest, if any, on all debt securities of such series when due—upon the deposit with the trustee, in trust for such purpose, of funds or Government Obligations which through the payment of principal and interest in accordance with their terms will provide funds in an amount sufficient, in the opinion of a nationally recognized independent registered public accounting firm, to pay the principal of and premium and interest, if any, on the outstanding debt securities of such series, and any mandatory sinking fund or analogous payments thereon, on the scheduled due dates therefor. We call this termination, satisfaction and discharge "defeasance." Such a trust may be established only if, among other things:

- the Company has delivered to the trustee an opinion of counsel with regard to certain matters, including an opinion to the effect that the holders of such debt securities will not recognize income, gain or loss for federal income tax purposes as a result of such deposit and discharge and will be subject to federal income tax on the same amounts and in the same manner and at

the same times as would have been the case if such deposit and defeasance had not occurred, and which opinion of counsel must be based upon:

- a ruling of the U.S. Internal Revenue Service to the same effect; or
- a change in applicable U.S. federal income tax law after the date of the indenture such that a ruling is no longer required;

- no Event of Default shall have occurred or be continuing; and
- such deposit shall not result in a breach or violation of, or constitute a default under the applicable indenture or any other material agreement or instrument to which the Company is a party or by which the Company is bound.

The prospectus supplement may further describe these or other provisions, if any, permitting defeasance with respect to the debt securities of any series.

Subordination of Subordinated Debt Securities

The senior debt securities will constitute part of our Senior Indebtedness and will rank *pari passu* with all outstanding senior debt. Except as set forth in the related prospectus supplement, the subordinated debt securities will be subordinated, in right of payment, to the prior payment in full of our Senior Indebtedness, including the senior debt securities, whether outstanding at the date of the subordinated indenture or thereafter incurred, assumed or guaranteed.

Except as set forth in the related prospectus supplement, "Senior Indebtedness" means:

- the principal of and premium, if any, and unpaid interest on indebtedness for money borrowed;
- purchase money and similar obligations;
- obligations under capital leases or leases of property or assets made as part of any sale and leaseback transaction;
- guarantees, assumptions or purchase commitments relating to, or other transactions as a result of which the Company is responsible for the payment of, such indebtedness of others;
- renewals, extensions and refunding of any such indebtedness;
- interest or obligations in respect of any such indebtedness accruing after the commencement of any insolvency or bankruptcy proceedings; and
- obligations associated with derivative products such as interest rate and currency exchange contracts, foreign exchange contracts, commodity contracts, and similar arrangements;

unless, in each case, the instrument by which the Company incurred, assumed or guaranteed the indebtedness or obligations described above expressly provides that such indebtedness or obligation is not senior in right of payment to the subordinated debt securities.

Upon any distribution of the Company's assets in connection with any dissolution, winding up, liquidation or reorganization of the Company, whether in a bankruptcy, insolvency, reorganization or receivership proceeding or upon an assignment for the benefit of creditors or any other marshalling of the Company's assets and liabilities or otherwise, except a distribution in connection with a merger or consolidation or a conveyance or transfer of all or substantially all of the properties of the Company in accordance with the subordinated indenture, the holders of all Senior Indebtedness shall first be entitled to receive payment of the full amount due thereon before the holders of any of the subordinated debt securities are entitled to receive any payment in respect of the subordinated debt securities. In the event that a payment default shall have occurred and be continuing with respect to the Senior Indebtedness, the holders of all Senior Indebtedness shall first be entitled to receive

payment of the full amount due thereon before the holders of any of the subordinated debt securities are entitled to receive any payment in respect of the subordinated debt securities. In the event that the principal of the subordinated debt securities of any series shall have been declared due and payable pursuant to the subordinated indenture and such declaration shall not have been rescinded and annulled, the holders of all Senior Indebtedness outstanding at the time of such declaration shall first be entitled to receive payment of the full amount due thereon, or provision shall be made for such payment in full, before the holders of any of the subordinated debt securities are entitled to receive any payment in respect of the subordinated debt securities.

This subordination will not prevent the occurrence of any event of default with respect to the subordinated debt securities.

Global Debt Securities

The debt securities of a series may be issued in whole or in part in the form of one or more global securities that will be deposited with, or on behalf of, a depository (a "Debt Depository") identified in the applicable prospectus supplement. Global securities may be issued in either registered or bearer form and in either temporary or permanent form. Unless otherwise provided in such prospectus supplement, debt securities that are represented by a global security will be issued in denominations of $1,000 or any integral multiple thereof and will be issued in registered form only, without coupons. Payments of principal of, and interest, if any, on debt securities represented by a global security will be made by the Company to the trustee under the applicable indenture, and then forwarded to the Debt Depository.

We anticipate that any global securities will be deposited with, or on behalf of, The Depository Trust Company ("DTC"), and that such global securities will be registered in the name of Cede & Co., DTC's nominee. We further anticipate that the following provisions will apply to the depository arrangements with respect to any such global securities. Any additional or differing terms of the depository arrangements will be described in the prospectus supplement relating to a particular series of debt securities issued in the form of global securities.

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 owners or holders thereof under the applicable indenture. The laws of some states require that certain purchasers of securities take physical delivery of such securities in certificated form. 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 or if at any time DTC ceases to be a clearing agency registered under the Exchange Act if so required by applicable law or regulation, and, in either case, we do not appoint a successor Debt Depository within 90 days, we will issue individual debt securities in certificated form in exchange for the global securities. In addition, we may determine, at any time and in our sole discretion, not to have any debt securities represented by one or more global securities, and, in such event, will issue individual debt securities 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 of like tenor and rank, equal in principal amount to such beneficial interest, and to have such debt securities in certificated form registered in its name. Unless otherwise described in the applicable prospectus supplement, debt securities so issued in certificated form will be issued in

denominations of $1,000 or any integral multiple thereof, and will be issued in registered form only, without coupons.

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 Uniform 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, and 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 SEC.

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 recorded on the Direct and Indirect Participants' records. A Beneficial Owner does not receive written confirmation from DTC of its purchase, but is expected to receive a written confirmation providing details of the transaction, as well as periodic statements of its holdings, from the Direct or Indirect Participants through which such Beneficial Owner entered into the action. Transfers of ownership interests in debt securities are accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners do 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.

To facilitate subsequent transfers, the debt securities are registered in the name of DTC's partnership nominee, Cede & Co. 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 has no knowledge of the actual Beneficial Owners of the debt securities; DTC records 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 remain responsible for keeping account of their holdings on behalf of their customers.

Delivery of notice and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners are 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. consents or votes with respect to the debt securities. Under its usual procedures, DTC mails a proxy (an "Omnibus Proxy") to the issuer 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 and interest payments, if any, on the debt securities will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the payment 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 payment date. Payments by Participants to Beneficial Owners are 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 are the responsibility of such Participant and not of DTC, the trustee or us, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest, if any, to DTC is our or the trustee's responsibility, disbursement of such payments to Direct Participants is DTC's responsibility, and disbursement of such payments to the Beneficial Owners is 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 us or the Trustee. Under such circumstances, in the event that a successor securities depository is not appointed, debt security certificates are required to be printed and delivered.

We 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.

We have obtained the information in this section concerning DTC and DTC's book-entry system from sources that we believe to be reliable, but we take no responsibility for the accuracy of this information.

None of us, any underwriter or agent, the trustee or any applicable 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 interest.

DESCRIPTION OF PREFERRED STOCK AND PREFERENCE STOCK

The following description of the material terms of our preferred stock and preference stock is based on the provisions of our restated certificate of incorporation, as amended. For more information as to how you can obtain a current copy of our restated certificate of incorporation, see "Where You Can Find More Information." As used in this "Description of Preferred Stock and Preference Stock," the "Company" refers to Pitney Bowes Inc., and does not, unless the context otherwise indicates, include our subsidiaries.

Our restated certificate of incorporation, as amended, authorizes the issuance of 600,000 shares of cumulative preferred stock, par value $50.00 per share, 5,000,000 shares of preference stock, without par value, and 480,000,000 shares of common stock, par value $1.00 per share.

Preferred Stock

We may issue preferred stock from time to time in one or more series, without stockholder approval. Subject to limitations prescribed by law, our board of directors is authorized to determine the designations, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions, for each series of preferred stock that may be issued and to fix the number of shares of each series.

At September 30, 2004, there were 385 shares of our 4% Convertible Cumulative Preferred Stock outstanding. Each share of our outstanding 4% preferred stock is entitled to cumulative dividends at the rate of $2 per year, can be redeemed at our option, in whole or in part at any time, at a price of $50 per share, plus an amount equal to dividends accrued to the redemption date, and is convertible into 24.24 shares of our common stock, subject to anti-dilution adjustment.

Dividends. Holders of preferred shares of each series will be entitled to receive, when and as declared by our board of directors out of funds legally available for the payment of dividends, cumulative dividends at the rate determined by our board of directors for that series. Dividends on the preferred shares will accrue from the date fixed by our board of directors for that series. Unless we have declared and paid in full all dividends payable on all of our outstanding preferred shares for the current period and all prior periods, we will not be allowed to make any dividend payments (other than a dividend in common stock or in any other class of stock ranking junior to the Preferred Shares) on any class of stock that is subordinate to our preferred shares and we will not be allowed to redeem or otherwise repurchase any shares of any class of stock which ranks equally with or subordinate to our preferred shares.

Accrued and unpaid dividends on the preferred shares will not bear interest.

Redemption. We have the right to redeem either all or a portion of the outstanding preferred shares of any series at any time, as determined by our board of directors. Preferred shares will be redeemed at par value, plus accrued and unpaid dividends and, if our board of directors has so determined for a series of preferred stock, a redemption premium. If we decide to redeem fewer than all of the outstanding preferred shares of any series, our board of directors will determine the method of selecting which shares to redeem.

Conversion or Exchange Rights. The prospectus supplement relating to any series of preferred stock that is convertible or exchangeable will state the terms determined by our board of directors upon which shares of that series are convertible into or exchangeable for shares of common or preference stock or another series of preferred stock of the Company or securities of any third party.

Liquidation. In the event of our voluntary or involuntary liquidation, before any distribution of assets would be made to the holders of any class of shares ranking subordinate to the preferred shares as to assets, the holders of the preferred shares of each series would be entitled to receive out of our assets available for distribution to our shareholders the sum of the par value for that series and an amount equal to all accrued and unpaid dividends on those shares. In the event of a voluntary liquidation, the holders of preferred shares also would receive the premium, if any, assigned to that

series by our board of directors. The holders of all series of preferred shares would be entitled to share ratably, in accordance with the respective amounts payable on their shares, in any distribution upon liquidation that is not sufficient to pay in full the aggregate amounts payable on all of those shares. After payment in full of the liquidation preference of the preferred shares, the holders of those shares would not be entitled to any further participation in any distribution of our assets. Neither the consolidation or merger of the Company with or into any other corporation or corporations, nor the merger or consolidation of any other corporation into and with the Company, will be deemed to be a voluntary or involuntary liquidation if the transaction is consented to by the holders of $66^{2}/_{3}\%$ of the outstanding preferred shares. However, the sale, exchange or transfer of all or substantially all of the assets of the Company would be deemed a voluntary liquidation of the Company for purposes of payment of the liquidation preference of the preferred shares.

Voting. The preferred shares of a series will not be entitled to vote, except as required by applicable law or as provided in our restated certificate of incorporation. Each share of a series of preferred shares will be entitled to one vote on matters on which holders of that series are entitled to vote. Our certificate of incorporation provides that we may not create, authorize or issue a class of stock ranking senior to the preferred shares or amend the certificate of incorporation in a manner adverse to the preferred shares, or engage in a voluntary liquidation, dissolution or winding up, a sale, lease or conveyance of all or substantially all of the property or business of the Company or certain mergers or consolidations without the affirmative vote of the holders of at least two-thirds of the affected outstanding preferred shares, voting as a class. In addition, our certificate of incorporation provides that whenever dividends on the preferred shares are in arrears in an aggregate amount equal to six quarterly dividend periods or we fail to retire or repurchase any shares of preferred stock that we are obligated to retire or repurchase, then the holders of all series of outstanding preferred shares, voting as a class, would be entitled to elect one-third of the total number of directors, but not less than three directors. We may not increase the amount of preferred shares or authorize or create any shares of any other class of stock ranking equal to the preferred shares as to dividends or assets or otherwise without the consent of the holders of at least a majority of all the outstanding preferred shares, voting as a class.

Preference Stock

We may issue preference stock from time to time in one or more series, without stockholder approval. The preference shares rank as to dividends and assets junior to the preferred shares but senior to the common stock and to any other capital stock of the Company that we may authorize in the future, other than capital stock that by its terms ranks senior or equal to the preference shares and that is authorized as described below under "Voting." Each series of preference shares will rank equally to each other series of preference shares as to dividends and assets, unless the prospectus supplement relating to a particular series of preference shares states that our board of directors has determined that shares of that series rank junior to the other series of preference shares as to dividends or assets or both.

Subject to the limitations prescribed by law, our board of directors is authorized to determine the voting powers, if any, designations, preferences and relative, participating, optional, conversion and other rights, and the qualifications, limitations or restrictions for each series of preference stock that may be issued and to fix the number of shares of each series.

At September 30, 2004, there were 46,520 shares of $2.12 Convertible Preference Stock outstanding. Each share of our outstanding $2.12 preference stock is entitled to cumulative dividends at the rate of $2.12 per year, can be redeemed at our option, in whole or in part at any time, at a price of $28 per share, plus dividends accrued to the redemption date, and is convertible into 16.53 shares of our common stock, subject to anti-dilution adjustment.

Dividends. Holders of preference shares of each series will be entitled to receive, when and as declared by our board of directors out of funds legally available for the payment of dividends,

cumulative dividends at the rate determined by our board of directors for that series. Dividends on the preference shares will accrue from the date fixed by our board of directors for that series. Because the preference shares rank junior to the preferred shares, unless we have declared and paid in full all dividends payable on all of our outstanding preferred shares for the current period and all prior periods, we will not be allowed to make any dividend payments on the preference shares and we will not be able to redeem or repurchase any preference shares. We will not be allowed to make any dividend payment on any series of preference shares unless at the same time we pay dividends, in the same proportion to the preferential dividend rates, for each other series of preference shares ranking equally with that series. In addition, unless we have paid in full all dividends payable on all of our outstanding preference shares for the current period and all prior periods, we will not be allowed to make any dividend payments on any class of stock that is subordinate to our preference shares and we will not be allowed to redeem or otherwise repurchase any shares of any class of stock which ranks equally with or subordinate to our preference shares.

Accrued and unpaid dividends on the preference shares will not bear interest.

Redemption. The terms, if any, on which preference shares of any series may be redeemed will be determined by our board of directors and described in a prospectus supplement.

If we decide to redeem fewer than all of the outstanding preference shares of any series, our board of directors will determine the method of selecting which shares to redeem.

Conversion or Exchange Rights. The prospectus supplement relating to any series of preference stock that is convertible or exchangeable will state the terms determined by our board of directors upon which shares of that series are convertible into or exchangeable for shares of common stock or another series of preference stock of the Company or securities of any third party.

Liquidation. In the event of our voluntary or involuntary liquidation, before any distribution of assets is made to the holders of any class of shares ranking as to assets subordinate to the preference shares, the holders of the preference shares of each series would be entitled to receive out of our assets available for distribution to our shareholders the preferential amount, in cash, that will be determined by our board of directors for that series when that series is established and an amount equal to all accrued and unpaid dividends on those shares, but the holders of the preference shares would not be entitled to receive the liquidation preference of their shares until the liquidation preference of the preferred shares outstanding at the time had been paid in full. The holders of all series of preference shares would be entitled to share ratably, in accordance with the respective amounts payable on their shares, in any distribution upon liquidation that is not sufficient to pay in full the aggregate amounts payable on those shares, except to the extent that the prospectus supplement relating to a particular series of preference shares states that our board of directors has determined that the shares of that series rank junior to the other series of preference shares as to dividends or assets. After payment in full of the liquidation preference of the preference shares, the holders of those shares would not be entitled to any further participation in any distribution of our assets.

Voting. The preference shares of a series will not be entitled to vote, except as required by applicable law, our certificate of incorporation or provided by resolution of our board of directors creating such series. Unless the prospectus supplement relating to a series of preference shares states that our board of directors has determined otherwise, each share of a series will be entitled to one vote on matters on which holders of that series are entitled to vote. Notwithstanding the foregoing, our certificate of incorporation provides that we may not create, authorize or increase the authorized amount of any class of stock having preference or priority as to dividends or assets over the preference shares without the affirmative vote of the holders of at least two-thirds of the preference shares, irrespective of series. We may not increase the authorized amount of preference stock or of any previously authorized class of stock ranking equally with the preference stock as to dividends or assets, or authorize or create any class of stock ranking equally with the preference stock as to dividends or assets, without the consent of the holders of a majority of the outstanding preference shares, irrespective of series. Whenever dividends on the preference shares are in arrears in an aggregate amount equal to six quarterly dividend periods, then the holders of preference shares, voting as a class, will be entitled to elect two directors.

DESCRIPTION OF COMMON STOCK

The following description of the material terms of our common stock is based on the provisions of our restated certificate of incorporation, as amended. For more information as to how you can obtain a current copy of our restated certificate of incorporation, see "Where You Can Find More Information". As used in this "Description of Common Stock", the "Company" refers to Pitney Bowes Inc., and does not, unless the context otherwise indicates, include our subsidiaries.

Subject to the rights of the holders of any of our preferred stock or preference stock then outstanding, holders of common stock are entitled to one vote per share on matters to be voted on by our stockholders and to receive dividends, if any, when declared from time to time by our board of directors in its discretion out of legally available funds. Upon our liquidation or dissolution, holders of common stock would be entitled to receive proportionately all assets remaining after payment of all liabilities and liquidation preference on any shares of preferred stock or preference stock outstanding at the time. Holders of common stock have no preemptive or other subscription rights, and there are no conversion rights or redemption or sinking fund provisions with respect to common stock. As of September 30, 2004, there were approximately 230,487,529 shares of our common stock outstanding, net of 92,850,383 shares of treasury stock, and approximately 16,503,397 shares reserved for issuance upon exercise of outstanding stock options, our dividend reinvestment and other corporate plans, and conversion of our 4% preferred shares and $2.12 preference shares. All of our outstanding common stock is fully paid and non-assessable, which means that the holders have paid their purchase price in full and we may not ask them for additional funds, and all of the shares of common stock that may be offered with this prospectus will be fully paid and non-assessable when issued.

The transfer agent and registrar for our common stock is Equiserve Trust Company, N.A.

Our common stock is listed on the New York Stock Exchange under the ticker symbol "PBI."

Limitation of Liability and Indemnification Matters

Our certificate of incorporation provides that a director of the Company will not be liable to the Company or our stockholders for monetary damages for breach of fiduciary duty as a director, except in certain cases where liability is mandated by the General Corporation Law of the State of Delaware.

Our certificate of incorporation also provides for indemnification, to the fullest extent permitted by the General Corporation Law of the State of Delaware, of any person made or threatened to be made a party to any action, suit or proceeding by reason of the fact that the person is or was a director or officer of the Company, or, at our request, serves or served as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, against all expense, liability and loss, including attorneys' fees, judgments, fines, Employee Retirement Income Security Act excise taxes or penalties and amounts paid or to be paid in settlement, reasonably incurred or suffered by that person in connection with the action, suit or proceeding. Our certificate of incorporation also provides that, to the extent authorized from time to time by our board of directors, we may provide to our employees and other agents rights of indemnification and to receive payment or reimbursement of expenses, including attorneys' fees, that are similar to the rights conferred by the certificate of incorporation on our directors and officers or persons serving at our request as directors, officers, employees or agents of any other enterprise.

Section 203 of the General Corporation Law of the State of Delaware

Section 203 of the General Corporation Law of the State of Delaware applies to the Company. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested stockholder," as defined in Section 203, for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner. A "business combination" includes a merger, asset sale or a transaction resulting in a financial benefit to the interested stockholder. An "interested

stockholder," as defined in Section 203, is a person who, together with affiliates and associates, owns (or, in certain cases, within the preceding three years, did own) 15% or more of the corporation's outstanding voting stock. Under Section 203, a business combination between the Company and an interested stockholder is prohibited within the three-year period unless it satisfies one of the following conditions:

- before the stockholder became an interested stockholder, the board of directors of the Company must have approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;

- upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the Company outstanding at the time the transaction commenced, excluding, for purposes of determining the number of shares outstanding, shares owned by persons who are directors and also officers and by employee stock plans in which employee participants do no have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

- the business combination is approved by the board of directors of the Company and authorized at an annual or special meeting of the stockholders by the affirmative vote of at least $66^{2}/_{3}\%$ of the outstanding voting stock which is not owned by the interested stockholder.

See also "Certain Anti-Takeover Matters—Vote Required for Certain Business Combinations" for information about provisions in our certificate of incorporation that impose requirements similar to those of Section 203.

Certain Anti-Takeover Matters

Our certificate of incorporation and by-laws include a number of provisions that may have the effect of encouraging persons considering unsolicited tender offers or other unilateral takeover proposals to negotiate with our board of directors rather than pursue non-negotiated takeover attempts. These provisions include:

Vote Required for Certain Business Combinations. Our certificate of incorporation generally requires the affirmative vote of the holders of at least 80% of the voting power of the then outstanding shares of capital stock of the Company entitled to vote generally in the election of directors, which we call "voting stock," voting together as a single class, in addition to any other affirmative vote required by law or the certificate of incorporation, to approve:

- any merger or consolidation of the Company or any of our subsidiaries with an "interested stockholder," as defined in the certificate of incorporation and described below, or any other corporation which is, or after the merger or consolidation would be, an affiliate of an interested stockholder;

- any sale, lease, exchange, mortgage, pledge, transfer or other disposition to or with any interested stockholder or any affiliate of any interested stockholder of any assets of the Company or any of our subsidiaries having an aggregate fair market value of $50,000,000 or more;

- the issuance or transfer by the Company or any of its subsidiaries of any securities of the Company or any of its subsidiaries to any interested stockholder or any affiliate of any interested stockholder in exchange for cash, securities or other property having an aggregate fair market value of $50,000,000 or more;

- the adoption of any plan or proposal for the liquidation or dissolution of the Company proposed by or on behalf of an interested stockholder or any affiliate of any interested stockholder; or

- any reclassification of securities or recapitalization of the Company, or any merger or consolidation of the Company with any of its subsidiaries or any other transaction which has the effect of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of the Company or any of its subsidiaries which is directly or indirectly owned by any interested stockholder or any affiliate of any interested stockholder.

An "interested stockholder" means any person, other than the Company or any of our subsidiaries, who or which:

- beneficially owns, directly or indirectly, more than 20% of the voting power of the outstanding shares of voting stock;

- is an affiliate of the Company and at any time within the two-year period immediately before the date in question beneficially owned, directly or indirectly, 20% or more of the voting power of the then-outstanding voting stock; or

- is the assignee of any shares of voting stock which were at any time within the two-year period immediately before the date in question beneficially owned by an interested stockholder, if the assignment of those shares occurred in the course of a transaction or series of transactions not involving a public offering within the meaning of the Securities Act.

The special voting requirement described above will not apply to a transaction of any of the kinds described above, and that transaction will require only any affirmative vote that is required by law and any other provisions of our certificate of incorporation, if either:

- the transaction is approved by a majority of our "disinterested directors," a term which is defined to mean any director who is unaffiliated with the interested stockholder and was a member of the board of directors before the interested stockholder became an interested stockholder, and any successor of a disinterested director who is unaffiliated with the interested stockholder and is recommended to succeed the disinterested director by a majority of disinterested directors then on the board; or

- all of the following conditions are met:

    - the aggregate amount of the cash, and the fair market value as of the date of consummation of the transaction of consideration other than cash, to be received per share by holders of common stock in the transaction is at least equal to the higher of the following:

        - the highest per share price paid by the interested stockholder for any shares of common stock acquired by it within the two-year period immediately before the first public announcement of the proposal of the transaction, which we call the "announcement date," or in the transaction in which it became an interested stockholder, whichever is higher; and

        - the fair market value per share of common stock on the announcement date or the date on which the interested stockholder became an interested stockholder, whichever is higher;

    - the aggregate amount of the cash, and the fair market value as of the date of consummation of the transaction of consideration other than cash, to be received per share by holders of shares of any other class of outstanding voting stock is at least equal to the highest of the following:

        - the highest per share price paid by the interested stockholder for any shares of that class of voting stock acquired by it within the two-year period immediately before the announcement date or in the transaction in which it became an interested stockholder, whichever is higher;

- the highest preferential amount per share to which the holders of shares of that class of voting stock are entitled upon any voluntary or involuntary liquidation, dissolution or winding up of the Company; and

- the fair market value per share of that class of voting stock on the announcement date or the date on which the interested stockholder became an interested stockholder, whichever is higher;

- the consideration to be received by holders of a particular class of outstanding voting stock will be in cash or in the same form as the interested stockholder has previously paid for shares of that class of voting stock; if the interested stockholder has paid for shares of any class of voting stock with varying forms of consideration, the consideration for that class will be either cash or the form used to acquire the largest number of shares of that class previously acquired by it;

- after the interested stockholder has become an interested stockholder and before the consummation of the transaction:

  - except as approved by a majority of the disinterested directors, the Company has not failed to declare and pay at the regular date any full quarterly dividends on the outstanding preferred stock or preference stock;

  - except as approved by a majority of the disinterested directors, the Company has not reduced the annual rate of dividends on the common stock or failed to increase that rate to reflect any reclassification of the outstanding shares of common stock, including any reverse stock split; and the interested stockholder has not become the beneficial owner of any additional shares of voting stock except as part of the transaction which results in the interested stockholder becoming an interested stockholder;

  - after the interested stockholder has become an interested stockholder, the interested stockholder has not received the benefit, except proportionately as a stockholder, of any loans, advances, guarantees, pledges or other financial assistance or any tax credits or other tax advantages provided by the Company; and

  - a proxy or information statement describing the proposed transaction and complying with the requirements of the Exchange Act and the rules and regulations under the Exchange Act has been mailed to our public stockholders at least 30 days before the consummation of the transaction, whether or not the proxy or information statement is required to be mailed under the Exchange Act.

Classified Board of Directors. Our certificate of incorporation provides for a board of directors divided into three classes, with one class to be elected each year to serve for a three-year term. As a result, at least two annual meetings of our stockholders may be required for the stockholders to change a majority of our board of directors. In addition, stockholders can only remove directors, with or without cause, by the affirmative vote of the holders of at least 80% of the outstanding shares of voting stock, voting together as a single class. Except to the extent that the holders of preferred stock and preference stock have the right to fill vacancies on the board of directors in some circumstances, vacancies on our board of directors may be filled only by our board of directors. The classification of directors and the inability of stockholders to remove directors without the vote of at least 80% of the outstanding shares of voting stock or to fill vacancies on the board of directors make it more difficult to change the composition of our board of directors, but promote a continuity of existing management.

Advance Notice Requirements. Our by-laws establish advance notice procedures with regard to stockholder proposals relating to the nomination of candidates for election as directors or other business to be brought before meetings of our stockholders. These procedures provide that notice of stockholder proposals of these kinds must be timely given in writing to the Secretary of the Company before the meeting at which the action is to be taken. Generally, to be timely, notice of stockholder

proposals other than nomination of director candidates must be received at the principal executive offices of the Company not less than 90 days before an annual meeting at which the proposals are to be presented, and notice of stockholder nominations of director candidates to be presented at an annual or special meeting must be received not later than 90 days before the annual meeting or the close of business on the seventh day following the date on which notice of the special meeting is first given to stockholders, as applicable. The notice must contain certain information specified in the by-laws.

No Ability of Stockholders to Call Special Meetings. Our certificate of incorporation and by-laws deny stockholders the right to call a special meeting of stockholders, except to the extent that holders of preferred stock or preference stock have the right to call a special meeting in some circumstances. Our certificate of incorporation and by-laws provide that, except to that extent, only the board of directors may call special meetings of the stockholders.

No Written Consent of Stockholders. Our certificate of incorporation requires all stockholder actions to be taken by a vote of the stockholders at an annual or special meeting, and does not permit our stockholders to act by written consent without a meeting.

Amendment of By-Laws and Certificate of Incorporation. Our certificate of incorporation requires the approval of not less than 80% of the voting power of all outstanding shares of voting stock, voting as a single class, to amend any of the provisions of the certificate of incorporation relating to our classified board of directors, stockholder action by written consent, business combinations or amendment of our by-laws. In addition, our certificate of incorporation requires the approval of not less than 80% of the voting power of all outstanding shares of voting stock, voting as a single class, to amend provisions of the by-laws relating to quorum and voting requirements at stockholders meeting, our classified board of directors, stockholder nominations of director candidates, filling vacancies and newly created directorships on the board of directors, removal of directors and notification of nominations to the board of directors.

These provisions make it more difficult to dilute the anti-takeover effects of our certificate of incorporation and our by-laws.

Blank Check Preferred and Preference Stock. Our certificate of incorporation provides for 600,000 authorized shares of preferred stock and 5,000,000 authorized shares of preference stock. The existence of authorized but unissued shares of preferred and preference stock may enable the board of directors to render more difficult or to discourage an attempt to obtain control of the Company by means of a merger, tender offer, proxy contest or otherwise. For example, if in the due exercise of its fiduciary obligations, the board of directors were to determine that a takeover proposal is not in the best interests of the Company, the board of directors could cause shares of preferred or preference stock to be issued without stockholder approval in one or more private offerings or other transactions that might dilute the voting or other rights of the proposed acquiror or insurgent stockholder or stockholder group. In this regard, the certificate of incorporation grants our board of directors broad power to establish the rights and preferences of authorized and unissued shares of preferred and preference stock. The issuance of shares of preferred or preference stock could decrease the amount of earnings and assets available for distribution to holders of shares of common stock. The issuance may also adversely affect the rights and powers, including voting rights, of those holders and may have the effect of delaying, deterring or preventing a change in control of the Company.

DESCRIPTION OF PURCHASE CONTRACTS

We may issue purchase contracts for the purchase or sale of our debt securities or equity securities or securities of third parties including any of our affiliates, a basket of such securities, an index or indices of such securities or any combination of the above as specified in the applicable prospectus supplement.

We may issue purchase contracts obligating holders to purchase from us, and obligating us to sell to holders, at a future date, a specified or varying number of securities at a purchase price, which may be based on a formula. Alternatively, we may issue purchase contracts obligating us to purchase from holders, and obligating holders to sell to us, at a future date, a specified or varying number of securities at a purchase price, which may be based on a formula. We may satisfy our obligations, if any, with respect to any purchase contract by delivering the subject securities or by delivering the cash value of such purchase contract or the cash value of the property otherwise deliverable, as set forth in the applicable prospectus supplement. The applicable prospectus supplement will specify the methods by which the holders may purchase or sell such securities and any acceleration, cancellation or termination provisions or other provisions relating to the settlement of a purchase contract. The purchase contracts may be entered into separately or as a part of units.

The purchase contracts may require us to make periodic payments to the holders thereof or vice versa, and these payments may be unsecured or prefunded and may be paid on a current or deferred basis. The purchase contracts may require holders thereof to secure their obligations under the contracts in a specified manner to be described in the applicable prospectus supplement. Alternatively, purchase contracts may require holders to satisfy their obligations thereunder when the purchase contracts are issued as described in the applicable prospectus supplement.

DESCRIPTION OF DEPOSITARY SHARES

We may, at our option, elect to offer fractional shares of preferred stock or preference stock, rather than full shares of preferred stock or preference stock. If we exercise this option, we will issue to the public receipts for depositary shares, and each of these depositary shares will represent a fraction, to be set forth in the applicable prospectus supplement, of a share of a particular series of preferred stock or preference stock.

The shares of any series of preferred stock or preference stock underlying the depositary shares will be deposited under a deposit agreement between us and a bank or trust company selected by us. The depositary will have its principal office in the United States and a combined capital and surplus of at least $50,000,000. Subject to the terms of the deposit agreement, each owner of a depositary share will be entitled, in proportion to the applicable fraction of a share of preferred stock or preference stock underlying the depositary share, to all the rights and preferences of the preferred stock or preference stock underlying that depositary share. Those rights may include dividend, voting, redemption, conversion and liquidation rights.

The depositary shares will be evidenced by depositary receipts issued under a deposit agreement. Depositary receipts will be distributed to those persons purchasing the fractional shares of preferred stock or preference stock underlying the depositary shares, in accordance with the terms of the offering. The following description of the material terms of the deposit agreement, the depositary shares and the depositary receipts is only a summary and you should refer to the forms of the deposit agreement and depositary receipts that will be filed with the SEC in connection with the offering of the specific depositary shares.

Pending the preparation of definitive engraved depositary receipts, the depositary, upon our written order, may issue temporary depositary receipts substantially identical to the definitive depositary receipts but not in definitive form. These temporary depositary receipts would entitle their holders to all the rights of definitive depositary receipts. Temporary depositary receipts would be exchangeable for definitive depositary receipts at our expense.

Dividends and Other Distributions. The depositary will distribute all cash dividends or other cash distributions received with respect to the underlying stock to the record holders of depositary shares in proportion to the number of depositary shares owned by those holders.

If there is a distribution other than in cash, the depositary would distribute property received by it to the record holders of depositary shares that are entitled to receive the distribution, unless the depositary determines that it is not feasible to make the distribution. If this occurs, the depositary, with our approval, would sell the property and distribute the net proceeds from the sale to the applicable holders.

Withdrawal of Underlying Preferred or Preference Stock. Unless we say otherwise in a prospectus supplement, holders may surrender depositary receipts at the principal office of the depositary and, upon payment of any unpaid amount due to the depositary, would be entitled to receive the number of whole shares of underlying preferred or preference stock and all money and other property represented by the related depositary shares. We will not issue any partial shares of preferred or preference stock. If the holder delivers depositary receipts evidencing a number of depositary shares that represent more than a whole number of shares of preferred or preference stock, the depositary will issue a new depositary receipt evidencing the excess number of depositary shares to that holder.

Redemption of Depositary Shares. If a series of preferred stock or preference stock represented by depositary shares is subject to redemption, the depositary shares would be redeemed from the proceeds received by the depositary resulting from the redemption, in whole or in part, of that series of underlying stock held by the depositary. The redemption price per depositary share would be equal to

the applicable fraction of the redemption price per share payable with respect to that series of underlying stock. Whenever we redeem shares of underlying stock that are held by the depositary, the depositary will redeem, as of the same redemption date, the number of depositary shares representing the shares of underlying stock so redeemed. If fewer than all the depositary shares are to be redeemed, the depositary shares to be redeemed will be selected by lot or proportionately, as may be determined by the depositary.

Voting. Upon receipt of notice of any meeting at which the holders of the underlying stock are entitled to vote, the depositary will mail the information contained in the notice to the record holders of the depositary shares underlying the preferred stock or preference stock. Each record holder of the depositary shares on the record date, which will be the same date as the record date for the underlying stock, will be entitled to instruct the depositary as to the exercise of the voting rights pertaining to the amount of the underlying stock represented by that holder's depositary shares. The depositary will then try, as far as practicable, to vote the number of shares of preferred stock or preference stock underlying those depositary shares in accordance with those instructions, and we will agree to take all actions which may be deemed necessary by the depositary to enable the depositary to do so. The depositary will not vote the underlying shares to the extent it does not receive specific instructions from the holders of depositary shares underlying the preferred stock or preference stock.

Conversion of Preferred or Preference Stock. If the prospectus supplement relating to the depositary shares says that the deposited preferred or preference stock is convertible into or exchangeable for common stock or preferred or preference stock of another series of Pitney Bowes or securities of any third party, the following will apply. The depositary shares, as such, will not be convertible into or exchangeable for any securities of Pitney Bowes or any third party. Rather, any holder of the depositary shares may surrender the related depositary receipts to the depositary with written instructions to instruct us to cause conversion or exchange of the preferred or preference stock represented by the depositary shares into or for whole shares of common stock or shares of another series of preferred or preference stock of Pitney Bowes or securities of the relevant third party, as applicable. Upon receipt of those instructions and any amounts payable by the holder in connection with the conversion or exchange, we will cause the conversion or exchange using the same procedures as those provided for conversion or exchange of the deposited preferred or preference stock. If only some of the depositary shares are to be converted or exchanged, a new depositary receipt or receipts will be issued for any depositary shares not to be converted or exchanged.

Amendment and Termination of the Depositary Agreement. The form of depositary receipt evidencing the depositary shares and any provision of the deposit agreement may be amended at any time by agreement between us and the depositary. However, any amendment which materially and adversely alters the rights of the holders of depositary shares will not be effective unless the amendment has been approved by the holders of at least a majority of the depositary shares then outstanding. The deposit agreement may be terminated by us or by the depositary only if all outstanding depositary shares have been redeemed or converted or exchanged for any other securities into which the underlying preferred or preference stock is convertible or exchangeable or there has been a final distribution of the underlying stock in connection with our liquidation, dissolution or winding up and the underlying stock has been distributed to the holders of depositary receipts.

Charges of Depositary. We will pay all transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements. We will also pay charges of the depositary in connection with the initial deposit of the underlying stock and any redemption of the underlying stock. Holders of depositary receipts will pay other transfer and other taxes and governmental charges and those other charges, including a fee for any permitted withdrawal of shares of underlying stock upon surrender of depositary receipts, as are expressly provided in the deposit agreement to be for their accounts.

Reports. The depositary will forward to holders of depositary receipts all reports and communications from us that we deliver to the depositary and that we are required to furnish to the holders of the underlying stock.

Limitation on Liability. Neither we nor the depositary will be liable if either of us is prevented or delayed by law or any circumstance beyond our control in performing our respective obligations under the deposit agreement. Our obligations and those of the depositary will be limited to performance in good faith of our respective duties under the deposit agreement. Neither we nor the depositary will be obligated to prosecute or defend any legal proceeding in respect of any depositary shares or underlying stock unless satisfactory indemnity is furnished. We and the depositary may rely upon written advice of counsel or accountants, or upon information provided by persons presenting underlying stock for deposit, holders of depositary receipts or other persons believed to be competent and on documents believed to be genuine.

Resignation and Removal of Depositary. The depositary may resign at any time by delivering notice to us of its election to resign. We may remove the depositary at any time. Any resignation or removal will take effect upon the appointment of a successor depositary and its acceptance of the appointment. The successor depositary must be appointed within 60 days after delivery of the notice of resignation or removal and must be a bank or trust company having its principal office in the United States and having a combined capital and surplus of at least $50,000,000.

DESCRIPTION OF WARRANTS

We may issue warrants for the purchase of debt securities, equity securities or securities of third parties, including any of our affiliates, or other rights to receive payment in cash or securities based on the value, rate or price of one or more specified securities. We may offer warrants separately or together with any other securities in the form of units, as described in the applicable prospectus supplement. Each series of warrants will be issued under a separate warrant agreement to be entered into between us and a bank or trust company, as warrant agent.

The terms of any warrants to be issued and a description of the material provisions of the applicable warrant agreement will be set forth in a prospectus supplement.

Warrants

The prospectus supplement will describe the terms of any warrants being offered, including:

- the title and the aggregate number of warrants;
- the price or prices at which the warrants will be issued;
- the currency or currencies in which the price of the warrants will be payable;
- the securities or other rights, including rights to receive payment in cash or securities based on the value, rate or price of one or more specified securities purchasable upon exercise of the warrants;
- the price at which, and the currency or currencies in which, the securities or other rights purchasable upon exercise of such warrants may be purchased;
- the periods during which, and places at which, the warrants are exercisable;
- the date or dates on which the warrants shall commence and the date or dates on which the warrants will expire;
- the terms of any mandatory or optional call provisions;
- the price or prices, if any, at which the warrants may be redeemed at the option of the holder or will be redeemed upon expiration;
- whether the warrants will be sold separately or with other securities as part of a unit;
- if applicable, the designation and terms of the securities with which the warrants are issued and the number of warrants issued with each such security;
- if applicable, the date on and after which the warrants and the related securities will be separately transferable;
- any provisions for the adjustment of the number or amount of securities receivable upon exercise of warrants;
- the identity of the warrant agent;
- the exchanges, if any, on which the warrants may be listed;
- the maximum or minimum number of warrants which may be exercised at any time;
- if applicable, a discussion of any material United States federal income tax considerations;
- whether the warrants shall be issued in book-entry form; and
- any other terms of the warrants, including terms, procedures and limitations relating to the exchange and exercise of the warrants.

We will issue warrants under one or more warrant agreements to be entered into between us and a bank or trust company, as warrant agent, in one or more series, which will be described in a prospectus supplement for the warrants. The following summaries of significant provisions of the warrant agreements are not intended to be comprehensive and you should review the detailed provisions of the relevant warrant agreement to be filed with the SEC in connection with the offering of specific warrants for a full description and for other information regarding the warrants.

Significant Provisions of the Warrant Agreements

The following terms and conditions of the warrant agreement will apply to each warrant, unless otherwise specified in the applicable prospectus supplement:

Modifications without Consent of Warrant Holders. We and the warrant agent may amend the terms of the warrants and the warrant certificates without the consent of the holders to:

- cure any ambiguity;
- cure, correct or supplement any defective or inconsistent provision;
- amend the terms in any other manner which we may deem necessary or desirable and which will not adversely affect the interests of the affected holders in any material respect; or
- reduce the exercise price of the warrants.

Modifications with Consent of Warrant Holders. We and the warrant agent, with the consent of the holders of not less than a majority in number of the then outstanding unexercised warrants affected, may modify or amend the warrant agreements. However, we and the warrant agent may not make any of the following modifications or amendments without the consent of each affected warrant holder:

- increase the exercise price of the warrants;
- reduce the amount or number receivable upon exercise, cancellation or expiration of the warrants other than in accordance with the antidilution provisions or other similar adjustment provisions included in the terms of the warrants;
- shorten the period of time during which the warrants may be exercised;
- materially and adversely affect the rights of the owners of the warrants; or
- reduce the percentage of outstanding warrants the consent of whose owners is required for the modification of the applicable warrant agreement.

Consolidation, Merger or Sale of Assets. If at any time we merge or consolidate or transfer substantially all of our assets, the successor corporation will succeed to and assume all of our obligations under each warrant agreement and the warrant certificates. We will then be relieved of any further obligation under the warrant agreements and the warrants issued thereunder. See "Description of the Debt Securities—Merger."

Enforceability of Rights of Warrant Holders. The warrant agents will act solely as our agents in connection with the warrant certificates and will not assume any obligation or relationship of agency or trust for or with any holders of warrant certificates or beneficial owners of warrants. Any holder of warrant certificates and any beneficial owner of warrants, without the consent of any other person, may enforce by appropriate legal action, on its own behalf, its right to exercise the warrants evidenced by the warrant certificates in the manner provided for in that series of warrants or pursuant to the applicable warrant agreement. No holder of any warrant certificate or beneficial owner of any warrants will be entitled to any of the rights of a holder of the debt securities or any other securities, including common stock, preference stock or preferred stock, or any other warrant property purchasable upon

exercise of the warrants, including the right to receive dividends, if any, or interest on any securities, the right to receive payments on debt securities or any other warrant property or to enforce any of the covenants or rights in the relevant indenture or any other similar agreement.

Registration and Transfer of Warrants. Subject to the terms of the applicable warrant agreement, warrants in registered definitive form may be presented for exchange and for registration of transfer at the corporate trust office of the warrant agent for that series of warrants or at any other office indicated in the prospectus supplement relating to that series of warrants, without service charge. However, the holder will be required to pay any taxes and other governmental charges as described in the warrant agreement. The registration of transfer or exchange will be effected only if the warrant agent for the series of warrants is satisfied with the documents of title and identity of the person making the request.

New York Law to Govern. The warrants and each warrant agreement will be governed by, and construed in accordance with, the laws of the State of New York.

DESCRIPTION OF UNITS

We may issue units consisting of one or more debt securities or other securities, including common stock, preference stock, preferred stock, purchase contracts, depositary shares, warrants or any combination thereof, as described in a prospectus supplement.

The applicable prospectus supplement will describe:

- the designation and the terms of the units and of the debt securities, preferred stock, preference stock, common stock, purchase contracts, depositary shares and warrants constituting the units, including whether and under what circumstances the securities comprising the units may be traded separately;
- any additional terms of the governing unit agreement;
- any additional provisions for the issuance, payment, settlement, transfer or exchange of the units or of the debt securities, preferred stock, preference stock, common stock, purchase contracts, depositary shares or warrants constituting the units; and
- any applicable United States federal income tax consequences.

The terms and conditions described under "Description of the Debt Securities," "Description of Preferred Stock and Preference Stock," "Description of Common Stock," "Description of Purchase Contracts," "Description of Depositary Shares," "Description of Warrants" and those described under "Significant Provisions of the Unit Agreement" will apply to each unit and to any debt security, preferred stock, preference stock, common stock, purchase contract, depositary share or warrant included in each unit, respectively, unless otherwise specified in the applicable prospectus supplement.

We will issue the units under one or more unit agreements, each referred to as a unit agreement, to be entered into between us and a bank or trust company, as unit agent. We may issue units in one or more series, which will be described in a prospectus supplement. The following descriptions of material provisions and terms of the unit agreement and units are not complete, and you should review the detailed provisions of the unit agreement to be filed with the SEC in connection with the offering of specific units for a full description, including the definition of some of the terms used in this prospectus and for other information regarding the units.

Significant Provisions of the Unit Agreement

The following terms and conditions of the unit agreement will apply to each unit and to any debt security, preferred stock, preference stock, common stock, purchase contract, depositary share or warrant included in each unit, respectively, unless otherwise specified in the applicable prospectus supplement:

Obligations of Unit Holder. Under the terms of the unit agreement, each owner of a unit will consent to and agree to be bound by the terms of the unit agreement.

Assumption of Obligations by Transferee. Upon the registration of transfer of a unit, the transferee will assume the obligations, if any, of the transferor under any security constituting that unit, and the transferor will be released from those obligations. Under the unit agreement, we consent to the transfer of these obligations to the transferee, to the assumption of these obligations by the transferee and to the release of the transferor, if the transfer is made in accordance with the provisions of the unit agreement.

Remedies. Upon the acceleration of the debt securities constituting any units, our obligations also may be accelerated upon the request of the owners of not less than 25% of the affected units, on behalf of all the owners.

Limitation on Actions by You as an Individual Holder. No owner of any unit will have any right under the unit agreement to institute any action or proceeding at law or in equity or in bankruptcy or otherwise regarding the unit agreement, or for the appointment of a trustee, receiver, liquidator, custodian or other similar official, unless the owner has given written notice to the unit agent and to us of the occurrence and continuance of a default thereunder and in the case of an event of default under the debt securities or the relevant indenture, unless the procedures, including notice to us and the trustee, described in the applicable indenture have been complied with.

If these conditions have been satisfied, any owner of an affected unit may then, but only then, institute an action or proceeding.

Absence of Protections against All Potential Actions. There are no covenants or other provisions in the unit agreement providing for a put right or increased interest or otherwise that would afford holders of units additional protection in the event of a recapitalization transaction, a change of control or a highly leveraged transaction.

Modification without Consent of Holders. We and the unit agent may amend the unit agreement without the consent of the holders to:

- cure any ambiguity;
- correct or supplement any defective or inconsistent provision; or
- amend the terms in any other manner which we may deem necessary or desirable and which will not adversely affect the interests of the affected holders in any material respect.

Modification with Consent of Holders. We and the unit agent, with the consent of the holders of not less than a majority of all series of outstanding units affected, voting as one class, may modify the rights of the holders of the units of each series so affected. However, we and the unit agent may not make any of the following modifications without the consent of the holder of each outstanding unit affected by the modification:

- materially and adversely affect the holders' units or the terms of the unit agreement; or
- reduce the percentage of outstanding units the consent of whose owners is required for the modification of the provisions of the unit agreement.

Modifications of any debt securities included in units may be made only in accordance with the applicable indenture, as described under "Description of the Debt Securities—Modification of the Indentures."

Consolidation, Merger or Sale of Assets. The unit agreement provides that we may not consolidate or combine with or merge with or into or, directly or indirectly, sell, assign, convey, lease, transfer or otherwise dispose of all or substantially all of our properties and assets to any person or persons in a single transaction or through a series of transactions, unless:

- we shall be the continuing person or, if we are not the continuing person, the resulting, surviving or transferee person (the "surviving entity") is a company organized and existing under the laws of the United States or any State or territory;
- the surviving entity expressly assumes all of our obligations under the debt securities and each indenture, and will, if required by law to effectuate the assumption, execute supplemental indentures which will be delivered to the unit agents and will be in form and substance reasonably satisfactory to the trustees;
- immediately after giving effect to such transaction or series of transactions on a pro forma basis, no default has occurred and is continuing; and

- we or the surviving entity have delivered to the unit agents an officers' certificate and opinion of counsel stating that the transaction or series of transactions and a supplemental indenture, if any, complies with this covenant and that all conditions precedent in the applicable indenture relating to the transaction or series of transactions have been satisfied.

If any consolidation or merger or any sale, assignment, conveyance, lease, transfer or other disposition of all or substantially all of our assets occurs in accordance with the indentures, the successor corporation will succeed to and be substituted for us, and may exercise our rights and powers, under the indentures with the same effect as if such successor corporation had been named as us.

Unit Agreement Not Qualified under Trust Indenture Act. The unit agreement will not be qualified as an indenture under, and the unit agent will not be required to qualify as a trustee under, the Trust Indenture Act. Accordingly, the holders of units will not have the benefits of the protections of the Trust Indenture Act. However, any debt securities issued as part of a unit will be issued under an indenture qualified under the Trust Indenture Act, and the trustee under that indenture will be qualified as a trustee under the Trust Indenture Act.

Title. We, the unit agent, the trustees, the warrant agent and any of their agents will treat the registered owner of any unit as its owner, notwithstanding any notice to the contrary, for all purposes.

New York Law to Govern. The unit agreement, the units and the purchase contracts constituting part of the units will be governed by, and construed in accordance with, the laws of the State of New York.

Transfer Agent and Registrar

Equiserve Trust Company, N.A. is the transfer agent and registrar for our common stock. We will designate the transfer agent for each series of preferred stock in the applicable prospectus supplement.

PLAN OF DISTRIBUTION

We may offer and sell the securities described in this prospectus:

- through agents;
- through remarketing firms;
- through one or more underwriters or dealers;
- through a block trade in which the broker or dealer engaged to handle the block trade will attempt to sell the securities as agent, but may position and resell a portion of the block as principal to facilitate the transaction;
- directly to one or more purchasers (through a specific bidding or auction process or otherwise);
- in "at the market offerings," within the meaning of Rule 415(a)(4) of the Securities Act;
- through a combination of any of these methods of sale; or
- at a fixed exchange ratio in return for other of our securities.

The distribution of the securities described in this prospectus may be effected from time to time in one or more transactions either:

- at a fixed price or prices, which may be changed;
- at market prices prevailing at the time of sale;
- at prices relating to the prevailing market prices; or
- at negotiated prices.

Offers to purchase the securities may be solicited by agents designated by us from time to time. Any agent involved in the offer or sale of the securities will be named, and any commissions payable by us to the agent will be described, in the applicable prospectus supplement. Unless otherwise indicated in the applicable prospectus supplement, any such agent will be acting on a best efforts basis for the period of its appointment. Any agent may be deemed to be an underwriter, as that term is defined in the Securities Act, of the securities so offered and sold.

We may use a remarketing firm to offer to sell the securities in connection with a remarketing arrangement upon their purchase. Remarketing firms will act as principals for their own account or as agents for us. These remarketing firms will offer or sell the securities pursuant to the terms of the securities. A prospectus supplement will identify any remarketing firm and the terms of its agreement, if any, with us and will describe the remarketing firm's compensation. Remarketing firms may be deemed to be underwriters in connection with the securities they remarket.

If we offer and sell securities through an underwriter or underwriters, we will execute an underwriting agreement with the underwriter or underwriters. The names of the specific managing underwriter or underwriters, as well as any other underwriters, and the terms of the transactions, including compensation of the underwriters and dealers, which may be in the form of discounts, concessions or commissions, if any, will be described in the applicable prospectus supplement, which will be used by the underwriters to make resales of the securities. The maximum compensation we will pay to underwriters in connection with any offering of securities will not exceed 8% of the maximum proceeds of such offering.

If we offer and sell securities through a dealer, we or an underwriter will sell the securities to the dealer, as principal. The dealer may then resell the securities to the public at varying prices to be determined by the dealer at the time of resale. The name of the dealer and the terms of the transactions will be set forth in the applicable prospectus supplement.

We may solicit offers to purchase the securities directly and we may sell the securities directly to institutional or other investors. The terms of these sales, including the terms of any bidding or auction process, if utilized, will be described in the applicable prospectus supplement. We may enter into agreements with agents, underwriters and dealers under which we may agree to indemnify the agents, underwriters and dealers against certain liabilities, including liabilities under the Securities Act, or to contribute to payments they may be required to make with respect to these liabilities. The terms and conditions of this indemnification or contribution will be described in the applicable prospectus supplement. Some of the agents, underwriters or dealers, or their affiliates, may be customers of, engage in transactions with or perform services for us in the ordinary course of business.

We may grant underwriters who participate in the distribution of securities an option to purchase additional securities to cover over-allotments, if any, in connection with the distribution.

We may authorize our agents or underwriters to solicit offers to purchase securities at the public offering price under delayed delivery contracts. The terms of these delayed delivery contracts, including when payment for and delivery of the securities sold will be made under the contracts and any conditions to each party's performance set forth in the contracts, will be described in the applicable prospectus supplement. The compensation received by underwriters or agents soliciting purchases of securities under delayed delivery contracts will be described in the applicable prospectus supplement.

Unless indicated in the applicable prospectus supplement, all debt securities, depositary shares and preferred stock will be new issues of securities with no established trading market. Unless indicated in the applicable prospectus supplement, we do not expect to list the securities on a securities exchange, except for the common stock, which is listed on the New York Stock Exchange. Underwriters involved in the public offering and sale of these securities may make a market in the securities. They are not obligated to make a market, however, and may discontinue market making activity at any time. We cannot give any assurance as to the liquidity of the trading market for any of these securities.

Derivatives and Hedging Transactions

We may enter into derivative or other hedging transactions with financial institutions. These financial institutions in turn may engage in sales of common stock to hedge their position, deliver this prospectus in connection with some or all of those sales and use the shares covered by this prospectus to close out any short position created in connection with those sales. We may sell shares of common stock short using this prospectus and deliver common stock covered by this prospectus to close out such short positions, or loan or pledge common stock to financial institutions that in turn may sell the shares of common stock using this prospectus. We may pledge or grant a security interest in some or all of the common stock covered by this prospectus to support a derivative or hedging position or other obligation and, if we default in the performance of our obligations, the pledgees or secured parties may offer and sell the common stock from time to time pursuant to this prospectus.

Through the Internet or Bidding or Ordering System

We may offer securities directly to the public, with or without the involvement of agents, underwriters or dealers and may utilize the Internet or another electronic bidding or ordering system for the pricing and allocation of such securities. Such a system may allow bidders to directly participate, through electronic access to an auction site, by submitting conditional offers to buy that are subject to acceptance by us, and which may affect the price or other terms at which such securities are sold.

The final offering price at which securities would be sold, and the allocation of securities among bidders, would be based in whole or in part on the results of the Internet bidding process or auction. Many variations of the Internet auction or pricing and allocating systems are likely to be developed in the future, and we may utilize such systems in connection with the sale of securities. We will describe in a supplement to this prospectus how any auction or bidding process will be conducted to determine the price or any other terms of the securities, how potential investors may participate in the process and, where applicable, the nature of the underwriters' obligations with respect to the auction or ordering system.

LEGAL MATTERS

The legality of the securities offered by this prospectus will be passed upon for us by Gibson, Dunn & Crutcher LLP, New York, NY. If legal matters in connection with offerings made by this prospectus are passed on by other counsel for us or by counsel for the underwriters of an offering of the securities, that counsel will be named in the applicable prospectus supplement.

EXPERTS

The consolidated financial statements and schedules incorporated in this prospectus by reference from our annual report on Form 10-K for the fiscal year ended December 31, 2003 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given their authority as experts in auditing and accounting.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution

The following table sets forth all expenses payable by us in connection with the offering of the securities being registered, other than discounts and commissions.

Securities and Exchange Commission registration fee	$	316,750
Printing expenses*	$	100,000
Legal fees and expenses*	$	100,000
Accounting fees and expenses*	$	50,000
Transfer Agent fees and expenses*	$	25,000
Rating Agency fees*	$	25,000
Trustee's and Depositary's fees and expenses*	$	25,000
Miscellaneous*	$	8,250
Total	$	650,000

* Estimated.

Item 15. Indemnification of Directors and Officers

Section 145 of the Delaware General Corporation Law allows for indemnification of any person who has been made, or threatened to be made, a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he or she is or was serving as a director, officer, employee or agent of the registrant or by reason of the fact that he or she is or was serving at the request of the registrant as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise. In certain circumstances, indemnity may be provided against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement if the person acted in good faith and in the manner reasonably believed by him to be in, or not opposed to, the best interests of the registrant and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. In any proceeding by or in the right of the registrant, no indemnification may be made if the person is found to be liable to the corporation, unless and only to the extent the court in which the proceeding is brought or the Delaware Court of Chancery orders such indemnification.

Section 102(b)(7) of the Delaware General Corporation Law provides that a certificate of incorporation may contain a provision eliminating or limiting the personal liability of a director to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director provided that such provision shall not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 (relating to liability for unauthorized acquisitions or redemptions of, or dividends on, capital stock) of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived an improper personal benefit. The Company's Restated Certificate of Incorporation includes a provision limiting such liability.

The Restated Certificate of Incorporation of the Company provides that each person who was or is made a party to or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer of the

Company or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the Company to the fullest extent authorized by the Delaware General Corporation Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than said law permitted the Company to provide prior to such amendment), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith and such indemnification shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators. Such right to indemnification is a contract right and includes the right to be paid by the Company the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that, if the Delaware General Corporation Law requires, the payment of such expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such person while a director or officer, including, without limitation, service to an employee benefit plan) in advance of the final disposition of a proceeding, shall be made only upon delivery to the Company of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to such indemnity.

The foregoing statements are specifically made subject to the detailed provisions of the Delaware General Corporation Law and the Restated Certificate of Incorporation of the Company.

The Company has a directors and officers liability insurance policy that will reimburse the Company for any payments that it shall make to directors and officers pursuant to law or the indemnification provisions of its Restated Certificate of Incorporation and that will, subject to certain exclusions contained in the policy, further pay any other costs, charges and expenses and settlements and judgments arising from any proceeding involving any director or officer of the Company in his or her past or present capacity as such, and for which he may be liable, except as to any liabilities arising from acts that are deemed to be uninsurable.

The provisions contained in the Underwriting Agreements and Distribution Agreement pursuant to which the Company agrees to indemnify underwriters and agents, as the case may be, and each person, if any, who controls any underwriters or agents and filed or to be filed as part of Exhibits 1(a), 1(b), 1(c) and 1(d), are incorporated herein by reference.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Company pursuant to the foregoing provisions, the Company has been informed that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

Item 16. Exhibits

A list of exhibits included as part of this Registration Statement is set forth in the Exhibit Index which immediately precedes such exhibits and is incorporated herein by reference.

Item 17. Undertakings

The undersigned registrant hereby undertakes:

(A)(1) 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:

(a) to include any prospectus required by Section 10(a)(3) of the Securities Act;

(b) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(c) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, *however*, that undertakings set forth in paragraphs (A)(1)(a) and (A)(1)(b) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Securities and Exchange Commission by the registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in the registration statement.

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

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

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

(C) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described in Item 15 hereof, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities 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 counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such

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

(D) that, for purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or Rule 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(E) that, for purposes of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus 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.

SIGNATURES

Pursuant to the requirements of the Securities Act, the Registrant certifies that it has reasonable grounds to believe that it meets all 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 Stamford and the State of Connecticut on the 15th day of November, 2004.

PITNEY BOWES INC.

By: /s/ BRUCE P. NOLOP

Bruce P. Nolop
Executive Vice President and
Chief Financial Officer

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints, jointly and severally, Michael J. Critelli, Bruce P. Nolop and Joseph R. Catapano, and each one of them, as his or her true and lawful attorneys-in-fact and agents, each with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to sign any registration statement for the same offering covered by this registration statement that is to be effective upon filing pursuant to Rule 462(b) promulgated under the Securities Act, and all post-effective amendments thereto, and to file the same, with all exhibits thereto and all documents in connection therewith, with the Securities and Exchange Commission, and granting unto each of said attorneys-in-fact and agents, and substitute or substitutes, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, and hereby ratifying and confirming all things that each of said attorneys-in-fact and agents or any of them, or his, her or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

This Power of Attorney may be executed in multiple counterparts, each of which shall be deemed an original, but which taken together shall constitute an instrument.

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

Signature	Title	Date
/s/ MICHAEL J. CRITELLI Michael J. Critelli	Chairman and Chief Executive Officer—Director	November 15, 2004
/s/ BRUCE P. NOLOP Bruce P. Nolop	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	November 15, 2004
/s/ JOSEPH R. CATAPANO Joseph R. Catapano	Controller (Principal Accounting Officer)	November 15, 2004
/s/ LINDA G. ALVARADO Linda G. Alvarado	Director	November 15, 2004
/s/ COLIN G. CAMPBELL Colin G. Campbell	Director	November 15, 2004
/s/ JESSICA P. EINHORN Jessica P. Einhorn	Director	November 15, 2004
/s/ ERNIE GREEN Ernie Green	Director	November 15, 2004
/s/ HERBERT L. HENKEL Herbert L. Henkel	Director	November 15, 2004
/s/ JAMES H. KEYES James H. Keyes	Director	November 15, 2004
/s/ JOHN S. MCFARLANE John S. McFarlane	Director	November 15, 2004
/s/ EDUARDO R. MENASCÉ Eduardo R. Menascé	Director	November 15, 2004
/s/ MICHAEL I. ROTH Michael I. Roth	Director	November 15, 2004
/s/ DAVID L. SHEDLARZ David L. Shedlarz	Director	November 15, 2004
/s/ ROBERT E. WEISSMAN Robert E. Weissman	Director	November 15, 2004

EXHIBIT INDEX

Exhibit No.	Exhibit
1(a)	Form of Underwriting Agreement for debt securities and/or warrants to purchase debt securities.
1(b)	Form of Underwriting Agreement for equity securities and/or warrants to purchase equity securities.
1(c)	Form of Underwriting Agreement for convertible debt securities and/or warrants to purchase convertible debt securities.
1(d)	Form of Distribution Agreement.
3(a)	Restated Certificate of Incorporation (incorporated by reference to Exhibit 3 to Form 10-Q filed August 14, 1996).
3(a)(1)	Certificate of Amendment to Restated Certificate of Incorporation (incorporated by reference to Exhibit (i) to Form 10-K filed March 27, 1998).
3(b)	By-laws, as amended (incorporated by reference to Exhibit (3)(ii) to Form 10-Q filed November 16, 1998).
4(a)	Form of Senior Debt Indenture.
4(b)	Form of Subordinated Debt Indenture.
4(c)	Form of Global Senior Note.*
4(d)	Form of Global Senior Convertible Note.*
4(e)	Form of Global Subordinated Note.*
4(f)	Form of Global Subordinated Convertible Note.*
4(g)	Specimen of Certificate Representing the Company's Common Stock (incorporated by reference to Exhibit 4.1 to Form S-3 filed on October 26, 2001).
4(h)	Form of Certificate of Designation for Preferred Stock of the Company.*
4(i)	Form of Certificate of Designation for Preference Stock of the Company.*
4(j)	Form of Warrant Agreement.*
4(k)	Form of Depositary Agreement.*
4(l)	Form of Depositary Receipt.*
4(m)	Form of Purchase Contract Agreement.*
4(n)	Form of Unit Agreement.*
4(o)	Form of Unit Certificate.*
5(a)	Opinion of Gibson, Dunn & Crutcher LLP.*
12	Computation of Ratio of Earnings to Fixed Charges and Ratio of Earnings to Fixed Charges and Preferred and Preference Stock Dividends.
23(a)	Consent of PricewaterhouseCoopers LLP.
23(b)	Consent of Gibson, Dunn & Crutcher LLP (included in the opinion referred to in Exhibit 5(a) above).*
24	Power of Attorney, contained on the signature pages hereto.
25(a)	T-1 Statement of Eligibility under the Trust Indenture Act of 1939 in respect of the Senior Debt Indenture.
25(b)	T-1 Statement of Eligibility under the Trust Indenture Act of 1939 in respect of the Subordinated Debt Indenture.

* To be filed by amendment or via Form 8-K.

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Exhibit 1(a)

Pitney Bowes Inc.

Debt Securities
Warrants to Purchase Debt Securities

Form of Underwriting Agreement

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

Ladies and Gentlemen:

Pitney Bowes Inc., a Delaware corporation (the "**Company**"), from time to time may enter into one or more pricing agreements (each a "**Pricing Agreement**") in the form of Annex I, with such additions and deletions as the parties thereto may determine and, subject to the terms and conditions stated herein and therein, to issue and sell to the firms named in Schedule I to the applicable Pricing Agreement (such firms constituting the "**Underwriters**" with respect to such Pricing Agreement and the securities specified therein) certain of its debt securities or warrants to purchase debt securities (the "**Securities**") specified in Schedule II to such Pricing Agreement (with respect to such Pricing Agreement, the "**Firm Securities**"). If specified in such Pricing Agreement, the Company may grant to the Underwriters the right to purchase at their election an additional principal amount of Securities, specified in such Pricing Agreement as provided in Section 2 (the "**Optional Securities**"). The Firm Securities and the Optional Securities, if any, which the Underwriters elect to purchase pursuant to Section 2 are collectively called the "**Designated Securities.**" The Pricing Agreement may designate a lead underwriter or underwriters (collectively, the "**Representatives**") for the particular issue of Designated Securities. The term "Representatives" also refers to a single firm acting as sole representative of the Underwriters and to an Underwriter or Underwriters who act without any firm being designated as its or their representatives.

The standard provisions set forth herein to the extent applicable to securities of the type represented by the Designated Securities will be incorporated by reference in any such Pricing Agreement relating to a particular issue of Securities. The terms and rights of any particular issuance of Designated Securities shall be as specified in the Pricing Agreement relating thereto and in or pursuant to the indenture (the "**Indenture**") identified in such Pricing Agreement.

This Underwriting Agreement shall not be construed as an obligation of the Company to sell any of the Securities or as an obligation of any of the Underwriters to purchase any of the Securities. The obligation of the Company to issue and sell any of the Designated Securities and the obligation of the Underwriters to purchase any of the Designated Securities shall be evidenced by the Pricing Agreement with respect to the Designated Securities specified therein. Each Pricing Agreement shall specify the aggregate principal amount of the Firm Securities, the maximum aggregate principal amount of the Optional Securities, if any, the initial public offering price of such Designated Securities or the manner of determining such price, the purchase price to the Underwriters of such Designated Securities, the names of the Underwriters of such Designated Securities, the names of the Representatives of such Underwriters, the principal amount of such Designated Securities to be purchased by each Underwriter and the commission, if any, payable to the Underwriters with respect thereto and shall set forth the date, time and manner of delivery of such Firm Securities and Optional Securities, if any, and payment therefor. The Pricing Agreement also shall specify, to the extent not set forth in the Indenture and the Registration Statement and Prospectus with respect thereto, the terms of such Designated Securities.

The Pricing Agreement, including these standard provisions incorporated therein by reference, is referred to as "**this Agreement**". A Pricing Agreement shall be in the form of an executed writing, which may be in counterparts, and may be evidenced by an exchange of email communications or any other rapid transmission device designed to produce a written record of communications transmitted. The obligations of the Underwriters under this Agreement and any Pricing Agreement shall be several and not joint.

The terms and rights of any particular issuance of Designated Securities shall be as specified in the Pricing Agreement relating thereto and: (i) if the Designated Securities are either senior or subordinated debt securities ("**Debt Securities**") in or pursuant to the senior or subordinated indenture (the "**Indenture**") identified in the Pricing Agreement; (ii) if the Designated Securities are warrants ("**Warrants**"), in or pursuant to a warrant agreement (the "**Warrant Agreement**") identified in the Pricing Agreement; and (iii) if the Designated Securities are debt securities subject to the Warrants ("**Warrant Debt Securities**"), in or pursuant to the Indenture identified in the Pricing Agreement.

1. ***Representations and Warranties.*** The Company represents and warrants to each Underwriter named in Schedule I to the applicable Pricing Agreement, as of the date thereof and as of the Time of Delivery (as defined in Section 3) as follows:

(a) A registration statement (the "**Initial Registration Statement**") in respect of the Designated Securities has been filed with the Securities and Exchange Commission (the "**Commission**") under the Securities Act of 1933, as amended (the "**Securities Act**"). The Initial Registration Statement has been declared effective by the Commission, and each Indenture has been duly qualified under the Trust Indenture Act of 1939, as amended (the "**Trust Indenture Act**"). The term "**Registration Statement**" means the Initial Registration Statement as amended to the date of this Agreement, including the information, if any, deemed to be a part thereof pursuant to Rule 434(d) of the rules and regulations under the Securities Act (the "**Securities Act Regulations**") and any related registration statement filed pursuant to Rule 462(b) (a "**Rule 462(b) Registration Statement**") of the Securities Act Regulations. No stop order suspending the effectiveness of the Registration Statement has been issued and no proceeding for that purpose has been initiated or threatened by the Commission. The Company proposes to file, pursuant to Rule 424 of the Securities Act Regulations, a prospectus supplement specifically relating to the Designated Securities and has advised the Underwriters of all information to be set forth therein. The term "**Basic Prospectus**" means the prospectus included in the Initial Registration Statement. The term "**Prospectus**" means the Basic Prospectus together with the prospectus supplement (the "**Prospectus Supplement**") specifically relating to the Designated Securities as first filed with the Commission pursuant to Rule 424 of the Securities Act Regulations. If the Company elects to rely upon Rule 434 of the Securities Act Regulations, however, the term "Prospectus" shall be deemed to refer to the Basic Prospectus and the term sheet relating to the Designated Securities in the form to be furnished to the Underwriters by the Company in reliance on Rule 434. The term "**Preliminary Prospectus**" means a preliminary prospectus supplement specifically relating to the Designated Securities together with the Basic Prospectus. Any reference to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the information incorporated by reference therein, as updated or superseded as provided therein, prior to the execution of the applicable Pricing Agreement. Any reference to any amendment or supplement to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the information incorporated by reference therein, as updated or superseded as provided therein, pursuant to any document filed after the date of the execution of the applicable Pricing Agreement under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and any reference to the Prospectus as amended or supplemented shall be deemed to refer to the Prospectus as amended or supplemented in relation to the applicable Designated Securities in the form in which it is filed with the Commission pursuant to Rule 424(b) of the Securities Act Regulations in accordance with

Section 4(a). Any reference to any amendment to the Registration Statement shall be deemed to refer to and include any annual report of the Company, as updated or superseded, filed pursuant to Section 13(a) or 15(d) of the Exchange Act after the effective date of the Initial Registration Statement that is incorporated by reference in the Registration Statement.

(b) The Registration Statement and the Prospectus conform, and any further amendments or supplements to the Registration Statement or the Prospectus will conform, in all material respects to the requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder.

(c) The documents incorporated by reference in the Prospectus, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the Securities Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder. Any further documents so filed and incorporated by reference in the Prospectus or any further amendment or supplement thereto, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Securities Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder.

(d) The Registration Statement as of its effective date did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. The Prospectus does not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The representations and warranties in this Section 2(d) shall not apply to (i) any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter of Designated Securities through the Representatives expressly for use in the Prospectus or (ii) any Form T-1 Statement of Eligibility and Qualification included as an exhibit to the Registration Statement.

(e) Since the respective dates as of which information is given in the Registration Statement and the Prospectus, and except as set forth therein or contemplated thereby, there has not been any material adverse change, or any development reasonably likely to result in a material adverse change, in the business, financial condition or results of operations of the Company and its subsidiaries taken as a whole.

(f) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, with corporate power and authority to own its properties and conduct its business as described in the Prospectus.

(g) The Designated Securities have been duly authorized. When the Designated Securities are issued and delivered pursuant to this Agreement and the Pricing Agreement with respect to the Firm Securities, and in the case of any Optional Securities pursuant to Over-allotment Options (as defined in Section 2) with respect to such Optional Securities, such Designated Securities will have been duly executed, authenticated, issued and delivered and will constitute valid and legally binding obligations of the Company, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles.

(h) The Indenture has been duly authorized. At each Time of Delivery (as defined in Section 3) for the Designated Securities, the Indenture will constitute a valid and legally binding instrument, enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and

to general equity principles. The Indenture conforms, and the Designated Securities will conform, to the descriptions thereof contained in the Prospectus.

(i) The issue and sale of the Designated Securities by the Company to the Underwriters will not conflict with or result in a breach or violation of any term or provision of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company is a party that is material to the Company and its subsidiaries taken as a whole, nor will such action result in any violation of the provisions of the Certificate of Incorporation or By-laws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company, other than any such conflict, breach, violation or default that is not reasonably likely to result in a material adverse change in the business, financial condition or results of operations of the Company and its subsidiaries taken as a whole. No consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body will be required to be obtained by the Company for the issue and sale by the Company of the Designated Securities being delivered at such Time of Delivery, except such as have been, or will have been prior to such Time of Delivery, obtained under the Securities Act and the Trust Indenture Act and such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Designated Securities by the Underwriters.

2. ***Sale and Delivery.***

(a) Pursuant to a Pricing Agreement applicable to any Designated Securities, and upon the basis of the representations and warranties, and subject to the conditions set forth, in this Agreement, the Company will agree to sell to the several Underwriters named in such Pricing Agreement and such Underwriters will agree to purchase from the Company, severally and not jointly, at the respective purchase prices set forth in the Pricing Agreement, plus accrued interest, if any, from the date set forth therein to the date of payment and delivery: (i) the principal amounts of Debt Securities set forth opposite their names in Schedule I to such Pricing Agreement, less their respective amounts of the Contract Debt Securities (as defined below), if any, as determined as provided below; or (ii) Warrants to purchase the principal amounts of Warrant Debt Securities set forth opposite their names in Schedule I to such Pricing Agreement, less their respective amounts of the Contract Warrant Securities (as defined below), if any, as determined as provided below. Debt Securities and, if applicable, Warrants to be purchased pursuant to delayed deliver contracts are referred to as "**Contract Debt Securities**" and "**Contract Warrants**," respectively, and collectively as the "**Contract Securities**."

(b) The Company may specify in the Pricing Agreement applicable to any Designated Securities that the Company thereby grants to the Underwriters the right (an "**Overallotment Option**") to purchase at their election up to the aggregate principal amount of Optional Securities specified in such Pricing Agreement, on the same terms as the Firm Securities, for the sole purpose of covering over-allotments in the sale of the Firm Securities. Any such election to purchase Optional Securities may be exercised by written notice from the Representatives to the Company, given within a period specified in the Pricing Agreement, setting forth the aggregate principal amount of Optional Securities to be purchased and the date on which such Optional Securities are to be delivered, as determined by the Representatives but in no event earlier than the First Time of Delivery or, unless the Representatives and the Company otherwise agree in writing, earlier than or later than the respective number of business days after the date of such notice set forth in such Pricing Agreement.

(c) The aggregate principal amount of Optional Securities to be added to the aggregate principal amount of Firm Securities to be purchased by each Underwriter as set forth in

Schedule I to the Pricing Agreement applicable to such Designated Securities shall be, in each case, the aggregate principal amount of Optional Securities that the Company has been advised by the Representatives have been attributed to such Underwriter. If the Company has not been so advised, the aggregate principal amount of Optional Securities to be so added shall be, in each case, that aggregate principal amount of Optional Securities which the aggregate principal amount of Firm Securities to be purchased by such Underwriter under such Pricing Agreement bears to the aggregate principal amount of Firm Securities (rounded as the Representatives may determine to the nearest $1000). The aggregate principal amount of Designated Securities to be purchased by all the Underwriters pursuant to such Pricing Agreement shall be the aggregate principal amount of Firm Securities set forth in Schedule I to such Pricing Agreement plus the aggregate principal amount of Optional Securities which the Underwriters elect to purchase.

(d) (i) If so indicated in the applicable Pricing Agreement, the Company may authorize the Underwriters to solicit offers to purchase Contract Securities on the terms and subject to the conditions set forth therein pursuant to delayed delivery contracts substantially in the form of Exhibit • but with such changes therein as the Company may authorize or approve ("**Delayed Delivery Contracts**"). Delayed Delivery Contracts are to be with institutional investors approved by the Company and described in the Prospectus. The aggregate principal amount of Contract Debt Securities and the aggregate principal amount of Warrant Debt Securities for which Contract Warrants are exercisable shall not exceed the respective amounts set forth in the Pricing Agreement. As of the applicable Time of Delivery, the Company will pay to the Representative as compensation, for the accounts of the Underwriters, the fee specified in the Pricing Agreement in respect of all Contract Securities. The Underwriters will not have any responsibility in respect of the validity or the performance of Delayed Delivery Contracts.

(ii) If the Designated Securities are Debt Securities, the deduction for the Contract Debt Securities referred to above shall become effective upon the execution and delivery by the Company and the several institutional investors of the Delayed Delivery Contracts. Such deduction for each Underwriter shall be in the amount which shall bear the same proportion to the total principal amount of Contract Debt Securities as the principal amount of Debt Securities set forth opposite its name in such Pricing Agreement bears to the aggregate principal amount of Debt Securities set forth in such Pricing Agreement.

(iii) If the Designated Securities are Warrants and Debt Warrant Securities, the deduction for the Contract Warrants referred to above shall become effective upon the execution and delivery by the Company and the several institutional investors of the Delayed Delivery Contracts. Such deduction for each Underwriter shall be in the amount which shall bear the same proportion to the total principal amount of Debt Warrant Securities for which Contract Warrants are exercisable as the principal amount of Debt Warrant Securities for which Warrants are exercisable as set forth opposite its name in such Pricing Agreement bears to the aggregate principal amount of Debt Warrant Securities for which Warrants are exercisable as set forth in such Pricing Agreement.

3. ***Payment.*** Firm Securities and Optional Securities to be purchased by each Underwriter pursuant to the Pricing Agreement relating thereto, in the form specified in such Pricing Agreement and in such authorized denominations and registered in such names as the Representatives may request upon at least 48 hours' prior notice to the Company, shall be delivered by or on behalf of the Company to the Representatives for the account of such Underwriter, against payment by such Underwriter or on its behalf of the purchase price therefor by wire transfer of Federal (same-day) funds to the account

specified by the Company to the Representatives at least 48 hours in advance as specified in such Pricing Agreement:

(i) with respect to the Firm Securities, all in the manner and at the place and time and date specified in such Pricing Agreement or at such other place and time and date as the Representatives and the Company may agree upon in writing, such time and date being called the "**First Time of Delivery**"; and

(ii) with respect to the Optional Securities, if any, in the manner and at the time and date specified by the Representatives in the written notice given by the Representatives of the Underwriters' election to purchase such Optional Securities, or at such other time and date as the Representatives and the Company may agree upon in writing, such time and date, if not the First Time of Delivery, herein called the "**Second Time of Delivery**".

Each such time and date for delivery is called a "**Time of Delivery**".

4. ***Covenants.*** The Company agrees with each of the Underwriters of any Designated Securities that:

(a) It will prepare the Prospectus as amended or supplemented in relation to the applicable Designated Securities in a form approved by the Representatives and will file such Prospectus pursuant to Rule 424(b) of the Securities Act Regulations not later than the Commission's close of business on the second business day following the execution and delivery of the Pricing Agreement relating to the applicable Designated Securities or, if applicable, such earlier time as may be required by Rule 424(b).

(b) It will not make any further amendment or supplement to the Registration Statement or Prospectus as amended or supplemented after the date of the Pricing Agreement relating to such Designated Securities and prior to the Time of Delivery for such Designated Securities that shall be disapproved by the Representatives for such Designated Securities promptly after reasonable notice thereof.

(c) It will advise the Representatives promptly of any such amendment or supplement after such Time of Delivery for such Designated Securities and will furnish the Representatives with copies thereof.

(d) It promptly will file all reports and any definitive proxy or information statements required to be filed with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act for so long as the delivery of a prospectus is required in connection with the offering or sale of such Designated Securities, and during such same period it will advise the Representatives, promptly after it receives notice thereof, of:

(i) the time when any amendment to the Registration Statement has been filed or becomes effective or any supplement to the Prospectus or any amended Prospectus has been filed with the Commission;

(ii) the issuance by the Commission of any stop order or of any order preventing or suspending the use of any prospectus relating to the Designated Securities;

(iii) the suspension of the qualification of such Designated Securities for offering or sale in any jurisdiction; and

(iv) the initiation or threatening of any proceeding for any such purpose or of any request by the Commission with respect to amending or supplementing the Registration Statement or Prospectus or for additional information and, in the event of the issuance of any such stop order or of any such order preventing or suspending the use of any prospectus

relating to the Designated Securities or suspending any such qualification, promptly use its best efforts to obtain the withdrawal of such order.

(e) It promptly will take such action as the Representatives reasonably may request to qualify such Designated Securities for offering and sale under the securities laws of such jurisdictions as the Representatives reasonably may request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of such Designated Securities. In connection therewith, the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction.

(f) Prior to 10:00 a.m., New York City time, on the New York Business Day next succeeding the date of this Agreement and from time to time, it will deliver written and electronic copies of the Prospectus as amended or supplemented to the Underwriters in New York City, in such quantities as the Representatives reasonably may request. If the delivery of a prospectus is required at any time in connection with the offering or sale of the Designated Securities and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Securities Act, the Exchange Act or the Trust Indenture Act, the Company will notify the Representatives and upon their request will file such document and prepare and furnish without charge to each Underwriter and to any dealer in securities as many written and electronic copies as the Representatives from time to time reasonably may request of an amended Prospectus or a supplement to the Prospectus that will correct such statement or omission or effect such compliance.

(g) It will make generally available to its securityholders as soon as practicable, but in any event not later than 18 months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Securities Act), an earnings statement of the Company and its subsidiaries (which need not be audited) complying with Section 11(a) of the Securities Act and the Securities Act Regulations.

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

(i) If it elects to rely upon Rule 462(b), it will file a Rule 462(b) Registration Statement with the Commission in compliance with Rule 462(b) by 10:00 p.m., Washington, DC time, on the date of this Agreement, and at the time of filing it either will pay to the Commission the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to Rule 111(b) under the Securities Act.

5. ***Payment of Expenses.*** The Company will pay or cause to be paid the following:

(i) the fees, disbursements and expenses of the Company's counsel and accountants in connection with the registration of the Securities under the Securities Act and all other expenses in connection with the preparation, printing and filing of the Registration Statement, any Preliminary

Prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers;

(ii) all expenses in connection with the qualification of the Securities for offering and sale under state securities laws as provided in Section 4(e), including the reasonable fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with any Blue Sky Memorandum or Legal Investment Survey;

(iii) any fees charged by securities rating services for rating the Securities;

(iv) any filing fees incident to, and the reasonable fees and disbursements of counsel for the Underwriters in connection with, any required review by the National Association of Securities Dealers, Inc. of the terms of the sale of the Securities;

(v) the cost of printing or reproducing the Securities; and

(vii) the fees and expenses of any Trustee and any agent of any Trustee and the reasonable fees and disbursements of counsel for any Trustee in connection with any Indenture and the Securities.

Except as provided in this Section 5, and Sections 7 and 10, the Underwriters will pay all of their own costs and expenses, including the fees of their counsel, transfer taxes on resale of any of the Designated Securities by them and any advertising expenses connected with any offers they may make.

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

(a) The Prospectus as amended or supplemented in relation to such Designated Securities shall have been filed with the Commission pursuant to Rule 424(b) within the applicable time period prescribed for such filing by the rules and regulations under the Securities Act and in accordance with Section 4(a). If the Company has elected to rely upon Rule 462(b), the Rule 462(b) Registration Statement shall have become effective by 10:00 p.m., Washington, DC time, on the date of this Agreement. No stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission. All requests for additional information on the part of the Commission shall have been complied with to the Representatives' reasonable satisfaction.

(b) Counsel for the Underwriters shall have furnished to the Representatives such written opinion or opinions, dated each Time of Delivery for such Designated Securities, with respect to the valid existence of the Company, the validity of the Designated Securities, the Registration Statement, the Prospectus and such other related matters as the Representatives reasonably may request, and such counsel shall have received such documents and information as they reasonably may request to enable them to pass upon such matters.

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

(i) The Company is a validly existing corporation in good standing under the laws of the State of Delaware, with the requisite corporate power and authority to own its properties and conduct its business as described in the Prospectus as amended or supplemented.

(ii) The Company has the corporate power and authority to execute and deliver this Agreement, the Indenture and the Designated Securities and to perform its obligations thereunder.

(iii) The execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate action. This Agreement has been duly executed and delivered by the Company.

(iv) The execution, delivery and performance of the Designated Securities have been duly authorized by all necessary corporate action, The Designated Securities, when executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Underwriters in accordance with the terms of this Agreement, will be legal, valid and binding obligations of the Company enforceable against the Company in accordance with their terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles. The Designated Securities conform to the description thereof in the Prospectus as amended or supplemented.

(v) The execution, delivery and performance of the Indenture have been duly authorized by all necessary corporate action. The Indenture has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles. The Indenture conforms to the description thereof in the Prospectus as amended or supplemented.

(vi) The issue and sale of the Designated Securities by the Company to the Underwriters will not conflict with or result in a breach or violation of any term or provision of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company is a party that is material to the Company and its subsidiaries taken as a whole, nor will such action result in any violation of the provisions of the Certificate of Incorporation or By-laws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company, other than any such conflict, breach, violation or default that is not reasonably likely to result in a material adverse change in the business, financial condition or results of operations of the Company and its subsidiaries taken as a whole. No consent, approval, authorization, order, registration or qualification of or with any court or governmental agency or body having jurisdiction over the Company is required to be obtained by the Company for the issue and sale by the Company of the Designated Securities being delivered at such Time of Delivery, except such as have been obtained under the Securities Act and the Trust Indenture Act and such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Designated Securities by the Underwriters.

(vii) The Company has an authorized capitalization as set forth in the Prospectus as amended or supplemented. The Underlying Securities initially issuable upon conversion of the Designated Securities have been duly authorized and reserved for issuance and, when issued

and delivered in accordance with the provisions of the Designated Securities and the Indenture, will be validly issued and fully paid and nonassessable. The Underlying Securities conform to the description thereof in the Prospectus as amended or supplemented. The Underlying Securities issuable upon conversion of the Designated Securities have been approved for listing on the New York Stock Exchange, subject to official notice of issuance. The issuance of the Underlying Securities will not be subject to any preemptive or similar rights.

(viii) Insofar as the statements in the Prospectus under the captions "Description of Securities", "Description of Capital Stock" and "Underwriting" constitute a summary of the documents referred to therein, such statements fairly present in all material respects the information required to be disclosed under the Securities Act and the rules and regulations of the Commission relating to registration statements on Form S-3 and prospectuses.

(ix) The Registration Statement has become effective under the Securities Act and the Indenture has been qualified under the Trust Indenture Act.

In addition, such counsel shall state that, although such counsel is not passing upon and does not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement or the Prospectus, such counsel has no reason to believe: (a) that the Registration Statement, at the time it became effective (which, for purposes of such counsel's expression of belief, shall have the meaning set forth in Rule 158(c) under the Securities Act) or the Prospectus, as of its date or as of such Time of Delivery, was not appropriately responsive in all material respects to the requirements of the Securities Act and the applicable rules and regulations of the Commission thereunder; or (b)(i) that the Registration Statement, at the time it became effective, 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 (ii) that the Prospectus, as of its date or as of such Time of Delivery, contained or contains an untrue statement of a material fact or omitted or omits 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. In expressing its belief, such counsel may state that it expresses no belief as to the financial statements and related schedules, or the Statement of Eligibility on Form T-1, contained or incorporated by reference in the Registration Statement or the Prospectus.

(d) Gibson, Dunn & Crutcher LLP, or other counsel for the Company satisfactory to the Representatives, shall have furnished to the Representatives a written opinion, dated the Time of Delivery for such Designated Securities, in form and substance satisfactory to the Representatives, to the effect that:

(i) The Company is a validly existing corporation in good standing under the laws of the State of Delaware.

(ii) This Agreement has been duly executed and delivered by the Company.

(iii) The Designated Securities, when executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Underwriters in accordance with the terms of the Underwriting Agreement and the Pricing Agreement, will be legal, valid and binding obligations of the Company enforceable against the Company in accordance with their terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles. The Designated Securities conform to the description thereof in the Prospectus as amended or supplemented.

(iv) The Indenture has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company enforceable against the Company in

accordance with its terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles. The Indenture conforms to the description thereof in the Prospectus as amended or supplemented.

(v) The Underlying Securities conform to the description thereof in the Prospectus as amended or supplemented. The Underlying Securities issuable upon conversion of the Designated Securities have been approved for listing on the New York Stock Exchange, subject to official notice of issuance.

(vi) Insofar as the statements in the Prospectus under the captions "Description of Securities", "Description of Capital Stock" and "Underwriting" constitute a summary of the documents referred to therein, such statements fairly present in all material respects the information required to be disclosed under the Securities Act and the rules and regulations of the Commission relating to registration statements on Form S-3 and prospectuses.

(vii) The Registration Statement has become effective under the Securities Act and the Indenture has been qualified under the Trust Indenture Act.

In addition, such counsel shall state that, although such counsel is not passing upon and does not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement or the Prospectus, such counsel has no reason to believe: (a) that the Registration Statement, at the time it became effective (which, for purposes of such counsel's expression of belief, shall have the meaning set forth in Rule 158(c) under the Securities Act) or the Prospectus, as of its date or as of such Time of Delivery, was not appropriately responsive in all material respects to the requirements of the Securities Act and the applicable rules and regulations of the Commission thereunder; or (b)(i) that the Registration Statement, at the time it became effective, 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 (ii) that the Prospectus, as of its date or as of such Time of Delivery, contained or contains an untrue statement of a material fact or omitted or omits 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. In expressing its belief, such counsel may state that it expresses no belief as to the financial statements and related schedules, or the Statement of Eligibility on Form T-1, contained or incorporated by reference in the Registration Statement or the Prospectus.

(e) At each Time of Delivery for such Designated Securities, the independent accountants of the Company who have certified the financial statements of the Company and its subsidiaries included or incorporated by reference in the Registration Statement shall have furnished to the Representatives a letter, dated such Time of Delivery, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the Company's financial statements and certain financial information contained or incorporated by reference in the Registration Statement and the Prospectus.

(f) Except as set forth in or contemplated by the Registration Statement and the Prospectus, there shall not have occurred any change, or any development reasonably likely to result in a change, in or affecting the business, financial condition or results of operations of the Company and its subsidiaries taken as a whole, the effect of which is in the judgment of the Representatives so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Firm Securities or Optional Securities or both on the terms and in the manner contemplated in the Prospectus as amended relating to the Designated Securities.

(g) On or after the date of the Pricing Agreement relating to the Designated Securities: (i) no downgrading shall have occurred in the rating accorded the Company's debt securities or preferred stock or the Company's financial strength or claims paying ability by any "nationally recognized statistical rating organization", as that term is defined by the Commission for purposes of Rule 436(g)(2) under the Securities Act, and (ii) no such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any of the Company's debt securities or preferred stock or the Company's financial strength or claims paying ability.

(h) On or after the date of the Pricing Agreement relating to the Designated Securities there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the New York Stock Exchange; (ii) a suspension or material limitation in trading in the Company's securities on the New York Stock Exchange; (iii) a general moratorium on commercial banking activities declared by either Federal or New York State authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States; (iv) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war; or (v) the occurrence of any other calamity or crisis or any change in

financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified in clause (iv) or (v) in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Designated Securities on the terms and in the manner contemplated in the Prospectus as first amended or supplemented relating to the Designated Securities.

(i) The Company shall have complied with the provisions of Section 4(f) with respect to the furnishing of prospectuses on the New York Business Day next succeeding the date of the Pricing Agreement relating to such Designated Securities.

(j) The Company shall have furnished or caused to be furnished to the Representatives at each Time of Delivery for the Designated Securities a certificate or certificates of the Company, executed on behalf of the Company by its chief executive officer and its chief financial officer, satisfactory to the Representatives as to the accuracy of the representations and warranties of the Company herein at and as of such Time of Delivery, as to the performance by the Company of all of its obligations hereunder to be performed at or prior to such Time of Delivery.

7. ***Indemnification and Contribution.***

(a) The Company will indemnify and hold harmless each Underwriter against any losses, claims, damages or liabilities, joint or several, to which such Underwriter may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the Designated Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; *provided*, *however*, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the Designated Securities, or any such amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by any Underwriter of Designated Securities through the Representatives expressly for use in the Prospectus as amended or supplemented relating to such Designated Securities.

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

reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under Section 7(a) or (b) of notice of the commencement of any action, such indemnified party, if a claim in respect thereof is to be made against the indemnifying party under Section 7(a) or (b), shall notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under Section 7(a) or (b). In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under Section 7(a) or (b) for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. Without the written consent of the indemnified party, no indemnifying party shall effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section 7 is unavailable to or insufficient to hold harmless an indemnified party under Section 7(a) or (b) in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters of the Designated Securities on the other from the offering of the Designated Securities to which such loss, claim, damage or liability (or action in respect thereof) relates. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under Section 7(c), then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Underwriters of the Designated Securities on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and such Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from such offering (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by such Underwriters. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or such Underwriters on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 7(d) were determined by *pro rata* allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 7(d). The amount paid or payable by

an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to in this Section 7(d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 7(d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the applicable Designated Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The obligations of the Underwriters of Designated Securities in this Section 7(d) to contribute are several in proportion to their respective underwriting obligations with respect to such Securities and not joint.

(e) The obligations of the Company under this Section 7 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Underwriter within the meaning of the Securities Act; and the obligations of the Underwriters under this Section 7 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company and to each person, if any, who controls the Company within the meaning of the Securities Act.

8. ***Default by One or More Underwriters.***

(a) If any Underwriter shall default in its obligation to purchase the Firm Securities or Optional Securities which it has agreed to purchase under the Pricing Agreement relating to such Designated Securities, the Representatives in their discretion may arrange for themselves or another party or other parties to purchase such Designated Securities on the terms contained herein. If within 36 hours after such default by any Underwriter the Representatives do not arrange for the purchase of such Firm Securities or Optional Securities, as the case may be, then the Company shall be entitled to a further period of 36 hours within which to procure another party or other parties satisfactory to the Representatives to purchase such Designated Securities on such terms. In the event that, within the respective prescribed period, the Representatives notify the Company that they have so arranged for the purchase of such Designated Securities, or the Company notifies the Representatives that it has so arranged for the purchase of such Designated Securities, the Representatives or the Company shall have the right to postpone the Time of Delivery for such Designated Securities for a period of not more than seven days, in order to effect whatever changes thereby may be made necessary in the Registration Statement or the Prospectus as amended or supplemented, or in any other documents or arrangements, and the Company promptly will file any amendments or supplements to the Registration Statement or the Prospectus that in the opinion of the Representatives thereby may be made necessary. The term "Underwriter" as used in this Agreement shall include any person substituted under this Section 8 with like effect as if such person had originally been a party to the Pricing Agreement with respect to such Designated Securities.

(b) If, after giving effect to any arrangements for the purchase of the Firm Securities or Optional Securities, as the case may be, of a defaulting Underwriter or Underwriters by the Representatives and the Company as provided in Section 8(a), the aggregate principal amount of such Designated Securities that remains unpurchased does not exceed one-eleventh of the aggregate principal amount of the Firm Securities or Optional Securities, as the case may be, then the Company shall have the right to require each non-defaulting Underwriter to purchase the principal amount of Firm Securities or Optional Securities, as the case may be, that such Underwriter agreed to purchase under the Pricing Agreement relating to such Firm Securities or Optional Securities, as the case may be, and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the principal amount of Firm

Securities or Optional Securities, as the case may be, that such Underwriter agreed to purchase under such Pricing Agreement) of the Firm Securities or Optional Securities, as the case may be, of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of the Firm Securities or Optional Securities, as the case may be, of a defaulting Underwriter or Underwriters by the Representatives and the Company as provided in Section 8(a), the aggregate principal amount of Firm Securities or Optional Securities, as the case may be, that remains unpurchased exceeds one-eleventh of the aggregate principal amount of the Firm Securities or Optional Securities, as the case may be, as referred to in Section 8(b), or if the Company shall not exercise the right described in Section 8(b) to require non-defaulting Underwriters to purchase the Firm Securities or Optional Securities, as the case may be, of a defaulting Underwriter or Underwriters, then the Pricing Agreement relating to such Firm Securities or Optional Securities, as the case may be, shall thereupon terminate, without liability on the part of any non-defaulting Underwriter or the Company, except for the expenses to be borne by the Company and the Underwriters as provided in Section 5 and the indemnity and contribution agreements in Section 7; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

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

10. ***Termination***. If any Pricing Agreement or Over-allotment Option shall be terminated pursuant to Section 8, the Company shall not then be under any liability to any Underwriter with respect to the Firm Securities or Optional Securities covered by such Pricing Agreement except as provided in Sections 5 and 7; but, if for any other reason Designated Securities are not delivered by or on behalf of the Company as provided herein, other than the occurrence of an event described in Section 6(g)(i), (iii), (iv) or (v), the Company will reimburse the Underwriters through the Representatives for all out-of-pocket expenses approved in writing by the Representatives, including fees and disbursements of counsel, reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of such Designated Securities, but the Company shall then be under no further liability to any Underwriter with respect to such Designated Securities except as provided in Sections 5 and 7.

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

12. ***Notices.*** All statements, requests, notices and agreements hereunder shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to the address of the Representatives as set forth in the Pricing Agreement; and if to the Company shall be delivered or sent by mail, telex or facsimile transmission to the address of the Company set forth in the Registration Statement: Attention: Secretary; provided, however, that any notice to an Underwriter pursuant to Section 7(c) shall be delivered or sent by mail, telex or facsimile transmission to such Underwriter at its address set forth in its Underwriters' Questionnaire, or telex constituting such Questionnaire, which

address will be supplied to the Company by the Representatives upon request. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

13. ***Parties.*** This Agreement and each Pricing Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the Company and, to the extent provided in Sections 7 and 9, the officers and directors of the Company and each person who controls the Company or any Underwriter, and their respective heirs, executors, administrators, successors and assigns. No other person shall acquire or have any right under or by virtue of this Agreement or any such Pricing Agreement. No purchaser of any of the Securities from any Underwriter shall be deemed a successor or assign merely by reason of such purchase.

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

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

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

17. ***Tax Disclosure.*** The Company is authorized, subject to applicable law, to disclose any and all aspects of this potential transaction that are necessary to support any U.S. federal income tax benefits expected to be claimed with respect to such transaction, and all materials of any kind (including tax opinions and other tax analyses) related to those benefits, without the Underwriters imposing any limitation of any kind.

ANNEX I

Pricing Agreement

[Names of Representative(s)]
As Representatives of the several
Underwriters named in Schedule I hereto,
[c/o Book-Running Representative(s)]
[Address]
City, State ZIP

, 20

Ladies and Gentlemen:

Pitney Bowes Inc., an Delaware corporation (the "**Company**"), proposes, subject to the terms and conditions stated herein and in the Underwriting Agreement, Standard Provisions, dated , 20 (the "**Underwriting Agreement**"), to issue and sell to the Underwriters named in Schedule I (the "**Underwriters**") the Securities specified in Schedule II (the "**Designated Securities**"), consisting of Firm Securities and any Optional Securities the Underwriters may elect to purchase. Each of the provisions of the Underwriting Agreement is incorporated herein by reference in its entirety and shall be deemed to be a part of this Agreement to the same extent as if such provisions had been set forth in full herein. Each of the representations and warranties set forth therein shall be deemed to have been made at and as of the date of this Pricing Agreement, except that each representation and warranty which refers to the Prospectus in Section 2 of the Underwriting Agreement shall be deemed to be a representation or warranty as of the date of the Underwriting Agreement in relation to the Prospectus (as therein defined), and also a representation and warranty as of the date of this Pricing Agreement in relation to the Prospectus as amended or supplemented relating to the Designated Securities which are the subject of this Pricing Agreement. Each reference to the Representatives herein and in the provisions of the Underwriting Agreement so incorporated by reference shall be deemed to refer to you. Unless otherwise defined herein, terms defined in the Underwriting Agreement are used herein as therein defined. The Representatives designated to act on behalf of the Representatives and on behalf of each of the Underwriters of the Designated Securities pursuant to Section 11 of the Underwriting Agreement and the address of the Representatives referred to in Section 12 of the Underwriting Agreement are set forth in Schedule II.

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

Subject to the terms and conditions set forth herein and in the Underwriting Agreement incorporated herein by reference: (i) the Company agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at the time and place and at the purchase price to the Underwriters set forth in Schedule II, the principal amount of Firm Securities set forth opposite the name of such Underwriter in Schedule I; and (ii) in the event and to the extent that the Underwriters shall exercise the election to purchase Optional Securities, as provided below, the Company agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company at the purchase price to the Underwriters set forth in Schedule II that portion of the principal amount of Optional Securities as to which such election shall have been exercised.

The Company hereby grants to each of the Underwriters the right to purchase at their election up to the principal amount of Optional Securities set forth opposite the name of such Underwriter in Schedule I on the terms referred to in the paragraph above for the sole purpose of covering over-allotments in the sale of the Firm Securities. Any such election to purchase Optional Securities may be exercised by written notice from the Representatives to the Company given within a period of 30 calendar days after the date of this Pricing Agreement, setting forth the principal amount of

Optional Securities to be purchased and the date on which such Optional Securities are to be delivered, as determined by the Representatives, but in no event earlier than the First Time of Delivery or, unless the Representatives and the Company otherwise agree in writing, no earlier than two or later than ten business days after the date of such notice.

If the foregoing is in accordance with your understanding, please sign and return to us counterparts hereof, and upon acceptance hereof by you, on behalf of each of the Underwriters, this letter and such acceptance hereof, including the provisions of the Underwriting Agreement incorporated herein by reference, shall constitute a binding agreement between each of the Underwriters and the Company. It is understood that your acceptance of this letter on behalf of each of the Underwriters is or will be pursuant to the authority set forth in a form of Agreement among Underwriters, the form of which shall be submitted to the Company for examination upon request, but without warranty on the part of the Representatives as to the authority of the signers thereof.

Very truly yours,

Pitney Bowes Inc.

By: _____

Name:
Title:

Accepted as of the date hereof:

[Name of Book-Running Representative(s)]

[Name(s) of Co-Representative(s)]

[By: _____

SCHEDULE I

Underwriter	Principal Amount of Designated Securities to be Purchased
Total	$

SCHEDULE II—DEBT SECURITIES

Title of Designated Securities:

[%] [Floating Rate] [Zero Coupon] [Medium-Term] [Notes]

[Debentures] due ,

Rank:

Aggregate principal amount:

[$]

Price to Public:

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

Purchase Price by Underwriters:

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

Form of Designated Securities:

[Definitive form to be made available for checking and packaging at least twenty-four hours prior to the Time of Delivery at the office of [The Depository Trust Company or its designated custodian] [the Representatives]]

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

Specified funds for payment of purchase price:

Federal (same day) funds

Time of Delivery:

a.m. (New York City time), , 20

Indenture:

Indenture dated , 20 , between the Company and , as Trustee

Maturity:

Interest Rate:

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

Interest Payment Dates:

[months and dates, commencing , 20..]

Regular Record Dates::

[months and dates, commencing , 20..]

Currency of Denominations:

Currency of Payment:

Overseas Paying Agents:

Redemption Provisions:

[No provisions for redemption]

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

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

Year	Redemption Price

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

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

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

[Restriction on refunding]

Sinking Fund Provisions:

[No sinking fund provisions]

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

[If Designated Securities are extendable debt securities, insert—

Extendable provisions:

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

[If Designated Securities are floating rate debt securities, insert—

Floating rate provisions:

Initial annual interest rate will be % through [and thereafter will be adjusted [monthly] [on each , , and] [to an annual rate of % above the average rate for

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

Conversion or Exchange Provisions:

Reset Provisions:

Remarketing provisions:

Defeasance provisions:

Closing location for delivery of Designated Securities:

Listing Requirements:

Additional Closing Conditions:

Names and addresses of Representatives:

Designated Representatives:

Address for Notices, etc.:

Dealer Concessions:

Reallowance Concession:

Closing location for delivery of Designated Securities:

Delayed Delivery Contracts:

Delivery Date:

Minimum principal amount of each contract:

Maximum aggregate principal amount of all contracts:

Names and addresses of Representatives:

Designated Representatives:

Address for Notices, etc.:

[Other Terms]:

SCHEDULE II—DEBT WARRANTS
[Include Only if Applicable

Warrant Agreement:

Number of Debt Warrants to be issued:

Debt Warrant Agreement:

Form of Debt Warrants:

Issuable jointly with Debt Securities:

Yes o

No o

[Number of Debt Warrants issued with each $ principal amount of Debt Securities]

[Detachable Date]

Date from which Debt Warrants are exercisable:

Date on which Warrants expire:

Exercise Price of Debt Warrants:

Purchase price:

Title of Warrant Debt Securities:

Principal amount of Warrant Debt Securities purchasable upon exercise of one Debt Warrant:

Indenture:

Title:

Rank:

Aggregate principal amount:

Interest rate:

Maturity:

Interest Payment Dates:

[months and dates, commencing , 20]

Regular Record Dates:

[months and dates, commencing , 20]

Conversion provisions:

Listing requirements:

Purchase Price by Underwriters:

Currency of Denominations:

Currency of Payment:

Form and Denomination:

Overseas Paying Agents:

Redemption provisions:

Names and addresses of Representatives:

Designated Representatives:

Address for Notices, etc.:

Dealer Concessions:

Reallowance Concession:

Closing location for delivery of Designated Securities:

Delayed Delivery Contracts:

Delivery Date:

Minimum principal amount of each contract:

Maximum aggregate principal amount of all contracts:

[Other Terms]:

QuickLinks

Pitney Bowes Inc. Debt Securities Warrants to Purchase Debt Securities Form of Underwriting Agreement Standard Provisions
Pricing Agreement
SCHEDULE I
SCHEDULE II—DEBT SECURITIES
SCHEDULE II—DEBT WARRANTS [Include Only if Applicable

QuickLinks -- Click here to rapidly navigate through this document

Exhibit 1(b)

Pitney Bowes Inc.

Equity Securities
Warrants to Purchase Equity Securities

Form of Underwriting Agreement

Standard Provisions

, 20

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

Ladies and Gentlemen:

Pitney Bowes Inc., a Delaware corporation (the "**Company**"), from time to time may enter into one or more pricing agreements (each a "**Pricing Agreement**") in the form of Annex I, with such additions and deletions as the parties thereto may determine, and, subject to the terms and conditions stated herein and therein, to issue and sell to the firms named in Schedule I to the applicable Pricing Agreement (such firms constituting the "**Underwriters**" with respect to such Pricing Agreement and the securities specified therein) certain shares of its common stock, preference stock or preferred stock (the "**Shares**"), or warrants to purchase any such Shares (the "**Warrants**" and, together with the Shares, the "**Securities**"), specified in Schedule II to such Pricing Agreement (with respect to such Pricing Agreement, the "**Firm Securities**"). If specified in such Pricing Agreement, the Company may grant to the Underwriters the right to purchase at their election an additional number of Securities, specified in such Pricing Agreement as provided in Section 2 (the "**Optional Securities**"). The Firm Securities and the Optional Securities, if any, which the Underwriters elect to purchase pursuant to Section 2 are collectively called the "**Designated Securities**." The Pricing Agreement may designate a lead underwriter or underwriters (collectively, the "**Representatives**") for the particular issue of Designated Securities. The term "Representatives" also refers to a single firm acting as sole representative of the Underwriters and to an Underwriter or Underwriters who act without any firm being designated as its or their representatives.

The standard provisions set forth herein to the extent applicable to securities of the type represented by the Designated Securities will be incorporated by reference in any such Pricing Agreement relating to a particular issue of Securities. The terms and rights of any particular issuance of Designated Securities shall be as specified in the Pricing Agreement relating thereto.

This Underwriting Agreement shall not be construed as an obligation of the Company to sell any of the Securities or as an obligation of any of the Underwriters to purchase any of the Securities. The obligation of the Company to issue and sell any of the Designated Securities and the obligation of the Underwriters to purchase any of the Designated Securities shall be evidenced by the Pricing Agreement with respect to the Designated Securities specified therein. Each Pricing Agreement shall specify the aggregate number of the Firm Securities, the maximum number of Optional Securities, if any, the initial public offering price of such Designated Securities or the manner of determining such price, the purchase price to the Underwriters of such Designated Securities, the names of the Underwriters of such Designated Securities, the names of the Representatives of such Underwriters, the number of such Designated Securities to be purchased by each Underwriter and the commission, if any, payable to the

Underwriters with respect thereto and shall set forth the date, time and manner of delivery of such Firm Securities and Optional Securities, if any, and payment therefor. The Pricing Agreement also shall specify, to the extent not set forth in the Registration Statement and Prospectus with respect thereto, the terms of such Designated Securities. The Pricing Agreement, including these standard provisions incorporated therein by reference, is referred to as "**this Agreement**." A Pricing Agreement shall be in the form of an executed writing, which may be in counterparts, and may be evidenced by an exchange of email communications or any other rapid transmission device designed to produce a written record of communications transmitted. The obligations of the Underwriters under this Agreement and any Pricing Agreement shall be several and not joint.

The terms and rights of any particular issuance of Designated Securities shall be as specified in the Pricing Agreement relating thereto and: (i) if the Designated Securities are shares of the Company's common stock, par value $1.00 per share (the "**Common Stock**"), in the Company's restated certificate of incorporation and by-laws, as amended; (ii) if the Designated Securities are shares of the Company's cumulative preferred stock, par value $50.00 per share (the "**Preferred Stock**"), or preference stock, no par value per share (the "**Preference Stock**"), in the Company's restated certificate of incorporation and by-laws, as amended, and in the relevant resolutions of the Company's Board of Directors; (iii) if the Designated Securities are warrants ("**Warrants**"), in or pursuant to a warrant agreement (the "**Warrant Agreement**") identified in the Pricing Agreement; and (iv) if the Designated Securities are shares of Common Stock, Preferred Stock or Preference Stock subject to the Warrants ("**Warrant Shares**"), pursuant to the Company's restated certificate of incorporation and by-laws, as amended, and in the relevant resolutions of the Company's Board of Directors.

1. ***Representations and Warranties.*** The Company represents and warrants to each Underwriter named in Schedule I to the applicable Pricing Agreement, as of the date thereof and as of the Time of Delivery (as defined in Section 3) as follows:

(a) A registration statement (the "**Initial Registration Statement**") in respect of the Designated Securities has been filed with the Securities and Exchange Commission (the "**Commission**") under the Securities Act of 1933, as amended (the "**Securities Act**"). The Initial Registration Statement has been declared effective by the Commission. The term "**Registration Statement**" means the Initial Registration Statement as amended to the date of this Agreement, including the information, if any, deemed to be a part thereof pursuant to Rule 434(d) of the rules and regulations under the Securities Act (the "**Securities Act Regulations**") and any related registration statement filed pursuant to Rule 462(b) (a "**Rule 462(b) Registration Statement**") of the Securities Act Regulations. No stop order suspending the effectiveness of the Registration Statement has been issued and no proceeding for that purpose has been initiated or threatened by the Commission. The Company proposes to file, pursuant to Rule 424 of the Securities Act Regulations, a prospectus supplement specifically relating to the Designated Securities and has advised the Underwriters of all information to be set forth therein. The term "**Basic Prospectus**" means the prospectus included in the Initial Registration Statement. The term "**Prospectus**" means the Basic Prospectus together with the prospectus supplement (the "**Prospectus Supplement**") specifically relating to the Designated Securities as first filed with the Commission pursuant to Rule 424 of the Securities Act Regulations. If the Company elects to rely upon Rule 434 of the Securities Act Regulations, however, the term "Prospectus" shall be deemed to refer to the Basic Prospectus and the term sheet relating to the Designated Securities in the form to be furnished to the Underwriters by the Company in reliance on Rule 434. The term "**Preliminary Prospectus**" means a preliminary prospectus supplement specifically relating to the Designated Securities together with the Basic Prospectus. Any reference to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the information incorporated by reference therein, as updated or superseded as provided therein, prior to the execution of the applicable Pricing Agreement. Any reference to any amendment or supplement to any Preliminary Prospectus or the

Prospectus shall be deemed to refer to and include the information incorporated by reference therein, as updated or superseded as provided therein, pursuant to any document filed after the date of the execution of the applicable Pricing Agreement under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and any reference to the Prospectus as amended or supplemented shall be deemed to refer to the Prospectus as amended or supplemented in relation to the applicable Designated Securities in the form in which it is filed with the Commission pursuant to Rule 424(b) of the Securities Act Regulations in accordance with Section 4(a). Any reference to any amendment to the Registration Statement shall be deemed to refer to and include any annual report of the Company, as updated or superseded, filed pursuant to Section 13(a) or 15(d) of the Exchange Act after the effective date of the Initial Registration Statement that is incorporated by reference in the Registration Statement.

(b) The Registration Statement and the Prospectus conform, and any further amendments or supplements to the Registration Statement or the Prospectus will conform, in all material respects to the requirements of the Securities Act and the Securities Act Regulations.

(c) The documents incorporated by reference in the Prospectus, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the Securities Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder. Any further documents so filed and incorporated by reference in the Prospectus or any further amendment or supplement thereto, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Securities Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder.

(d) The Registration Statement as of its effective date did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. The Prospectus does not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The representations and warranties in this Section 2(d) shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter of Designated Securities through the Representatives expressly for use in the Prospectus.

(e) Since the respective dates as of which information is given in the Registration Statement and the Prospectus, and except as set forth therein or contemplated thereby, there has not been any material adverse change, or any development reasonably likely to result in a material adverse change, in the business, financial condition or results of operations of the Company and its subsidiaries taken as a whole.

(f) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, with corporate power and authority to own its properties and conduct its business as described in the Prospectus.

(g) The Company has an authorized capitalization as set forth in the Prospectus. All of the issued and outstanding shares of capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable.

(h) The Designated Securities have been duly authorized. If the Designated Securities are Shares, such Designated Securities, when issued and delivered pursuant to this Agreement and the Pricing Agreement with respect to the Firm Securities, and in the case of any Optional Securities pursuant to Over-allotment Options (as defined in Section 2) with respect to such Optional Securities, will be validly issued and fully paid and non-assessable.

(i) The issue and sale of the Designated Securities by the Company to the Underwriters will not conflict with or result in a breach or violation of any term or provision of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company is a party that is material to the Company and its subsidiaries taken as a whole, nor will such action result in any violation of the provisions of the Certificate of Incorporation or By-laws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company, other than any such conflict, breach, violation or default that is not reasonably likely to result in a material adverse change in the business, financial condition or results of operations of the Company and its subsidiaries taken as a whole. No consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body will be required to be obtained by the Company for the issue and sale by the Company of the Designated Securities being delivered at such Time of Delivery, except such as have been, or will have been prior to such Time of Delivery, obtained under the Securities Act and such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Designated Securities by the Underwriters.

(j) If the Designated Securities are shares of Common Stock, the Designated Securities have been approved for listing on the New York Stock Exchange, subject to notice of issuance.

2. ***Sale and Delivery.***

(a) Pursuant to a Pricing Agreement applicable to any Designated Securities, and upon the basis of the representations and warranties, and subject to the conditions set forth, in this Agreement, the Company will agree to sell to the several Underwriters named in such Pricing Agreement and such Underwriters will agree to purchase from the Company, severally and not jointly, at the respective purchase prices set forth in the Pricing Agreement: (i) the number of shares of Common Stock, Preferred Stock or Preference Stock, as the case may be, set forth opposite their names in Schedule I to such Pricing Agreement; or (ii) Warrants to purchase the number of Warrant Shares set forth opposite their names in Schedule I to such Pricing Agreement.

(b) The Company may specify in the Pricing Agreement applicable to any Designated Securities that the Company thereby grants to the Underwriters the right (an "**Overallotment Option**") to purchase at their election up to the number of Optional Securities set forth in such Pricing Agreement, on the same terms as the Firm Securities, for the sole purpose of covering over-allotments in the sale of the Firm Securities. Any such election to purchase Optional Securities may be exercised by written notice from the Representatives to the Company, given within a period specified in the Pricing Agreement, setting forth the aggregate number of Optional Securities to be purchased and the date on which such Optional Securities are to be delivered, as determined by the Representatives but in no event earlier than the First Time of Delivery or, unless the Representatives and the Company otherwise agree in writing, earlier than or later than the respective number of business days after the date of such notice set forth in such Pricing Agreement.

(c) The number of Optional Securities to be added to the number of Firm Securities to be purchased by each Underwriter as set forth in Schedule I to the Pricing Agreement applicable to such Designated Securities shall be, in each case, the number of Optional Securities that the Company has been advised by the Representatives have been attributed to such Underwriter. If the Company has not been so advised, the number of Optional Securities to be so added shall be, in each case, that proportion of Optional Securities which the number of Firm Securities to be purchased by such Underwriter under such Pricing Agreement bears to the aggregate number of Firm Securities (rounded as the Representatives may determine to the nearest 100 Shares or Warrant Shares). The total number of Designated Securities to be purchased by all the Underwriters pursuant to such Pricing Agreement shall be the aggregate number of Firm Securities

set forth in Schedule I to such Pricing Agreement plus the aggregate number of Optional Securities which the Underwriters elect to purchase.

3. ***Payment.*** Firm Securities and Optional Securities to be purchased by each Underwriter pursuant to the Pricing Agreement relating thereto, in the form specified in such Pricing Agreement and in such authorized denominations and registered in such names as the Representatives may request upon at least 48 hours' prior notice to the Company, shall be delivered by or on behalf of the Company to the Representatives for the account of such Underwriter, against payment by such Underwriter or on its behalf of the purchase price therefor by wire transfer of Federal (same-day) funds to the account specified by the Company to the Representatives at least 48 hours in advance as specified in such Pricing Agreement:

(i) with respect to the Firm Securities, all in the manner and at the place and time and date specified in such Pricing Agreement or at such other place and time and date as the Representatives and the Company may agree upon in writing, such time and date being called the "**First Time of Delivery**"; and

(ii) with respect to the Optional Securities, if any, in the manner and at the time and date specified by the Representatives in the written notice given by the Representatives of the Underwriters' election to purchase such Optional Securities, or at such other time and date as the Representatives and the Company may agree upon in writing, such time and date, if not the First Time of Delivery, herein called the "**Second Time of Delivery**".

Each such time and date for delivery is called a "**Time of Delivery**".

4. ***Covenants.*** The Company agrees with each of the Underwriters of any Designated Securities that:

(a) it will prepare the Prospectus as amended or supplemented in relation to the applicable Designated Securities in a form approved by the Representatives and will file such Prospectus pursuant to Rule 424(b) of the Securities Act Regulations not later than the Commission's close of business on the second business day following the execution and delivery of the Pricing Agreement relating to the applicable Designated Securities or, if applicable, such earlier time as may be required by Rule 424(b).

(b) It will not make any further amendment or supplement to the Registration Statement or Prospectus as amended or supplemented after the date of the Pricing Agreement relating to such Designated Securities and prior to the Time of Delivery for such Designated Securities that shall be disapproved by the Representatives for such Designated Securities promptly after reasonable notice thereof.

(c) It will advise the Representatives promptly of any such amendment or supplement after such Time of Delivery for such Designated Shares and will furnish the Representatives with copies thereof.

(d) It promptly will file all reports and any definitive proxy or information statements required to be filed with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act for so long as the delivery of a prospectus is required in connection with the offering or sale of such Designated Securities, and during such same period it will advise the Representatives, promptly after it receives notice thereof, of:

(i) the time when any amendment to the Registration Statement has been filed or becomes effective or any supplement to the Prospectus or any amended Prospectus has been filed with the Commission;

(ii) the issuance by the Commission of any stop order or of any order preventing or suspending the use of any prospectus relating to the Designated Securities;

(iii) the suspension of the qualification of such Designated Securities for offering or sale in any jurisdiction; and

(iv) the initiation or threatening of any proceeding for any such purpose or of any request by the Commission with respect to amending or supplementing the Registration Statement or Prospectus or for additional information and, in the event of the issuance of any such stop order or of any such order preventing or suspending the use of any prospectus relating to the Designated Securities or suspending any such qualification, promptly use its best efforts to obtain the withdrawal of such order.

(e) It promptly will take such action as the Representatives reasonably may request to qualify such Designated Securities for offering and sale under the securities laws of such jurisdictions as the Representatives reasonably may request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of such Designated Securities. In connection therewith, the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction.

(f) Prior to 10:00 a.m., New York City time, on the New York Business Day next succeeding the date of this Agreement and from time to time, it will deliver written and electronic copies of the Prospectus as amended or supplemented to the Underwriters in New York City, in such quantities as the Representatives reasonably may request. If the delivery of a prospectus is required at any time in connection with the offering or sale of the Designated Securities and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Securities Act or the Exchange Act, the Company will notify the Representatives and upon their request will file such document and prepare and furnish without charge to each Underwriter and to any dealer in securities as many written and electronic copies as the Representatives from time to time reasonably may request of an amended Prospectus or a supplement to the Prospectus that will correct such statement or omission or effect such compliance.

(g) It will make generally available to its securityholders as soon as practicable, but in any event not later than 18 months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Securities Act), an earnings statement of the Company and its subsidiaries (which need not be audited) complying with Section 11(a) of the Securities Act and the Securities Act Regulations.

(h) During the period beginning from the date of the Pricing Agreement for such Designated Securities and continuing to and including the later of (i) the termination of trading restrictions for such Designated Securities, as notified to the Company by the Representatives and (ii) the last Time of Delivery for such Designated Securities, it will not offer, sell, contract to sell or otherwise dispose of, except as provided hereunder, any securities of the Company that are substantially similar to the Designated Securities, including any securities that are convertible into or exchangeable for, or that represent the right to receive, securities of the same class as the Designated Securities or any such substantially similar securities (other than pursuant to employee stock option plans existing on, or upon the conversion of convertible or exchangeable securities

outstanding as of, the date of the Pricing Agreement for such Designated Shares) without the prior written consent of the Representatives.

(i) If it elects to rely upon Rule 462(b), it will file a Rule 462(b) Registration Statement with the Commission in compliance with Rule 462(b) by 10:00 p.m., Washington, DC time, on the date of this Agreement, and at the time of filing it either will pay to the Commission the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to Rule 111(b) under the Securities Act.

5. ***Payment of Expenses.*** The Company will pay or cause to be paid the following:

(i) the fees, disbursements and expenses of the Company's counsel and accountants in connection with the registration of the Securities under the Securities Act and all other expenses in connection with the preparation, printing and filing of the Registration Statement, any Preliminary Prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers;

(ii) all expenses in connection with the qualification of the Securities for offering and sale under state securities laws as provided in Section 4(e), including the reasonable fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with any Blue Sky Memorandum;

(iii) any fees charged by securities rating services for rating the Securities;

(iv) any filing fees incident to, and the reasonable fees and disbursements of counsel for the Underwriters in connection with, any required review by the National Association of Securities Dealers, Inc. of the terms of the sale of the Securities;

(iv) the cost of preparing certificates for the Shares; and

(v) the cost and charges of any transfer agent or registrar or dividend disbursing agent.

Except as provided in this Section 5, and Sections 7 and 10, the Underwriters will pay all of their own costs and expenses, including the fees of their counsel, transfer taxes on resale of any of the Designated Securities by them and any advertising expenses connected with any offers they may make.

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

(a) The Prospectus as amended or supplemented in relation to such Designated Securities shall have been filed with the Commission pursuant to Rule 424(b) within the applicable time period prescribed for such filing by the rules and regulations under the Securities Act and in accordance with Section 4(a). If the Company has elected to rely upon Rule 462(b), the Rule 462(b) Registration Statement shall have become effective by 10:00 p.m., Washington, DC time, on the date of this Agreement. No stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission. All requests for additional information on the part of the Commission shall have been complied with to the Representatives' reasonable satisfaction.

(b) Counsel for the Underwriters shall have furnished to the Representatives such written opinion or opinions, dated each Time of Delivery for such Designated Securities, with respect to

the valid existence of the Company, the validity of the Designated Securities, the Registration Statement, the Prospectus and such other related matters as the Representatives reasonably may request, and such counsel shall have received such documents and information as they reasonably may request to enable them to pass upon such matters.

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

(i) The Company is a validly existing corporation in good standing under the laws of the State of Delaware, with the requisite corporate power and authority to own its properties and conduct its business as described in the Prospectus as amended or supplemented.

(ii) The Company has an authorized capitalization as set forth in the Prospectus as amended or supplemented. The Designated Securities being delivered at such Time of Delivery have been duly authorized and, when issued and delivered to and paid for by the Underwriters in accordance with the terms of the Underwriting Agreement, will be validly issued and fully paid and nonassessable. The Designated Securities conform to the description thereof in the Prospectus as amended or supplemented.

(iii) The Company has the corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder.

(iv) The execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate action. This Agreement has been duly executed and delivered by the Company.

(v) The issue and sale of the Designated Securities by the Company to the Underwriters will not conflict with or result in a breach or violation of any term or provision of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company is a party that is material to the Company and its subsidiaries taken as a whole, nor will such action result in any violation of the provisions of the Certificate of Incorporation or By-laws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company, other than any such conflict, breach, violation or default that is not reasonably likely to result in a material adverse change in the business, financial condition or results of operations of the Company and its subsidiaries taken as a whole. No consent, approval, authorization, order, registration or qualification of or with any court or governmental agency or body having jurisdiction over the Company is required to be obtained by the Company for the issue and sale by the Company of the Designated Securities being delivered at such Time of Delivery, except such as have been obtained under the Securities Act and such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Designated Securities by the Underwriters.

(vi) Insofar as the statements in the Prospectus under the captions "Description of Capital Stock" and "Underwriting" constitute a summary of the documents referred to therein, such statements fairly present in all material respects the information required to be disclosed under the Securities Act and the rules and regulations of the Commission relating to registration statements on Form S-3 and prospectuses.

(vii) The Registration Statement has become effective under the Securities Act.

In addition, such counsel shall state that, although such counsel is not passing upon and does not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement or the Prospectus, such counsel has no reason to believe: (a) that the Registration Statement, at the time it became effective (which, for purposes of such counsel's expression of belief, shall have the meaning set forth in Rule 158(c) under the Securities Act) or the Prospectus, as of its date or as of such Time of Delivery, was not appropriately responsive in all material respects to the requirements of the Securities Act and the applicable rules and regulations of the Commission thereunder; or (b)(i) that the Registration Statement, at the time it became effective, 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 (ii) that the Prospectus, as of its date or as of such Time of Delivery, contained or contains an untrue statement of a material fact or omitted or omits 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. In expressing its belief, such counsel may state that it expresses no belief as to the financial statements and related schedules contained or incorporated by reference in the Registration Statement or the Prospectus.

(d) Gibson, Dunn & Crutcher LLP, or other counsel for the Company satisfactory to the Representatives, shall have furnished to the Representatives their written opinion, dated each Time of Delivery for such Designated Shares, in form and substance satisfactory to the Representatives, to the effect that:

(i) The Company is a validly existing corporation in good standing under the laws of the State of Delaware.

(ii) The Company has an authorized capitalization as set forth in the Prospectus as amended or supplemented. The Designated Securities being delivered at such Time of Delivery have been duly authorized and, when issued and delivered to and paid for by the Underwriters in accordance with the terms of the Underwriting Agreement, will be validly issued and fully paid and nonassessable. The Designated Securities conform to the description thereof in the Prospectus as amended or supplemented.

(iii) This Agreement has been duly executed and delivered by the Company.

(iv) Insofar as the statements in the Prospectus under the captions "Description of Capital Stock" and "Underwriting" constitute a summary of the documents referred to therein, such statements fairly present in all material respects the information required to be disclosed under the Securities Act and the rules and regulations of the Commission relating to registration statements on Form S-3 and prospectuses.

(v) The Registration Statement has become effective under the Securities Act.

In addition, such counsel shall state that, although such counsel is not passing upon and does not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement or the Prospectus, such counsel has no reason to believe: (a) that the Registration Statement, at the time it became effective (which, for purposes of such counsel's expression of belief, shall have the meaning set forth in Rule 158(c) under the Securities Act) or the Prospectus, as of its date or as of such Time of Delivery, was not appropriately responsive in all material respects to the requirements of the Securities Act and the applicable rules and regulations of the Commission thereunder; or (b)(i) that the Registration Statement, at the time it became effective, 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 (ii) that the Prospectus, as of its date or as of such Time of Delivery, contained or contains an untrue statement of a material fact or omitted or omits 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. In expressing its belief, such counsel may state that it expresses no belief as to the financial statements and related schedules contained or incorporated by reference in the Registration Statement or the Prospectus.

(e) At each Time of Delivery for such Designated Securities, the independent accountants of the Company who have certified the financial statements of the Company and its subsidiaries included or incorporated by reference in the Registration Statement shall have furnished to the Representatives a letter, dated such Time of Delivery, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the Company's financial statements and certain financial information contained or incorporated by reference in the Registration Statement and the Prospectus.

(f) Except as set forth in or contemplated by the Registration Statement and the Prospectus, there shall not have occurred any change, or any development reasonably likely to result in a change, in or affecting the business, financial condition or results of operations of the Company and its subsidiaries taken as a whole, the effect of which is in the judgment of the Representatives so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Firm Securities or Optional Securities or both on the terms and in the manner contemplated in the Prospectus as amended relating to the Designated Securities.

(g) On or after the date of the Pricing Agreement relating to the Designated Securities: (i) no downgrading shall have occurred in the rating accorded the Company's debt securities or preferred stock or the Company's financial strength or claims paying ability by any "nationally recognized statistical rating organization", as that term is defined by the Commission for purposes of Rule 436(g)(2) under the Securities Act, and (ii) no such organization shall have publicly announced

that it has under surveillance or review, with possible negative implications, its rating of any of the Company's debt securities or preferred stock or the Company's financial strength or claims paying ability.

(h) On or after the date of the Pricing Agreement relating to the Designated Securities there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the New York Stock Exchange; (ii) a suspension or material limitation in trading in the Company's securities on the New York Stock Exchange; (iii) a general moratorium on commercial banking activities declared by either Federal or New York State authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States; (iv) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war; or (v) the occurrence of any other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified in clause (iv) or (v) in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Designated Securities on the terms and in the manner contemplated in the Prospectus as first amended or supplemented relating to the Designated Securities.

(i) The Designated Securities, if shares of Common Stock, at each Time of Delivery shall have been duly listed, subject to notice of issuance, on the New York Stock Exchange.

(j) The Company shall have complied with the provisions of Section 4(f) with respect to the furnishing of prospectuses on the New York Business Day next succeeding the date of the Pricing Agreement relating to such Designated Securities.

(k) The Company shall have furnished or caused to be furnished to the Representatives at each Time of Delivery for the Designated Securities a certificate or certificates of the Company, executed on behalf of the Company by its chief executive officer and its chief financial officer, satisfactory to the Representatives as to the accuracy of the representations and warranties of the Company herein at and as of such Time of Delivery and as to the performance by the Company of all of its obligations hereunder to be performed at or prior to such Time of Delivery.

7. ***Indemnification and Contribution.***

(a) The Company will indemnify and hold harmless each Underwriter against any losses, claims, damages or liabilities, joint or several, to which such Underwriter may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the Designated Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; *provided*, *however*, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the Designated Securities, or any such amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by any Underwriter of Designated Securities through the Representatives expressly for use in the Prospectus as amended or supplemented relating to such Designated Securities.

(b) Each Underwriter will indemnify and hold harmless the Company against any losses, claims, damages or liabilities to which the Company may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the Designated Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the Designated Securities, or any such amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representatives expressly for use therein; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under Section 7(a) or (b) of notice of the commencement of any action, such indemnified party, if a claim in respect thereof is to be made against the indemnifying party under Section 7(a) or (b), shall notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under Section 7(a) or (b). In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under Section 7(a) or (b) for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. Without the written consent of the indemnified party, no indemnifying party shall effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section 7 is unavailable to or insufficient to hold harmless an indemnified party under Section 7(a) or (b) in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters of the Designated Securities on the other from the offering of the Designated Securities to which such loss, claim, damage or liability (or action in respect thereof) relates. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under Section 7(c), then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Underwriters of

the Designated Securities on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and such Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from such offering (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by such Underwriters. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or such Underwriters on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 7(d) were determined by *pro rata* allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 7(d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to in this Section 7(d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 7(d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the applicable Designated Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The obligations of the Underwriters of Designated Securities in this Section 7(d) to contribute are several in proportion to their respective underwriting obligations with respect to such Designated Securities and not joint.

(e) The obligations of the Company under this Section 7 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Underwriter within the meaning of the Securities Act; and the obligations of the Underwriters under this Section 7 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company and to each person, if any, who controls the Company within the meaning of the Securities Act.

9. ***Default by One or More Underwriters.***

(a) If any Underwriter shall default in its obligation to purchase the Firm Securities or Optional Securities which it has agreed to purchase under the Pricing Agreement relating to such Designated Securities, the Representatives in their discretion may arrange for themselves or another party or other parties to purchase such Designated Securities on the terms contained herein. If within 36 hours after such default by any Underwriter the Representatives do not arrange for the purchase of such Firm Securities or Optional Securities, as the case may be, then the Company shall be entitled to a further period of 36 hours within which to procure another party or other parties satisfactory to the Representatives to purchase such Designated Securities on such terms. In the event that, within the respective prescribed period, the Representatives notify the Company that they have so arranged for the purchase of such Designated Securities, or the Company notifies the Representatives that it has so arranged for the purchase of such Designated Securities, the Representatives or the Company shall have the right to postpone the Time of Delivery for such Designated Securities for a period of not more than seven days, in order to effect whatever changes thereby may be made necessary in the Registration Statement or the Prospectus as amended or supplemented, or in any other documents or

arrangements, and the Company promptly will file any amendments or supplements to the Registration Statement or the Prospectus that in the opinion of the Representatives thereby may be made necessary. The term "Underwriter" as used in this Agreement shall include any person substituted under this Section 8 with like effect as if such person had originally been a party to the Pricing Agreement with respect to such Designated Securities.

(b) If, after giving effect to any arrangements for the purchase of the Firm Securities or Optional Securities, as the case may be, of a defaulting Underwriter or Underwriters by the Representatives and the Company as provided in Section 8(a), the aggregate number of such Designated Securities that remains unpurchased does not exceed one-eleventh of the aggregate number of the Firm Securities or Optional Securities, as the case may be, to be purchased at the respective Time of Delivery, then the Company shall have the right to require each non-defaulting Underwriter to purchase the number of Firm Securities or Optional Securities, as the case may be, that such Underwriter agreed to purchase under the Pricing Agreement relating to such Designated Shares and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the number of Firm Securities or Optional Securities, as the case may be, that such Underwriter agreed to purchase under such Pricing Agreement) of the Firm Securities or Optional Securities, as the case may be, of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of the Firm Securities or Optional Securities, as the case may be, of a defaulting Underwriter or Underwriters by the Representatives and the Company as provided in Section 9(a), the aggregate number of Firm Securities or Optional Securities, as the case may be, that remains unpurchased exceeds one-eleventh of the aggregate number of the Firm Securities or Optional Securities, as the case may be, to be purchased at the respective Time of Delivery, as referred to in Section 8(b), or if the Company shall not exercise the right described in Section 8(b) to require non-defaulting Underwriters to purchase Firm Securities or Optional Securities, as the case may be, of a defaulting Underwriter or Underwriters, then the Pricing Agreement relating to such Firm Securities or the Over-allotment Option relating to such Optional Securities, as the case may be, shall thereupon terminate, without liability on the part of any non-defaulting Underwriter or the Company, except for the expenses to be borne by the Company and the Underwriters as provided in Section 5 and the indemnity and contribution agreements in Section 7; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

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

10. ***Termination.*** If any Pricing Agreement or Over-allotment Option shall be terminated pursuant to Section 8, the Company shall not then be under any liability to any Underwriter with respect to the Firm Securities or Optional Securities covered by such Pricing Agreement except as provided in Sections 5 and 7 but, if for any other reason, Designated Securities are not delivered by or on behalf of the Company as provided herein, other than the occurrence of an event described in Section 6(g)(i), (iii), (iv) or (v), the Company will reimburse the Underwriters through the Representatives for all out-of-pocket expenses approved in writing by the Representatives, including fees and disbursements of counsel, reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of such Designated Securities, but the Company shall then be under no further liability to any Underwriter with respect to such Designated Securities except as provided in Sections 5 and 7.

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

12. ***Notices.*** All statements, requests, notices and agreements hereunder shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to the address of the Representatives as set forth in the Pricing Agreement; and if to the Company shall be delivered or sent by mail, telex or facsimile transmission to the address of the Company set forth in the Registration Statement: Attention: Secretary; provided, however, that any notice to an Underwriter pursuant to Section 7(c) shall be delivered or sent by mail, telex or facsimile transmission to such Underwriter at its address set forth in its Underwriters' Questionnaire, or telex constituting such Questionnaire, which address will be supplied to the Company by the Representatives upon request. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

13. ***Parties.*** This Agreement and each Pricing Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the Company and, to the extent provided in Sections 7 and 9, the officers and directors of the Company and each person who controls the Company or any Underwriter, and their respective heirs, executors, administrators, successors and assigns. No other person shall acquire or have any right under or by virtue of this Agreement or any such Pricing Agreement. No purchaser of any of the Securities from any Underwriter shall be deemed a successor or assign merely by reason of such purchase.

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

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

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

17. ***Tax Disclosure.*** The Company is authorized, subject to applicable law, to disclose any and all aspects of this potential transaction that are necessary to support any U.S. federal income tax benefits expected to be claimed with respect to such transaction, and all materials of any kind (including tax opinions and other tax analyses) related to those benefits, without the Underwriters imposing any limitation of any kind.

ANNEX I

Pricing Agreement

[Names of Representative(s)]
As Representatives of the several
Underwriters named in Schedule I hereto,
[c/o Book-Running Representative(s)]
[Address]
City, State ZIP

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Ladies and Gentlemen:

Pitney Bowes Inc., an Delaware corporation (the "Company"), proposes, subject to the terms and conditions stated herein and in the Underwriting Agreement, Standard Provisions, dated , 20 (the "Underwriting Agreement"), to issue and sell to the Underwriters named in Schedule I hereto (the "Underwriters") the Securities specified in Schedule II hereto (the "Designated Securities" consisting of Firm Securities and any Optional Securities the Underwriters may elect to purchase. Each of the provisions of the Underwriting Agreement is incorporated herein by reference in its entirety, and shall be deemed to be a part of this Agreement to the same extent as if such provisions had been set forth in full herein. Each of the representations and warranties set forth therein shall be deemed to have been made at and as of the date of this Pricing Agreement, except that each representation and warranty which refers to the Prospectus in Section 2 of the Underwriting Agreement shall be deemed to be a representation or warranty as of the date of the Underwriting Agreement in relation to the Prospectus (as therein defined), and also a representation and warranty as of the date of this Pricing Agreement in relation to the Prospectus as amended or supplemented relating to the Designated Securities which are the subject of this Pricing Agreement. Each reference to the Representatives herein and in the provisions of the Underwriting Agreement so incorporated by reference shall be deemed to refer to you. Unless otherwise defined herein, terms defined in the Underwriting Agreement are used herein as therein defined. The Representatives designated to act on behalf of the Representatives and on behalf of each of the Underwriters of the Designated Securities pursuant to Section 11 of the Underwriting Agreement and the address of the Representatives referred to in Section 12 of the Underwriting Agreement are set forth in Schedule II.

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

Subject to the terms and conditions set forth herein and in the Underwriting Agreement incorporated herein by reference, (a) the Company agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at the time and place and at the purchase price to the Underwriters set forth in Schedule II hereto, the number of Firm Securities set forth opposite the name of such Underwriter in Schedule I hereto and, (b) in the event and to the extent that the Underwriters shall exercise the election to purchase Optional Securities, as provided below, the Company agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company at the purchase price to the Underwriters set forth in Schedule II hereto that portion of the number of Optional Securities as to which such election shall have been exercised.

The Company hereby grants to each of the Underwriters the right to purchase at their election up to the number of Optional Securities set forth opposite the name of such Underwriter in Schedule I hereto on the terms referred to in the paragraph above for the sole purpose of covering over-allotments in the sale of the Firm Securities. Any such election to purchase Optional Securities may be exercised by written notice from the Representatives to the Company given within a period of 30 calendar days after the date of this Pricing Agreement, setting forth the aggregate number of

Optional Securities to be purchased and the date on which such Optional Securities are to be delivered, as determined by the Representatives, but in no event earlier than the First Time of Delivery or, unless the Representatives and the Company otherwise agree in writing, no earlier than two or later than ten business days after the date of such notice.

If the foregoing is in accordance with your understanding, please sign and return to us counterparts hereof, and upon acceptance hereof by you, on behalf of each of the Underwriters, this letter and such acceptance hereof, including the provisions of the Underwriting Agreement incorporated herein by reference, shall constitute a binding agreement between each of the Underwriters and the Company. It is understood that your acceptance of this letter on behalf of each of the Underwriters is or will be pursuant to the authority set forth in a form of Agreement among Underwriters, the form of which shall be submitted to the Company for examination, upon request, but without warranty on the part of the Representatives as to the authority of the signers thereof.

Very truly yours,

Pitney Bowes Inc.

By: _____

Name:
Title:

Accepted as of the date hereof:

[Name of Book-Running Representative(s)]

[Name(s) of Co-Representative(s)]

[By: _____

SCHEDULE I

Underwriter	Number of Firm Shares to be Purchased	Maximum Number of Optional Shares Which May be Purchased	
Total			**(14)]**

SCHEDULE II—SHARES

Title of Designated Securities:

Number of Designated Securities:

Number of Firm Securities:

Maximum Number of Optional Securities:

Initial Offering Price to Public:

[$ per Share] [Formula]

Purchase Price by Underwriters:

[$ per Share] [Formula]

[Commission Payable to Underwriters:

$ per Share

Exchanges on which Listed

Form of Designated Securities:

Definitive form, to be made available for checking at least 24 hours prior to the Time of Delivery at the office of The Depository Trust Company or its designated custodian

Specified Funds for Payment of Purchase Price:

Federal (same-day) funds

Describe any blackout provisions with respect to the Designated Securities

Time of Delivery:

a.m. (New York City time), , 20

Closing Location:

Names and Addresses of Representatives:

Designated Representatives:

Address for Notices, etc.:

Other Terms:

SCHEDULE II—WARRANTS
[Include Only if Applicable

Warrant Agreement:

Number of Warrants to be Issued:

Common, Preferred or Preference Stock Warrant Agreement:

Issuable jointly with Shares:

Yes

No

[Detachable Date]

Date from which Warrants are exercisable:

Date on which Warrants expire:

Exercise Price of Warrants:

Purchase price:

Number of Shares purchasable upon exercise of one Warrant:

Listing requirements:

Purchase Price by Underwriters:

Overseas Paying Agents:

Names and addresses of Representatives:

Designated Representatives:

Address for Notices, etc.:

Dealer Concessions:

Reallowance Concession:

Closing location for delivery of Designated Securities:

[Other Terms]:

QuickLinks

Pitney Bowes Inc. Equity Securities Warrants to Purchase Equity Securities
Form of Underwriting Agreement Standard Provisions
Pricing Agreement
SCHEDULE I
SCHEDULE II—SHARES
SCHEDULE II—WARRANTS [Include Only if Applicable

QuickLinks -- Click here to rapidly navigate through this document

Exhibit 1(c)

Pitney Bowes Inc.

Convertible Debt Securities
Warrants to Purchase Convertible Debt Securities

Form of Underwriting Agreement

Standard Provisions

, 20

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

Ladies and Gentlemen:

Pitney Bowes Inc., a Delaware corporation (the "**Company**"), from time to time may enter into one or more pricing agreements (each a "**Pricing Agreement**") in the form of Annex I, with such additions and deletions as the parties thereto may determine and, subject to the terms and conditions stated herein and therein, to issue and sell to the firms named in Schedule I to the applicable Pricing Agreement (such firms constituting the "**Underwriters**" with respect to such Pricing Agreement and the securities specified therein) certain of its convertible debt securities or warrants to purchase convertible debt securities (the "**Securities**") specified in Schedule II to such Pricing Agreement (with respect to such Pricing Agreement, the "**Firm Securities**"). The Securities will be convertible into either common or preferred shares of the Company ("the **Underlying Securities**"), as all specified in the applicable Pricing Agreement. If specified in such Pricing Agreement, the Company may grant to the Underwriters the right to purchase at their election an additional principal amount of Securities, specified in such Pricing Agreement as provided in Section 2 (the "**Optional Securities**"). The Firm Securities and the Optional Securities, if any, which the Underwriters elect to purchase pursuant to Section 2 are collectively called the "**Designated Securities.**" The Pricing Agreement may designate a lead underwriter or underwriters (collectively, the "**Representatives**") for the particular issue of Designated Securities. The term "Representatives" also refers to a single firm acting as sole representative of the Underwriters and to an Underwriter or Underwriters who act without any firm being designated as its or their representatives.

The standard provisions set forth herein to the extent applicable to securities of the type represented by the Designated Securities will be incorporated by reference in any such Pricing Agreement relating to a particular issue of Securities. The terms and rights of any particular issuance of Designated Securities shall be as specified in the Pricing Agreement relating thereto and in or pursuant to the indenture (the "**Indenture**") identified in such Pricing Agreement.

This Underwriting Agreement shall not be construed as an obligation of the Company to sell any of the Securities or as an obligation of any of the Underwriters to purchase any of the Securities. The obligation of the Company to issue and sell any of the Designated Securities and the obligation of the Underwriters to purchase any of the Designated Securities shall be evidenced by the Pricing Agreement with respect to the Designated Securities specified therein. Each Pricing Agreement shall specify the aggregate principal amount of the Firm Securities, the maximum aggregate principal amount of the Optional Securities, if any, the initial public offering price of such Designated Securities or the manner of determining such price, the purchase price to the Underwriters of such Designated Securities, the names of the Underwriters of such Designated Securities, the names of the Representatives of such Underwriters, the principal amount of such Designated Securities to be purchased by each Underwriter and the commission, if any, payable to the Underwriters with respect thereto and shall set forth the date, time and manner of delivery of such Firm Securities and Optional Securities, if any, and payment

therefor. The Pricing Agreement also shall specify, to the extent not set forth in the Indenture and the Registration Statement and Prospectus with respect thereto, the terms of such Designated Securities. The Pricing Agreement, including these standard provisions incorporated therein by reference, is referred to as "**this Agreement**". A Pricing Agreement shall be in the form of an executed writing, which may be in counterparts, and may be evidenced by an exchange of email communications or any other rapid transmission device designed to produce a written record of communications transmitted. The obligations of the Underwriters under this Agreement and any Pricing Agreement shall be several and not joint.

The terms and rights of any particular issuance of Designated Securities shall be as specified in the Pricing Agreement relating thereto and: (i) if the Designated Securities are either senior or subordinated convertible debt securities ("**Debt Securities**") in or pursuant to the senior or subordinated indenture (the "**Indenture**") identified in the Pricing Agreement; (ii) if the Designated Securities are warrants ("**Warrants**"), in or pursuant to a warrant agreement (the "**Warrant Agreement**") identified in the Pricing Agreement; and (iii) if the Designated Securities are convertible debt securities subject to the Warrants ("**Warrant Debt Securities**"), in or pursuant to the Indenture identified in the Pricing Agreement.

1. ***Representations and Warranties.*** The Company represents and warrants to each Underwriter named in Schedule I to the applicable Pricing Agreement, as of the date thereof and as of the Time of Delivery (as defined in Section 3) as follows:

(a) A registration statement (the "**Initial Registration Statement**") in respect of the Designated Securities has been filed with the Securities and Exchange Commission (the "**Commission**") under the Securities Act of 1933, as amended (the "**Securities Act**"). The Initial Registration Statement has been declared effective by the Commission, and each Indenture has been duly qualified under the Trust Indenture Act of 1939, as amended (the "**Trust Indenture Act**"). The term "**Registration Statement**" means the Initial Registration Statement as amended to the date of this Agreement, including the information, if any, deemed to be a part thereof pursuant to Rule 434(d) of the rules and regulations under the Securities Act (the "**Securities Act Regulations**") and any related registration statement filed pursuant to Rule 462(b) (a "**Rule 462(b) Registration Statement**") of the Securities Act Regulations. No stop order suspending the effectiveness of the Registration Statement has been issued and no proceeding for that purpose has been initiated or threatened by the Commission. The Company proposes to file, pursuant to Rule 424 of the Securities Act Regulations, a prospectus supplement specifically relating to the Designated Securities and has advised the Underwriters of all information to be set forth therein. The term "**Basic Prospectus**" means the prospectus included in the Initial Registration Statement. The term "**Prospectus**" means the Basic Prospectus together with the prospectus supplement (the "**Prospectus Supplement**") specifically relating to the Designated Securities as first filed with the Commission pursuant to Rule 424 of the Securities Act Regulations. If the Company elects to rely upon Rule 434 of the Securities Act Regulations, however, the term "Prospectus" shall be deemed to refer to the Basic Prospectus and the term sheet relating to the Designated Securities in the form to be furnished to the Underwriters by the Company in reliance on Rule 434. The term "**Preliminary Prospectus**" means a preliminary prospectus supplement specifically relating to the Designated Securities together with the Basic Prospectus. Any reference to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the information incorporated by reference therein, as updated or superseded as provided therein, prior to the execution of the applicable Pricing Agreement. Any reference to any amendment or supplement to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the information incorporated by reference therein, as updated or superseded as provided therein, pursuant to any document filed after the date of the execution of the applicable Pricing Agreement under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and any reference to the Prospectus as

amended or supplemented shall be deemed to refer to the Prospectus as amended or supplemented in relation to the applicable Designated Securities in the form in which it is filed with the Commission pursuant to Rule 424(b) of the Securities Act Regulations in accordance with Section 4(a). Any reference to any amendment to the Registration Statement shall be deemed to refer to and include any annual report of the Company, as updated or superseded, filed pursuant to Section 13(a) or 15(d) of the Exchange Act after the effective date of the Initial Registration Statement that is incorporated by reference in the Registration Statement.

(b) The Registration Statement and the Prospectus conform, and any further amendments or supplements to the Registration Statement or the Prospectus will conform, in all material respects to the requirements of the Securities Act and the Trust Indenture Act and the rules and regulations of the Commission thereunder.

(c) The documents incorporated by reference in the Prospectus, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the Securities Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder. Any further documents so filed and incorporated by reference in the Prospectus or any further amendment or supplement thereto, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Securities Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder.

(d) The Registration Statement as of its effective date did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. The Prospectus does not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The representations and warranties in this Section 2(d) shall not apply to (i) any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter of Designated Securities through the Representatives expressly for use in the Prospectus or (ii) any Form T-1 Statement of Eligibility and Qualification included as an exhibit to the Registration Statement.

(e) Since the respective dates as of which information is given in the Registration Statement and the Prospectus, and except as set forth therein or contemplated thereby, there has not been any material adverse change, or any development reasonably likely to result in a material adverse change, in the business, financial condition or results of operations of the Company and its subsidiaries taken as a whole.

(f) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, with corporate power and authority to own its properties and conduct its business as described in the Prospectus.

(g) The Company has an authorized capitalization as set forth in the Prospectus. All of the issued and outstanding shares of capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable.

(h) The Designated Securities have been duly authorized. When the Designated Securities are issued and delivered pursuant to this Agreement and the Pricing Agreement with respect to the Firm Securities, and in the case of any Optional Securities pursuant to Over-allotment Options (as defined in Section 2) with respect to such Optional Securities, such Designated Securities will have been duly executed, authenticated, issued and delivered and will constitute valid and legally binding obligations of the Company, subject to bankruptcy, insolvency, reorganization and other

laws of general applicability relating to or affecting creditors' rights and to general equity principles.

(i) The Indenture has been duly authorized. At each Time of Delivery (as defined in Section 3) for the Designated Securities, the Indenture will constitute a valid and legally binding instrument, enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles. The Indenture conforms, and the Designated Securities will conform, to the descriptions thereof contained in the Prospectus.

(j) The issue and sale of the Designated Securities by the Company to the Underwriters will not conflict with or result in a breach or violation of any term or provision of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company is a party that is material to the Company and its subsidiaries taken as a whole, nor will such action result in any violation of the provisions of the Certificate of Incorporation or By-laws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company, other than any such conflict, breach, violation or default that is not reasonably likely to result in a material adverse change in the business, financial condition or results of operations of the Company and its subsidiaries taken as a whole. No consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body will be required to be obtained by the Company for the issue and sale by the Company of the Designated Securities being delivered at such Time of Delivery, except such as have been, or will have been prior to such Time of Delivery, obtained under the Securities Act and the Trust Indenture Act and such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Designated Securities by the Underwriters.

(k) The Underlying Securities initially issuable upon conversion of the Designated Securities have been duly authorized and reserved for issuance and, when issued and delivered upon conversion of the Designated Securities in accordance with the terms of the Designated Securities and the Indenture, will be validly issued, fully paid and non-assessable, and the issuance of the Underlying Securities will not be subject to any preemptive or similar rights.

(l) The Underlying Securities issuable upon conversion of the Designated Securities have been approved for listing on the New York Stock Exchange, subject to official notice of issuance.

2. ***Sale and Delivery.***

(a) Pursuant to a Pricing Agreement applicable to any Designated Securities, and upon the basis of the representations and warranties, and subject to the conditions set forth, in this Agreement, the Company will agree to sell to the several Underwriters named in such Pricing Agreement and such Underwriters will agree to purchase from the Company, severally and not jointly, at the respective purchase prices set forth in the Pricing Agreement, plus accrued interest, if any, from the date set forth therein to the date of payment and delivery: (i) the principal amounts of Debt Securities set forth opposite their names in Schedule I to such Pricing Agreement, less their respective amounts of the Contract Debt Securities (as defined below), if any, as determined as provided below; or (ii) Warrants to purchase the principal amounts of Warrant Debt Securities set forth opposite their names in Schedule I to such Pricing Agreement.

(b) The Company may specify in the Pricing Agreement applicable to any Designated Securities that the Company thereby grants to the Underwriters the right (an "**Overallotment Option**") to purchase at their election up to the aggregate principal amount of Optional Securities specified in such Pricing Agreement, on the same terms as the Firm Securities, for the sole

purpose of covering over-allotments in the sale of the Firm Securities. Any such election to purchase Optional Securities may be exercised by written notice from the Representatives to the Company, given within a period specified in the Pricing Agreement, setting forth the aggregate principal amount of Optional Securities to be purchased and the date on which such Optional Securities are to be delivered, as determined by the Representatives but in no event earlier than the First Time of Delivery or, unless the Representatives and the Company otherwise agree in writing, earlier than or later than the respective number of business days after the date of such notice set forth in such Pricing Agreement.

(c) The aggregate principal amount of Optional Securities to be added to the aggregate principal amount of Firm Securities to be purchased by each Underwriter as set forth in Schedule I to the Pricing Agreement applicable to such Designated Securities shall be, in each case, the aggregate principal amount of Optional Securities that the Company has been advised by the Representatives have been attributed to such Underwriter. If the Company has not been so advised, the aggregate principal amount of Optional Securities to be so added shall be, in each case, that aggregate principal amount of Optional Securities which the aggregate principal amount of Firm Securities to be purchased by such Underwriter under such Pricing Agreement bears to the aggregate principal amount of Firm Securities (rounded as the Representatives may determine to the nearest $1000). The aggregate principal amount of Designated Securities to be purchased by all the Underwriters pursuant to such Pricing Agreement shall be the aggregate principal amount of Firm Securities set forth in Schedule I to such Pricing Agreement plus the aggregate principal amount of Optional Securities which the Underwriters elect to purchase.

3. ***Payment.*** Firm Securities and Optional Securities to be purchased by each Underwriter pursuant to the Pricing Agreement relating thereto, in the form specified in such Pricing Agreement and in such authorized denominations and registered in such names as the Representatives may request upon at least 48 hours' prior notice to the Company, shall be delivered by or on behalf of the Company to the Representatives for the account of such Underwriter, against payment by such Underwriter or on its behalf of the purchase price therefor by wire transfer of Federal (same-day) funds to the account specified by the Company to the Representatives at least 48 hours in advance as specified in such Pricing Agreement:

(i) with respect to the Firm Securities, all in the manner and at the place and time and date specified in such Pricing Agreement or at such other place and time and date as the Representatives and the Company may agree upon in writing, such time and date being called the "**First Time of Delivery**"; and

(ii) with respect to the Optional Securities, if any, in the manner and at the time and date specified by the Representatives in the written notice given by the Representatives of the Underwriters' election to purchase such Optional Securities, or at such other time and date as the Representatives and the Company may agree upon in writing, such time and date, if not the First Time of Delivery, herein called the "**Second Time of Delivery**".

Each such time and date for delivery is called a "**Time of Delivery**".

4. ***Covenants.*** The Company agrees with each of the Underwriters of any Designated Securities that:

(a) It will prepare the Prospectus as amended or supplemented in relation to the applicable Designated Securities in a form approved by the Representatives and will file such Prospectus pursuant to Rule 424(b) of the Securities Act Regulations not later than the Commission's close of business on the second business day following the execution and delivery of the Pricing Agreement relating to the applicable Designated Securities or, if applicable, such earlier time as may be required by Rule 424(b).

(b) It will not make any further amendment or supplement to the Registration Statement or Prospectus as amended or supplemented after the date of the Pricing Agreement relating to such Designated Securities and prior to the Time of Delivery for such Designated Securities that shall be disapproved by the Representatives for such Designated Securities promptly after reasonable notice thereof.

(c) It will advise the Representatives promptly of any such amendment or supplement after such Time of Delivery for such Designated Securities and will furnish the Representatives with copies thereof.

(d) It promptly will file all reports and any definitive proxy or information statements required to be filed with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act for so long as the delivery of a prospectus is required in connection with the offering or sale of such Designated Securities, and during such same period it will advise the Representatives, promptly after it receives notice thereof, of:

(i) the time when any amendment to the Registration Statement has been filed or becomes effective or any supplement to the Prospectus or any amended Prospectus has been filed with the Commission;

(ii) the issuance by the Commission of any stop order or of any order preventing or suspending the use of any prospectus relating to the Designated Securities;

(iii) the suspension of the qualification of such Designated Securities for offering or sale in any jurisdiction; and

(iv) the initiation or threatening of any proceeding for any such purpose or of any request by the Commission with respect to amending or supplementing the Registration Statement or Prospectus or for additional information and, in the event of the issuance of any such stop order or of any such order preventing or suspending the use of any prospectus relating to the Designated Securities or suspending any such qualification, promptly use its best efforts to obtain the withdrawal of such order.

(e) It promptly will take such action as the Representatives reasonably may request to qualify such Designated Securities for offering and sale under the securities laws of such jurisdictions as the Representatives reasonably may request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of such Designated Securities. In connection therewith, the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction.

(f) Prior to 10:00 a.m., New York City time, on the New York Business Day next succeeding the date of this Agreement and from time to time, it will deliver written and electronic copies of the Prospectus as amended or supplemented to the Underwriters in New York City, in such quantities as the Representatives reasonably may request. If the delivery of a prospectus is required at any time in connection with the offering or sale of the Designated Securities and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Securities Act, the Exchange Act or the Trust Indenture Act, the Company will notify the Representatives and upon their request will file such document and prepare and furnish without charge to each Underwriter and to any dealer in securities as many written and electronic

copies as the Representatives from time to time reasonably may request of an amended Prospectus or a supplement to the Prospectus that will correct such statement or omission or effect such compliance.

(g) It will make generally available to its securityholders as soon as practicable, but in any event not later than 18 months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Securities Act), an earnings statement of the Company and its subsidiaries (which need not be audited) complying with Section 11(a) of the Securities Act and the Securities Act Regulations.

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

(i) If it elects to rely upon Rule 462(b), it will file a Rule 462(b) Registration Statement with the Commission in compliance with Rule 462(b) by 10:00 p.m., Washington, DC time, on the date of this Agreement, and at the time of filing it either will pay to the Commission the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to Rule 111(b) under the Securities Act.

5. ***Payment of Expenses.*** The Company will pay or cause to be paid the following:

(i) the fees, disbursements and expenses of the Company's counsel and accountants in connection with the registration of the Securities under the Securities Act and all other expenses in connection with the preparation, printing and filing of the Registration Statement, any Preliminary Prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers;

(ii) all expenses in connection with the qualification of the Securities for offering and sale under state securities laws as provided in Section 4(e), including the reasonable fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with any Blue Sky Memorandum or Legal Investment Survey;

(iii) any fees charged by securities rating services for rating the Securities;

(iv) any filing fees incident to, and the reasonable fees and disbursements of counsel for the Underwriters in connection with, any required review by the National Association of Securities Dealers, Inc. of the terms of the sale of the Securities;

(v) the cost of printing or reproducing the Securities; and

(vii) the fees and expenses of any Trustee and any agent of any Trustee and the reasonable fees and disbursements of counsel for any Trustee in connection with any Indenture and the Securities.

Except as provided in this Section 5, and Sections 7 and 10, the Underwriters will pay all of their own costs and expenses, including the fees of their counsel, transfer taxes on resale of any of the Designated Securities by them and any advertising expenses connected with any offers they may make.

6. ***Conditions of the Underwriters' Obligations.*** The obligations of the Underwriters of any Designated Securities under the Pricing Agreement relating to such Designated Securities shall be subject, in the discretion of the Representatives, to the condition that all representations and warranties and other statements of the Company in or incorporated by reference in the Pricing Agreement

relating to such Designated Securities are, at and as of each Time of Delivery for such Designated Securities, true and correct, the condition that the Company shall have performed all of its obligations hereunder theretofore to be performed, and the following additional conditions:

(a) The Prospectus as amended or supplemented in relation to such Designated Securities shall have been filed with the Commission pursuant to Rule 424(b) within the applicable time period prescribed for such filing by the rules and regulations under the Securities Act and in accordance with Section 4(a). If the Company has elected to rely upon Rule 462(b), the Rule 462(b) Registration Statement shall have become effective by 10:00 p.m., Washington, DC time, on the date of this Agreement. No stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission. All requests for additional information on the part of the Commission shall have been complied with to the Representatives' reasonable satisfaction.

(b) Counsel for the Underwriters shall have furnished to the Representatives such written opinion or opinions, dated each Time of Delivery for such Designated Securities, with respect to the valid existence of the Company, the validity of the Designated Securities, the Registration Statement, the Prospectus and such other related matters as the Representatives reasonably may request, and such counsel shall have received such documents and information as they reasonably may request to enable them to pass upon such matters.

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

(i) The Company is a validly existing corporation in good standing under the laws of the State of Delaware, with the requisite corporate power and authority to own its properties and conduct its business as described in the Prospectus as amended or supplemented.

(ii) The Company has the corporate power and authority to execute and deliver this Agreement, the Indenture and the Designated Securities and to perform its obligations thereunder.

(iii) The execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate action. This Agreement has been duly executed and delivered by the Company.

(iv) The execution, delivery and performance of the Designated Securities have been duly authorized by all necessary corporate action, The Designated Securities, when executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Underwriters in accordance with the terms of this Agreement, will be legal, valid and binding obligations of the Company enforceable against the Company in accordance with their terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles. The Designated Securities conform to the description thereof in the Prospectus as amended or supplemented.

(v) The execution, delivery and performance of the Indenture have been duly authorized by all necessary corporate action. The Indenture has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles. The Indenture conforms to the description thereof in the Prospectus as amended or supplemented.

(vi) The issue and sale of the Designated Securities by the Company to the Underwriters will not conflict with or result in a breach or violation of any term or provision of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company is a party that is material to the Company and its subsidiaries taken as a whole, nor will such action result in any violation of the provisions of the Certificate of Incorporation or By-laws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company, other than any such conflict, breach, violation or default that is not reasonably likely to result in a material adverse change in the business, financial condition or results of operations of the Company and its subsidiaries taken as a whole. No consent, approval, authorization, order, registration or qualification of or with any court or governmental agency or body having jurisdiction over the Company is required to be obtained by the Company for the issue and sale by the Company of the Designated Securities being delivered at such Time of Delivery, except such as have been obtained under the Securities Act and the Trust Indenture Act and such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Designated Securities by the Underwriters.

(vii) The Company has an authorized capitalization as set forth in the Prospectus as amended or supplemented. The Underlying Securities initially issuable upon conversion of the Designated Securities have been duly authorized and reserved for issuance and, when issued and delivered in accordance with the provisions of the Designated Securities and the Indenture, will be validly issued and fully paid and nonassessable. The Underlying Securities conform to the description thereof in the Prospectus as amended or supplemented. The Underlying Securities issuable upon conversion of the Designated Securities have been approved for listing on the New York Stock Exchange, subject to official notice of issuance. The issuance of the Underlying Securities will not be subject to any preemptive or similar rights.

(viii) Insofar as the statements in the Prospectus under the captions "Description of Securities", "Description of Capital Stock" and "Underwriting" constitute a summary of the documents referred to therein, such statements fairly present in all material respects the information required to be disclosed under the Securities Act and the rules and regulations of the Commission relating to registration statements on Form S-3 and prospectuses.

(ix) The Registration Statement has become effective under the Securities Act and the Indenture has been qualified under the Trust Indenture Act.

In addition, such counsel shall state that, although such counsel is not passing upon and does not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement or the Prospectus, such counsel has no reason to believe: (a) that the Registration Statement, at the time it became effective (which, for purposes of such counsel's expression of belief, shall have the meaning set forth in Rule 158(c) under the Securities Act) or the Prospectus, as of its date or as of such Time of Delivery, was not appropriately responsive in all material respects to the requirements of the Securities Act and the applicable rules and regulations of the Commission thereunder; or (b)(i) that the Registration Statement, at the time it became effective, 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 (ii) that the Prospectus, as of its date or as of such Time of Delivery, contained or contains an untrue statement of a material fact or omitted or omits 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. In expressing its belief, such counsel may state that it expresses no belief as to the financial statements and related schedules, or the

Statement of Eligibility on Form T-1, contained or incorporated by reference in the Registration Statement or the Prospectus.

(d) Gibson, Dunn & Crutcher LLP, or other counsel for the Company satisfactory to the Representatives, shall have furnished to the Representatives a written opinion, dated the Time of Delivery for such Designated Securities, in form and substance satisfactory to the Representatives, to the effect that:

(i) The Company is a validly existing corporation in good standing under the laws of the State of Delaware.

(ii) This Agreement has been duly executed and delivered by the Company.

(iii) The Designated Securities, when executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Underwriters in accordance with the terms of the Underwriting Agreement and the Pricing Agreement, will be legal, valid and binding obligations of the Company enforceable against the Company in accordance with their terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles. The Designated Securities conform to the description thereof in the Prospectus as amended or supplemented.

(iv) The Indenture has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles. The Indenture conforms to the description thereof in the Prospectus as amended or supplemented.

(v) The Underlying Securities conform to the description thereof in the Prospectus as amended or supplemented. The Underlying Securities issuable upon conversion of the Designated Securities have been approved for listing on the New York Stock Exchange, subject to official notice of issuance.

(vi) Insofar as the statements in the Prospectus under the captions "Description of Securities", "Description of Capital Stock" and "Underwriting" constitute a summary of the documents referred to therein, such statements fairly present in all material respects the information required to be disclosed under the Securities Act and the rules and regulations of the Commission relating to registration statements on Form S-3 and prospectuses.

(vii) The Registration Statement has become effective under the Securities Act and the Indenture has been qualified under the Trust Indenture Act.

In addition, such counsel shall state that, although such counsel is not passing upon and does not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement or the Prospectus, such counsel has no reason to believe: (a) that the Registration Statement, at the time it became effective (which, for purposes of such counsel's expression of belief, shall have the meaning set forth in Rule 158(c) under the Securities Act) or the Prospectus, as of its date or as of such Time of Delivery, was not appropriately responsive in all material respects to the requirements of the Securities Act and the applicable rules and regulations of the Commission thereunder; or (b)(i) that the Registration Statement, at the time it became effective, 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 (ii) that the Prospectus, as of its date or as of such Time of Delivery, contained or contains an untrue statement of a material fact or omitted or omits 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. In expressing its belief, such counsel may state that it expresses no belief as to the financial statements and related schedules, or the Statement of Eligibility on Form T-1, contained or incorporated by reference in the Registration Statement or the Prospectus.

(e) At each Time of Delivery for such Designated Securities, the independent accountants of the Company who have certified the financial statements of the Company and its subsidiaries included or incorporated by reference in the Registration Statement shall have furnished to the Representatives a letter, dated such Time of Delivery, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the Company's financial statements and certain financial information contained or incorporated by reference in the Registration Statement and the Prospectus.

(f) Except as set forth in or contemplated by the Registration Statement and the Prospectus, there shall not have occurred any change, or any development reasonably likely to result in a change, in or affecting the business, financial condition or results of operations of the Company and its subsidiaries taken as a whole, the effect of which is in the judgment of the Representatives so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Firm Securities or Optional Securities or both on the terms and in the manner contemplated in the Prospectus as amended relating to the Designated Securities.

(g) On or after the date of the Pricing Agreement relating to the Designated Securities: (i) no downgrading shall have occurred in the rating accorded the Company's debt securities or preferred stock or the Company's financial strength or claims paying ability by any "nationally recognized statistical rating organization", as that term is defined by the Commission for purposes of Rule 436(g)(2) under the Securities Act, and (ii) no such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any of the Company's debt securities or preferred stock or the Company's financial strength or claims paying ability.

(h) On or after the date of the Pricing Agreement relating to the Designated Securities there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the New York Stock Exchange; (ii) a suspension or material limitation in trading in the Company's securities on the New York Stock Exchange; (iii) a general moratorium on commercial banking activities declared by either Federal or New York State authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States; (iv) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war; or (v) the occurrence of any other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified in clause (iv) or (v) in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Designated Securities on the terms and in the manner contemplated in the Prospectus as first amended or supplemented relating to the Designated Securities.

(i) The Company shall have complied with the provisions of Section 4(f) with respect to the furnishing of prospectuses on the New York Business Day next succeeding the date of the Pricing Agreement relating to such Designated Securities.

(j) The Company shall have furnished or caused to be furnished to the Representatives at each Time of Delivery for the Designated Securities a certificate or certificates of the Company, executed on behalf of the Company by its chief executive officer and its chief financial officer, satisfactory to the Representatives as to the accuracy of the representations and warranties of the Company herein at and as of such Time of Delivery, as to the performance by the Company of all of its obligations hereunder to be performed at or prior to such Time of Delivery.

(k) The Underlying Shares at the time of issuance upon conversion of the Designated Securities shall have been duly listed, subject to notice of issuance, on the New York Stock Exchange.

7. ***Indemnification and Contribution.***

(a) The Company will indemnify and hold harmless each Underwriter against any losses, claims, damages or liabilities, joint or several, to which such Underwriter may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the Designated Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; *provided*, *however*, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the Designated Securities, or any such amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by any Underwriter of Designated Securities through the Representatives expressly for use in the Prospectus as amended or supplemented relating to such Designated Securities.

(b) Each Underwriter will indemnify and hold harmless the Company against any losses, claims, damages or liabilities to which the Company may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the Designated Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the Designated Securities, or any such amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representatives expressly for use therein; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under Section 7(a) or (b) of notice of the commencement of any action, such indemnified party, if a claim in respect thereof is to be made against the indemnifying party under Section 7(a) or (b), shall notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under Section 7(a) or (b). In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such

indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under Section 7(a) or (b) for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. Without the written consent of the indemnified party, no indemnifying party shall effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section 7 is unavailable to or insufficient to hold harmless an indemnified party under Section 7(a) or (b) in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters of the Designated Securities on the other from the offering of the Designated Securities to which such loss, claim, damage or liability (or action in respect thereof) relates. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under Section 7(c), then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Underwriters of the Designated Securities on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and such Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from such offering (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by such Underwriters. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or such Underwriters on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 7(d) were determined by *pro rata* allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 7(d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to in this Section 7(d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 7(d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the applicable Designated Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The obligations of the

Underwriters of Designated Securities in this Section 7(d) to contribute are several in proportion to their respective underwriting obligations with respect to such Securities and not joint.

(e) The obligations of the Company under this Section 7 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Underwriter within the meaning of the Securities Act; and the obligations of the Underwriters under this Section 7 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company and to each person, if any, who controls the Company within the meaning of the Securities Act.

8. ***Default by One or More Underwriters.***

(a) If any Underwriter shall default in its obligation to purchase the Firm Securities or Optional Securities which it has agreed to purchase under the Pricing Agreement relating to such Designated Securities, the Representatives in their discretion may arrange for themselves or another party or other parties to purchase such Designated Securities on the terms contained herein. If within 36 hours after such default by any Underwriter the Representatives do not arrange for the purchase of such Firm Securities or Optional Securities, as the case may be, then the Company shall be entitled to a further period of 36 hours within which to procure another party or other parties satisfactory to the Representatives to purchase such Designated Securities on such terms. In the event that, within the respective prescribed period, the Representatives notify the Company that they have so arranged for the purchase of such Designated Securities, or the Company notifies the Representatives that it has so arranged for the purchase of such Designated Securities, the Representatives or the Company shall have the right to postpone the Time of Delivery for such Designated Securities for a period of not more than seven days, in order to effect whatever changes thereby may be made necessary in the Registration Statement or the Prospectus as amended or supplemented, or in any other documents or arrangements, and the Company promptly will file any amendments or supplements to the Registration Statement or the Prospectus that in the opinion of the Representatives thereby may be made necessary. The term "Underwriter" as used in this Agreement shall include any person substituted under this Section 8 with like effect as if such person had originally been a party to the Pricing Agreement with respect to such Designated Securities.

(b) If, after giving effect to any arrangements for the purchase of the Firm Securities or Optional Securities, as the case may be, of a defaulting Underwriter or Underwriters by the Representatives and the Company as provided in Section 8(a), the aggregate principal amount of such Designated Securities that remains unpurchased does not exceed one-eleventh of the aggregate principal amount of the Firm Securities or Optional Securities, as the case may be, then the Company shall have the right to require each non-defaulting Underwriter to purchase the principal amount of Firm Securities or Optional Securities, as the case may be, that such Underwriter agreed to purchase under the Pricing Agreement relating to such Firm Securities or Optional Securities, as the case may be, and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the principal amount of Firm Securities or Optional Securities, as the case may be, that such Underwriter agreed to purchase under such Pricing Agreement) of the Firm Securities or Optional Securities, as the case may be, of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of the Firm Securities or Optional Securities, as the case may be, of a defaulting Underwriter or Underwriters by the Representatives and the Company as provided in Section 8(a), the aggregate principal amount of Firm Securities or Optional Securities, as the case may be, that remains unpurchased exceeds

one-eleventh of the aggregate principal amount of the Firm Securities or Optional Securities, as the case may be, as referred to in Section 8(b), or if the Company shall not exercise the right described in Section 8(b) to require non-defaulting Underwriters to purchase the Firm Securities or Optional Securities, as the case may be, of a defaulting Underwriter or Underwriters, then the Pricing Agreement relating to such Firm Securities or Optional Securities, as the case may be, shall thereupon terminate, without liability on the part of any non-defaulting Underwriter or the Company, except for the expenses to be borne by the Company and the Underwriters as provided in Section 5 and the indemnity and contribution agreements in Section 7; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

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

10. ***Termination.*** If any Pricing Agreement or Over-allotment Option shall be terminated pursuant to Section 8, the Company shall not then be under any liability to any Underwriter with respect to the Firm Securities or Optional Securities covered by such Pricing Agreement except as provided in Sections 5 and 7; but, if for any other reason, Designated Securities are not delivered by or on behalf of the Company as provided herein, other than the occurrence of an event described in Section 6(g)(i), (iii), (iv) or (v), the Company will reimburse the Underwriters through the Representatives for all out-of-pocket expenses approved in writing by the Representatives, including fees and disbursements of counsel, reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of such Designated Securities, but the Company shall then be under no further liability to any Underwriter with respect to such Designated Securities except as provided in Sections 5 and 7.

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

12. ***Notices.*** All statements, requests, notices and agreements hereunder shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to the address of the Representatives as set forth in the Pricing Agreement; and if to the Company shall be delivered or sent by mail, telex or facsimile transmission to the address of the Company set forth in the Registration Statement: Attention: Secretary; provided, however, that any notice to an Underwriter pursuant to Section 7(c) shall be delivered or sent by mail, telex or facsimile transmission to such Underwriter at its address set forth in its Underwriters' Questionnaire, or telex constituting such Questionnaire, which address will be supplied to the Company by the Representatives upon request. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

13. ***Parties.*** This Agreement and each Pricing Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the Company and, to the extent provided in Sections 7 and 9, the officers and directors of the Company and each person who controls the Company or any Underwriter, and their respective heirs, executors, administrators, successors and assigns. No other person shall acquire or have any right under or by virtue of this Agreement or any such Pricing Agreement. No purchaser of any of the Securities from any Underwriter shall be deemed a successor or assign merely by reason of such purchase.

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

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

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

17. ***Tax Disclosure.*** The Company is authorized, subject to applicable law, to disclose any and all aspects of this potential transaction that are necessary to support any U.S. federal income tax benefits expected to be claimed with respect to such transaction, and all materials of any kind (including tax opinions and other tax analyses) related to those benefits, without the Underwriters imposing any limitation of any kind.

ANNEX I

Pricing Agreement

[Names of Representative(s)]
As Representatives of the several
Underwriters named in Schedule I hereto,
[c/o Book-Running Representative(s)]
[Address]
City, State ZIP

, 20

Ladies and Gentlemen:

Pitney Bowes Inc., an Delaware corporation (the "**Company**"), proposes, subject to the terms and conditions stated herein and in the Underwriting Agreement, Standard Provisions, dated , 20 (the "**Underwriting Agreement**"), to issue and sell to the Underwriters named in Schedule I (the "**Underwriters**") the Securities specified in Schedule II (the "**Designated Securities**"), consisting of Firm Securities and any Optional Securities the Underwriters may elect to purchase. Each of the provisions of the Underwriting Agreement is incorporated herein by reference in its entirety and shall be deemed to be a part of this Agreement to the same extent as if such provisions had been set forth in full herein. Each of the representations and warranties set forth therein shall be deemed to have been made at and as of the date of this Pricing Agreement, except that each representation and warranty which refers to the Prospectus in Section 2 of the Underwriting Agreement shall be deemed to be a representation or warranty as of the date of the Underwriting Agreement in relation to the Prospectus (as therein defined), and also a representation and warranty as of the date of this Pricing Agreement in relation to the Prospectus as amended or supplemented relating to the Designated Securities which are the subject of this Pricing Agreement. Each reference to the Representatives herein and in the provisions of the Underwriting Agreement so incorporated by reference shall be deemed to refer to you. Unless otherwise defined herein, terms defined in the Underwriting Agreement are used herein as therein defined. The Representatives designated to act on behalf of the Representatives and on behalf of each of the Underwriters of the Designated Securities pursuant to Section 11 of the Underwriting Agreement and the address of the Representatives referred to in Section 12 of the Underwriting Agreement are set forth in Schedule II.

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

Subject to the terms and conditions set forth herein and in the Underwriting Agreement incorporated herein by reference: (i) the Company agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at the time and place and at the purchase price to the Underwriters set forth in Schedule II, the principal amount of Firm Securities set forth opposite the name of such Underwriter in Schedule I; and (ii) in the event and to the extent that the Underwriters shall exercise the election to purchase Optional Securities, as provided below, the Company agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company at the purchase price to the Underwriters set forth in Schedule II that portion of the principal amount of Optional Securities as to which such election shall have been exercised.

The Company hereby grants to each of the Underwriters the right to purchase at their election up to the principal amount of Optional Securities set forth opposite the name of such Underwriter in Schedule I on the terms referred to in the paragraph above for the sole purpose of covering over-allotments in the sale of the Firm Securities. Any such election to purchase Optional Securities may be exercised by written notice from the Representatives to the Company given within a period of

30 calendar days after the date of this Pricing Agreement, setting forth the principal amount of Optional Securities to be purchased and the date on which such Optional Securities are to be delivered, as determined by the Representatives, but in no event earlier than the First Time of Delivery or, unless the Representatives and the Company otherwise agree in writing, no earlier than two or later than ten business days after the date of such notice.

If the foregoing is in accordance with your understanding, please sign and return to us counterparts hereof, and upon acceptance hereof by you, on behalf of each of the Underwriters, this letter and such acceptance hereof, including the provisions of the Underwriting Agreement incorporated herein by reference, shall constitute a binding agreement between each of the Underwriters and the Company. It is understood that your acceptance of this letter on behalf of each of the Underwriters is or will be pursuant to the authority set forth in a form of Agreement among Underwriters, the form of which shall be submitted to the Company for examination upon request, but without warranty on the part of the Representatives as to the authority of the signers thereof.

Very truly yours,

Pitney Bowes Inc.

By: _____

Name:
Title:

Accepted as of the date hereof:

[Name of Book-Running Representative(s)]

[Name(s) of Co-Representative(s)]

[By: _____

SCHEDULE I

Underwriter	Principal Amount of Designated Securities to be Purchased
Total	$

SCHEDULE II—CONVERTIBLE DEBT SECURITIES

Title of Designated Securities:

Rank:

Aggregate principal amount:

[$]

Price to Public:

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

Purchase Price by Underwriters:

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

Form of Designated Securities:

[Definitive form to be made available for checking and packaging at least twenty-four hours prior to the Time of Delivery at the office of [The Depository Trust Company or its designated custodian] [the Representatives]]

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

Specified funds for payment of purchase price:

Federal (same day) funds

Time of Delivery:

a.m. (New York City time), , 20

Indenture:

Indenture dated , 20 , between the Company and , as Trustee

Maturity:

Interest Rate:

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

Interest Payment Dates:

[months and dates, commencing , 20]

Regular Record Dates::

[months and dates, commencing , 20]

Lock-up Provisions:

Currency of Denominations:

Currency of Payment:

Overseas Paying Agents:

Redemption Provisions:

[No provisions for redemption]

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

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

Year	Redemption Price

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

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

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

[Restriction on refunding]

Sinking Fund Provisions:

[No sinking fund provisions]

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

[If Designated Securities are extendable debt securities, insert—

Extendable provisions:

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

[If Designated Securities are floating rate debt securities, insert—

Floating rate provisions:

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

Conversion or Exchange Provisions:

Reset Provisions:

Remarketing provisions:

Defeasance provisions:

Closing location for delivery of Designated Securities:

Listing Requirements:

Additional Closing Conditions:

Names and addresses of Representatives:

Designated Representatives:

Address for Notices, etc.:

Dealer Concessions:

Reallowance Concession:

Closing location for delivery of Designated Securities:

Names and addresses of Representatives:

Designated Representatives:

Address for Notices, etc.:

[Other Terms]:

SCHEDULE II—DEBT WARRANTS
[Include Only if Applicable

Warrant Agreement:

Number of Debt Warrants to be issued:

Debt Warrant Agreement:

Form of Debt Warrants:

Issuable jointly with Debt Securities:

Yes o

No o

[Number of Debt Warrants issued with each $ principal amount of Debt Securities]

[Detachable Date]

Date from which Debt Warrants are exercisable:

Date on which Warrants expire:

Exercise Price of Debt Warrants:

Purchase price:

Title of Warrant Debt Securities:

Principal amount of Warrant Debt Securities purchasable upon exercise of one Debt Warrant:

Indenture:

Title:

Rank:

Aggregate principal amount:

Interest rate:

Maturity:

Interest Payment Dates:

[months and dates, commencing , 20]

Regular Record Dates::

[months and dates, commencing , 20]

Conversion provisions:

Listing requirements:

Purchase Price by Underwriters:

Currency of Denominations:

Currency of Payment:

Form and Denomination:

Overseas Paying Agents:

Redemption provisions:

Names and addresses of Representatives:

Designated Representatives:

Address for Notices, etc.:

Dealer Concessions:

Reallowance Concession:

Closing location for delivery of Designated Securities:

Delayed Delivery Contracts:

Delivery Date:

Minimum principal amount of each contract:

Maximum aggregate principal amount of all contracts:

[Other Terms]:

QuickLinks

Pitney Bowes Inc. Convertible Debt Securities Warrants to Purchase Convertible Debt Securities Form of Underwriting Agreement Standard Provisions
Pricing Agreement
SCHEDULE I
SCHEDULE II—CONVERTIBLE DEBT SECURITIES
SCHEDULE II—DEBT WARRANTS [Include Only if Applicable

QuickLinks -- Click here to rapidly navigate through this document

Exhibit 1(d)

U.S. $ •

Pitney Bowes Inc.

Global Medium-Term Notes

FORM OF DISTRIBUTION AGREEMENT

_____, 20__

[Names of Agents]
c/o [Lead Agent]
[Address of Lead Agent]
[City, State Zip]

Ladies and Gentlemen:

1. ***Introduction***. Pitney Bowes Inc., a Delaware corporation (the "**Issuer**"), confirms its agreement with each of you (individually, a "**Distributor**" and, collectively, the "**Distributors**") with respect to the issue and sale from time to time by the Issuer of its medium-term notes registered under the registration statement referred to in Section 2(a) (any such medium-term notes being referred to as "**Securities**", which expression shall, if the context so admits, include any permanent global Security). Securities may be offered and sold pursuant to Section 3 in an aggregate amount not to exceed the amount of Registered Securities (as defined in Section 2(a)) registered pursuant to such registration statement reduced by the aggregate amount of any other Registered Securities sold otherwise than pursuant to Section 3. The Securities will be issued under the Indenture dated as of _____, 20__ (the "**Indenture**"), between the Issuer and _____, as trustee (the "**Trustee**").

Subject to the terms and conditions stated herein and to the reservation of the Issuer of the right to sell Securities directly on its own behalf or through other agents, dealers or underwriters as set forth in Section 3(a), the Issuer hereby:

(i) appoints each Distributor as an agent of the Issuer for the purpose of soliciting and receiving offers to purchase Securities from the Issuer pursuant to Section 3(a) and

(ii) agrees that whenever it determines to sell Securities directly to any Distributor as principal, it will enter into a separate agreement, substantially in the form set forth in Exhibit A, relating to such sale or another agreement (which may be oral and confirmed in writing) relating to the purchase by such Distributor as principal (each a "**Terms Agreement**"), in each case in accordance with Section 3(b).

The Securities shall have the terms described in the Prospectus referred to in Section 2(a) as it may be amended or supplemented from time to time, including any supplement to the Prospectus that sets forth only the terms of a particular issue of the Securities (a "**Pricing Supplement**"). Securities will be issued, and the terms thereof established, from time to time by the Issuer in accordance with the Indenture and the Procedures (as defined in Section 3(d)).

2. ***Representations and Warranties of the Issuer***. The Issuer represents and warrants to, and agrees with, each Distributor as follows:

(a) A registration statement (No. 333-_____) relating to $2,500,000,000 aggregate principal amount of debt securities, preferred stock, preference stock, common stock, purchase contracts, depositary shares, warrants and units of the Issuer, including the Securities (together, the "**Registered Securities**") (including a prospectus which, as supplemented from time to time, shall be used in connection with sales of the Securities), has been filed with the Securities and Exchange Commission (the "**Commission**") and declared effective under the Securities Act of 1933, as amended (the "**Securities Act**"). Such registration statement, including all exhibits thereto and the documents incorporated by reference therein, as amended as of the Closing Date (as defined in

Section 3(e)), is referred to as the "**Registration Statement**", and the prospectus included in such Registration Statement, as supplemented so as generally to describe the Securities and the terms of the offering of the Securities, including all material incorporated by reference therein, is referred to as the "**Prospectus**". Any reference in this Agreement to amending the Registration Statement shall be deemed to include the filing of a registration statement pursuant to Rule 462(b) (a "**Rule 462(b) Registration Statement**") under the Securities Act, if such Rule 462(b) Registration Statement increases the offering amount of the Securities. Any reference in this Agreement to amending or supplementing the Prospectus shall be deemed to include the filing of materials incorporated by reference in the Prospectus after the Closing Date and any reference in this Agreement to any amendment or supplement to the Prospectus shall be deemed to include any such materials incorporated by reference in the Prospectus after the Closing Date, as updated or superseded as provided therein,. No stop order suspending the effectiveness of the Registration Statement has been issued and no proceeding for that purpose has been initiated or threatened by the Commission.

(b) On the effective date of the Registration Statement, such Registration Statement conformed in all material respects to the requirements of the Securities Act, the Trust Indenture Act of 1939, as amended (the "**Trust Indenture Act**"), and the rules and regulations of the Commission ("**Rules and Regulations**") and did not include 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 on the Closing Date, and at each of the times of acceptance and of delivery referred to in Section 6(a) hereof and at each time the Registration Statement is amended, the Registration Statement as then amended will conform in all respects to the requirements of the Securities Act, the Trust Indenture Act and the Rules and Regulations. At each of the times the Prospectus is supplemented, the Prospectus as then supplemented will conform in all material respects to the requirements of the Securities Act, the Trust Indenture Act and the Rules and Regulations and will not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The representations and warranties set forth in this Section 2(b) do not apply to statements in or omissions from any of such documents based upon written information furnished to the Issuer by any Distributor specifically for use therein. Each of the times of acceptance and delivery referred to in Section 6(a), the Closing Date and each time the Registration Statement is amended or the Prospectus is supplemented will be referred to as a "**Representation Date**".

(c) The Issuer has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, with corporate power and authority to own its properties and conduct its business as described in the Prospectus.

(d) The Indenture has been duly authorized, executed and delivered by the Issuer and duly qualified under the Trust Indenture Act and constitutes a valid and legally binding obligation of the Issuer enforceable in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles. The Securities have been duly authorized. When the Securities have been delivered and paid for pursuant to this Agreement, the Securities will have been duly executed, authenticated, issued and delivered and will conform to the description thereof contained in the Prospectus and will constitute valid and legally binding obligations of the Issuer enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

(e) No consent, approval, authorization, or order of, or filing with, any governmental agency or body or any court is required for the issue and sale of the Securities, except such as have been

obtained and made under the Securities Act and the Trust Indenture Act and such as may be required under state securities laws.

(f) The execution, delivery and performance of the Indenture, this Agreement and any Terms Agreement do not, and the completion, execution, issuance and sale of each particular Security in accordance with the Indenture, this Agreement and any Terms Agreement will not, result in a breach or violation of any term or provision of, or constitute a default under, any statute, any rule, regulation or order of any governmental agency or body or any court, domestic or foreign, having jurisdiction over the Issuer, or any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Issuer is a party, that is material to the Issuer and its subsidiaries, taken as a whole, or the charter or by-laws of the Issuer, other than any such breach, violation or default that is not reasonably likely to result in a material adverse change in the business, financial condition or results of operations of the Company and its subsidiaries taken as a whole. The Issuer has the necessary corporate power and authority to authorize, issue and sell the Securities as contemplated by this Agreement.

(g) This Agreement, including any agreement with respect to the offering and sale of particular Securities as contemplated by Section 3, has been duly authorized, executed and delivered by the Issuer.

(h) Since the respective dates as of which information is given in the Registration Statement and the Prospectus, and except as set forth therein or contemplated thereby, there has not been any material adverse change, or any development reasonably likely to result in a material adverse change, in the business, financial condition or results of operations of the Issuer and its subsidiaries, taken as a whole.

(i) Insofar as the statements in the Prospectus under the caption "Description of the Debt Securities", insofar as it purports to constitute a summary of the terms of the Securities, and under the captions "Plan of Distribution", insofar as it purports to describe the provisions of the laws and documents referred to therein, such statements fairly present in all material respects the information required to be disclosed under the Securities Act and the rules and regulations of the Commission relating to registration statements on Form S-3 and prospectuses.

(j) Immediately after any sale of Securities by the Issuer hereunder or under any Terms Agreement (as referred to in Section 3(b)), the aggregate amount of Securities which shall have been issued and sold by the Issuer hereunder or under any Terms Agreement and of any securities of the Issuer (other than such Securities) that shall have been issued and sold pursuant to the Registration Statement will not exceed the amount of securities registered under the Registration Statement (including any related Rule 462(b) Registration Statement).

3. ***Appointment as Distributors; Agreement of Distributors; Solicitations.***

(a)(i) Subject to the terms and conditions stated herein, the Issuer hereby appoints each of the Distributors as the agents of the Issuer for the purpose of soliciting or receiving offers to purchase the Securities to be issued by the Issuer during any Marketing Time. For purposes of this Agreement "**Marketing Time**" means any time when no suspension of solicitation of offers to purchase Securities pursuant to Section 3(c) or 4(c) shall be in effect or any time when either any Distributor shall own any Securities with the intention of reselling them or the Issuer has accepted an offer to purchase Securities but the related settlement has not occurred.

(ii) So long as this Agreement shall remain in effect with respect to any Distributor, the Issuer shall not, without the consent of any such Distributor, solicit or accept offers to purchase Securities otherwise than from or through one or more, but not any particular one, of the Distributors. Subject to the terms and conditions of this Agreement, however, the foregoing provisions shall not be construed to prevent the Issuer at any time from selling any Registered

Securities that are debt securities in a firm commitment underwriting pursuant to an underwriting agreement that does not provide for a continuous offering of such Registered Securities. In addition, the Issuer reserves the right from time to time (i) to sell Securities directly to an investor, and (ii) to accept a specific offer to purchase Securities solicited by a dealer other than the Distributors (each an "**Other Dealer**"), without obtaining the prior consent of any of the Distributors, *provided* that (x) any Other Dealer shall agree to be bound by and subject to terms and conditions substantially similar to the terms and conditions of this Agreement binding on the Distributors and (y) so long as this Agreement remains in effect, the Issuer shall not appoint any other agent or dealer for the purpose of soliciting or receiving offers to purchase Securities on a continuous basis without the prior written consent of the Distributors, which consent shall not be unreasonably withheld, unless such other agent or dealer has agreed to be bound by and subject to terms and conditions substantially similar to the terms and conditions of this Agreement.

(b)(i) 1 On the basis of the representations and warranties contained herein, but subject to the terms and conditions herein set forth, each Distributor agrees, as the agent of the Issuer, to use reasonable best efforts when requested by the Issuer to solicit offers to purchase the Securities upon the terms and conditions set forth in the Prospectus, as from time to time amended or supplemented.

(ii) No Distributor shall have any obligation to purchase Securities from the Issuer. One or more Distributors (each, a "**Purchasing Distributor**"), however, may agree from time to time to purchase Securities as principal for resale to investors and other purchasers selected by such Purchasing Distributors. Unless otherwise expressly agreed by the Issuer and the Purchasing Distributors as contemplated by clause (v), each offer to sell Securities transmitted by a Distributor and accepted by the Issuer shall constitute acceptance of an offer to sell such Securities to the Purchasing Distributors for resale. In addition, if so specified in a Terms Agreement executed by the Issuer and one or more Purchasing Distributors, such Purchasing Distributor or Distributors shall act as representative or representatives of the several underwriters named in such Terms Agreement for resale of the Securities specified in such Terms Agreement upon the terms and subject to the conditions specified in such Terms Agreement, this Agreement and in the Prospectus, as supplemented by the applicable pricing supplement. It is understood that the Distributors and any underwriters for which they may act as representatives propose that they will offer any Securities which they agree to purchase as principal for sale as set forth in the Prospectus, as supplemented by the applicable Pricing Supplement.

(iii) If the Issuer wishes to accept an offer by one or more Purchasing Distributors to purchase Securities as principal, the Issuer shall promptly prepare a Terms Agreement, and the execution of such Terms Agreement by the Issuer and the Purchasing Distributor or Distributors shall constitute the acceptance by the Issuer of such offer. Each purchase of Securities by a Distributor shall, unless otherwise agreed, be at a discount from the principal amount of each such Security equivalent to the applicable commission set forth in Exhibit B hereto.

(iv) Each Distributor is authorized to engage the services of any other brokers or dealers in connection with the offer or sale of Securities purchased by such Distributor as principal for resale to others and may reallow any portion of the discount received from the Issuer to such brokers or dealers.

(v) If expressly agreed by a Distributor and the Issuer, such Distributor will solicit offers to purchase Securities from the Issuer through such Distributor, acting as agent, in accordance with the provisions of this Agreement. In such event, such Distributor shall communicate to the Issuer, orally or in writing, each reasonable offer to purchase Securities received by it as agent. The Issuer shall have the sole right to accept offers to purchase the Securities and may reject any such offer, in whole or in part. For each accepted offer, the Distributor shall deliver written confirmation of

such acceptance to such purchaser, and such Distributor will deliver a written confirmation to the Issuer. Each Distributor shall have the right, in its discretion reasonably exercised, without notice to the Issuer, to reject any offer to purchase Securities received by it as such agent, in whole or in part, and any such rejection shall not be deemed a breach of its agreement contained herein. At the time of delivery of and payment for any Securities sold by the Issuer as a result of a solicitation made by, or offer to purchase received by, a Distributor, acting on an agency basis, the Issuer agrees to pay such Distributor a commission in accordance with the schedule set forth in Exhibit B, except as may otherwise be agreed to by the Issuer and such Distributor.

(vi) No Distributor shall have any responsibility for maintaining records with respect to the aggregate principal amount of Securities sold, or otherwise monitoring the availability of Securities for sale under the Registration Statement.

(vii) No Security which the Issuer has agreed to sell pursuant to this Agreement shall be deemed to have been purchased and paid for, or sold by the Issuer, until such Security shall have been delivered to the purchaser thereof against payment by such purchaser.

(c) Upon receipt of notice from the Issuer as contemplated by Section 4(c), each Distributor shall suspend its solicitation of offers to purchase Securities until such time as the Issuer shall have furnished it with an amendment or supplement to the Registration Statement or the Prospectus, as the case may be, contemplated by Section 4(c) and shall have advised such Distributor that such solicitation may be resumed.

The Issuer reserves the right, in its sole discretion, to suspend solicitation of offers to purchase the Securities commencing at any time for any period of time or permanently. Upon receipt of at least one Business Day's prior notice from the Issuer, the Distributors will forthwith suspend solicitation of offers to purchase Securities from the Issuer until such time as the Issuer has advised the Distributors that such solicitation may be resumed. For the purpose of the foregoing sentence, "**Business Day**" means any day that is not a Saturday or Sunday, and that in The City of New York is not a day on which banking institutions generally are authorized or obligated by law or executive order to close.

(d) Administrative procedures respecting the sale of Securities (the "**Procedures**") shall be agreed upon from time to time by the Distributors and the Issuer. The initial Procedures, which are set forth in Exhibit C, shall remain in effect until changed by written agreement among the Issuer and the Distributors. Each Distributor and the Issuer agree to perform the respective duties and obligations specifically provided to be performed by each of them herein and in the Procedures. The Issuer will furnish to the Trustee a copy of the Procedures as from time to time in effect.

(e) The documents required to be delivered by Section 5 shall be delivered at the office of **[**Name of Underwriters' counsel**]**, **[**Address of Underwriters' counsel**]**, not later than 10:00 A.M., New York City time, on the date of this Agreement or at such later time as may be mutually agreed by the Issuer and the Distributors, which in no event shall be later than the time at which the Distributors commence solicitation of purchases of Securities hereunder, such time and date being called the "**Closing Date**". For purposes of Rule 15c6-1 under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), the settlement date (if later than the otherwise applicable settlement date) shall be the date for payment of funds and delivery of securities for all the Securities sold pursuant to an offering of Securities having identical terms, including the issue date, and terms of sale, whether or not set forth in a single Terms Agreement.

(f) In the event that an amount in excess of 10% in the aggregate of the final net proceeds from any sale of Securities is used to pay indebtedness owed to affiliates of any Distributor, the Distributor shall inform the Issuer of such use of proceeds, and any such sale of Securities will be made in accordance with Rule 2710(c)(8) of the NASD Conduct Rules.

(g) Each Distributor, on behalf of itself and each of its affiliates that participates in the initial distribution of the Securities, severally represents to and agrees with the Issuer that:

(i) Such Distributor will comply with all applicable laws and regulations in force in any jurisdiction outside the United States in which it purchases, offers, sells or delivers any Securities or possesses or distributes the Prospectus and any amendment or supplement thereto or any other offering material with respect to the Securities and will obtain any consent, approval or permission required by it for the purchase, offer or sale by it of the Securities under the laws and regulations in force in any jurisdiction outside the United States to which it is subject or in which it makes purchases, offers or sales of the Securities. Neither the Issuer nor any other Distributor will have responsibility for these matters.

(ii) Such Distributor, in relation to Securities which have a maturity of one year or more, has not offered or sold and, before the expiration of the period of six months from the issue date of such Securities, will not offer or sell any such Securities to persons in the United Kingdom, except to those persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995. Such Distributor has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer. Such Distributor has complied and will comply with all applicable provisions of the FSMA, with respect to anything done by it in relation to the Securities in, from or otherwise involving the United Kingdom.

(iii) The Securities may not be offered, sold, transferred or delivered in or from The Netherlands, as part of their initial distribution or as part of any re-offering. Neither the Prospectus, including any amendment or supplement thereto, nor any other document in respect of the offering of the Securities may be distributed or circulated in The Netherlands, other than to individuals or legal entities which include, but are not limited to, banks, brokers, dealers, institutional investors and undertakings with a treasury department, who or which trade or invest in securities in the conduct of a business or profession.

(iv) Such Distributor has not offered or sold, and will not offer or sell, directly or indirectly, any of the Securities in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to any other person for reoffering or resale, directly or indirectly, in Japan or to any resident of Japan, except in compliance with the Securities and Exchange Law of Japan and other relevant laws and regulations of Japan.

(v) Such Distributor is aware that no German selling prospectus (*Verkaufsprospekt*) has been or will be published with respect to the Securities and it will comply with the Securities Selling Prospectus Act (the "**German Act**") of Germany (*Wertpapier Verkaufsprospektgesetz*) and, in particular, will not engage in any public offering (*öffentliche Angebot*) within the meaning of the German Act or other selling activities in Germany with respect to the Securities otherwise than in accordance with the German Act and any other act replacing or supplementing the German Act and all other applicable laws and regulations.

(h) Each Distributor authorizes the Issuer and each of the Issuer's employees, representatives or other agents to disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure relating to the issue and sale from time to time by the Issuer of the Securities and all materials of any kind, including opinions or other tax analyses, that are provided to the Issuer by such Distributor relating to such tax treatment and tax structure. The foregoing authorization shall not be

construed to permit any other person to rely on any such tax opinion or analysis unless such reliance is expressly authorized in writing by such Distributor.

4. ***Certain Agreements of the Issuer***. The Issuer agrees with the Distributors that it will furnish to **[**Name of Underwriters' Counsel**]**, counsel for the Distributors, one conformed copy of the Registration Statement, including all exhibits, in the form it became effective and of all amendments thereto and that, in connection with each offering of Securities:

(a) The Issuer will prepare a Pricing Supplement, in substantially the forms set forth in Exhibits D-1, D-2 and D-3 or as otherwise agreed to by the parties, with respect to any Securities to be offered and sold to or through one or more Distributors pursuant to this Agreement and, after approval of such Pricing Supplement by such Distributor or Distributors, will file such Pricing Supplement with the Commission pursuant to Rule 424(b) under the Securities Act.

(b) The Issuer will advise each Distributor promptly of any proposal to amend or supplement the Registration Statement or the Prospectus and will afford the Distributors a reasonable opportunity to comment on any such proposed amendment or supplement, other than by a filing of:

(i) any Current Report on Form 8-K, any Quarterly Report on Form 10-Q and any Annual Report on Form 10-K;

(ii) any prospectus supplement that does not relate to Securities; and

(iii) any Pricing Supplement that relates to Securities not purchased through or by such Distributor.

If the Issuer effects any amendment or supplementto the Registration Statement or the Prospectus to which a Distributor objects, such Distributor shall be relieved of its obligations under Section 3(b) to solicit offers to purchase Securities until such time as the Issuer shall have filed such further amendments or supplements such that such Distributor is reasonably satisfied with the Registration Statement and the Prospectus, as then amended or supplemented. The Issuer promptly will advise each Distributor of the filing and effectiveness of any such amendment or supplement and of the institution by the Commission of any stop order proceedings in respect of the Registration Statement and will use its best efforts to prevent the issuance of any such stop order and to obtain as soon as possible its lifting, if issued.

(c) If, at any time when a prospectus relating to the Securities is required to be delivered under the Securities Act, any event occurs as a result of which the Prospectus, as then amended or supplemented, would include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or if it is necessary at any such time to amend the Prospectus to comply with the Securities Act, the Issuer promptly will notify each Distributor by telephone, with confirmation in writing, to suspend solicitation of offers to purchase the Securities and to cease making offers or sales of Securities which a Distributor may then own as principal. If the Issuer shall decide to amend or supplement the Registration Statement or the Prospectus, it promptly will advise each Distributor by telephone, with confirmation in writing, and, subject to the provisions of Sections 4(a) and (b), promptly will prepare and file with the Commission an amendment or supplement which will correct such statement or omission or an amendment which will effect such compliance. Notwithstanding the foregoing, if, at the time any such event occurs or it becomes necessary to amend the Prospectus to comply with the Securities Act, any Distributor shall own any of the Securities with the intention of reselling them, or the Issuer has accepted an offer to purchase Securities but the related settlement has not occurred, the Issuer, subject to the provisions of Section 4(a), will promptly prepare and file with the Commission an amendment or supplement which will correct such statement or omission or an

amendment which will effect such compliance. Neither the Distributors' consent to, nor their delivery of, any such amendment or supplement shall constitute a waiver of any of the conditions set forth in Section 5.

(d) The Issuer promptly will file all documents required to be filed with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act.

(e) The Issuer promptly will notify each Distributor of any downgrading in the rating of any debt securities or preferred stock of the Issuer by any "nationally recognized statistical rating organization" (as defined for purposes of Rule 436(g) under the Securities Act), or any public announcement that any such organization has under surveillance or review its rating of any debt securities or preferred stock of the Issuer (other than an announcement with positive implications of a possible upgrading, and no implication of a possible downgrading of such rating), as soon as the Issuer learns of such downgrading, proposal to downgrade or public announcement.

(f) As soon as practicable, but not later than 16 months after the date of each acceptance by the Issuer of an offer to purchase Securities hereunder, the Issuer will make generally available to its securityholders an earnings statement covering a period of at least 12 months beginning after the later of (i) the effective date of the registration statement relating to the Registered Securities, (ii) the effective date of the most recent post-effective amendment to the Registration Statement to become effective prior to the date of such acceptance and (iii) the date of the Issuer's most recent Annual Report on Form 10-K filed with the Commission prior to the date of such acceptance, which will satisfy the provisions of Section 11(a) of the Securities Act.

(g) The Issuer will furnish to each Distributor copies of the Registration Statement, including all exhibits, any related preliminary prospectus, any related preliminary prospectus supplement, the Prospectus and all amendments and supplements to such documents, including any Pricing Supplement, in each case as soon as available and in such quantities as are reasonably requested.

(h) The Issuer will arrange for the qualification of the Securities for sale and the determination of their eligibility for investment under the laws of such jurisdictions as the Distributors designate and will continue such qualifications in effect so long as required for the distribution.

(i) The Issuer will pay, or reimburse each Distributor for, all reasonable expenses incident to the performance of its obligations under this Agreement and will reimburse each Distributor for any expenses, including reasonable fees and disbursements of counsel, incurred by it in connection with qualification of the Securities for sale and determination of their eligibility for investment under the laws of such jurisdictions as such Distributor may designate and the printing of memoranda relating thereto, for any fees charged by investment rating agencies for the rating of the Securities, for any filing fee incident to review by the National Association of Securities Dealers, Inc. relating to the Securities, for reasonable expenses incurred by each Distributor in distributing the Prospectus and all supplements thereto, including any Pricing Supplement, any preliminary prospectuses and any preliminary prospectus supplements to such Distributor, for reasonable costs incurred by each Distributor in advertising any offering of Securities and for the reasonable fees and disbursements of [Name of Underwriters' Counsel], counsel to the Distributors, incurred in connection with the establishment or maintenance of the program contemplated by this Agreement.

(j) If specified in the applicable Terms Agreement, between the date on which any Distributor agrees to purchase Securities from the Issuer as principal for resale and the date of delivery of such Securities, the Issuer will not offer or sell, or enter into any agreement to sell, pledge, or otherwise dispose of, directly or indirectly, any of its debt securities other than such Securities in the United States, other than borrowings under the Issuer's revolving credit agreements and lines of credit, the private placement of securities and issuances of its commercial paper, without the prior written consent of such Distributor.

5. ***Conditions of Obligations.*** The obligations of each Distributor, as agent of the Issuer, under this Agreement or any Terms Agreement at any time to solicit offers to purchase the Securities and to purchase Securities from the Issuer as principal is subject to the accuracy, on the date hereof, on each Representation Date and on the date of each such solicitation and any settlement date related to such an offer, of the representations and warranties of the Issuer herein, to the accuracy, on each such date, of the certificates of the Issuer delivered pursuant to the provisions hereof, to the performance, on or prior to each such date, by the Issuer of its obligations hereunder, and to each of the following additional conditions precedent:

(a) The Prospectus, as amended or supplemented as of any Representation Date or date of such solicitation, as the case may be, shall have been filed with the Commission in accordance with the Rules and Regulations and no stop order suspending the effectiveness of the Registration Statement shall have been issued and no proceedings for that purpose shall have been instituted or, to the knowledge of the Issuer or any Distributor, shall be contemplated by the Commission.

(b) The Prospectus, as amended or supplemented as of any Representation Date or date of such solicitation, as the case may be, shall contain any untrue statement of a material fact or omit to state a material fact which is necessary to make the statements therein not misleading.

(c) There shall not have occurred (i) any change, or any development or event that is reasonably likely to result in a change, in the business, financial condition or results of operations of the Issuer and its subsidiaries taken as a whole which, in the judgment of such Distributor, is material and adverse and makes it impractical or inadvisable to proceed with completion of the public offering or the sale of and payment for the Securities; (ii) any downgrading in the rating of any debt securities or preferred stock of the Issuer by any "nationally recognized statistical rating organization" (as defined for purposes of Rule 436(g) under the Securities Act), or any public announcement that any such organization has under surveillance or review its rating of any debt securities or preferred stock of the Issuer (other than an announcement with positive implications of a possible upgrading, and no implication of a possible downgrading, of such rating); (iii) any suspension or material limitation of trading in securities generally on the New York Stock Exchange, or any setting of minimum prices for trading on such exchange, or any suspension of trading of any securities of the Issuer on the New York Stock Exchange; (iv) any banking moratorium declared by U.S. Federal or New York authorities; (v) any material disruption in commercial banking or securities settlement or clearance services in the United States or with respect to the clearing systems operated by Clearstream Banking S.A. or Euroclear Bank S.A./N.V., as operator of the Euroclear System in Europe if, in the reasonable judgment of such Distributor, the effect of any such disruption makes it impractical or inadvisable to proceed with completion of the public offering or the sale and payment for the Securities; or (vi) any outbreak or escalation of major hostilities in which the United States is involved, any declaration of war by Congress or any other substantial national or international calamity or emergency if, in the reasonable judgment of such Distributor, the effect of any such outbreak, escalation, declaration, calamity or emergency makes it impractical or inadvisable to proceed with solicitations of offers to purchase, or sales of, Securities.

(d) With respect to any Security denominated in a currency other than the U.S. dollar, more than one currency or a composite currency or any Security the principal or interest of which is indexed to such currency, currencies or composite currency, there shall not have occurred a suspension or material limitation in foreign exchange trading in such currency, currencies or composite currency, a general moratorium on commercial banking activities in the country or countries issuing such currency, currencies or composite currency, the outbreak or escalation of hostilities involving, the occurrence of any material adverse change in the existing financial, political or economic conditions of, or the declaration of war or a national emergency by, the country or countries issuing such currency, currencies or composite currency or the imposition or

proposal of exchange controls by any governmental authority in the country or countries issuing such currency, currencies or composite currency.

(e) At the Closing Date and, if specified in a Terms Agreement, at the time of delivery of the Securities described in such Terms Agreement, the Distributors or each Purchasing Distributor, as the case may be, shall have received:

(i) an opinion, dated the Closing Date, or such date of delivery, as the case may be, of the in-house counsel for the Issuer, substantially as set forth in Exhibit E-1; and

(ii) an opinion, dated the Closing Date, or such date of delivery, as the case may be, of Gibson, Dunn & Crutcher LLP, counsel for the Issuer, substantially as set forth in Exhibit E-2.

(f) At the Closing Date and, if specified in a Terms Agreement, at the time of delivery of the Securities described in such Terms Agreement, the Distributors or each Purchasing Distributor, as the case may be, shall have received a certificate, dated the Closing Date or such date of delivery, as the case may be, of the Issuer, signed on its behalf by the President or any Vice President and a principal financial or accounting officer of the Issuer to the effect that: (i) the representations and warranties of the Issuer in this Agreement are true and correct; (ii) the Issuer has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date or such date of delivery, as the case may be; (iii) no stop order suspending the effectiveness of the Registration Statement or of any part thereof has been issued and no proceedings for that purpose have been initiated or are contemplated by the Commission; and (iv) subsequent to the date of the most recent financial statements in the Prospectus, there has been no material adverse change, nor any development or event that is reasonably likely to result in a material adverse change, in the business, financial condition or results of operations of the Issuer and its subsidiaries, taken as a whole, except as set forth in or contemplated by the Prospectus or as described in such certificate. In the case of each such certificate delivered pursuant to a Terms Agreement, the statements contained in such certificate relating to the Registration Statement or the Prospectus shall relate to the Registration Statement as of its effective date and the Prospectus as amended or supplemented as of the date of the Issuer's acceptance of the offer to purchase such Securities and as of the time of delivery of such Securities.

(g) At the Closing Date and, if specified in a Terms Agreement, at the time of delivery of the Securities described in such Terms Agreement, the Distributors or each Purchasing Distributor, as the case may be, shall have received a letter, dated the Closing Date or such date of delivery, as the case may be, of PricewaterhouseCoopers LLP, confirming that they are independent public accountants within the meaning of the Securities Act and the applicable published Rules and Regulations thereunder and stating to the effect that:

(i) in their opinion, the financial statements and schedules and summary of earnings, if any, examined by them and included in the Prospectus comply as to form in all material respects with the applicable accounting requirements of the Securities Act and the related Rules and Regulations adopted by the Commission;

(ii) they have performed the procedures specified by the American Institute of Certified Public Accountants for a review of interim financial information as described in Statement of Auditing Standards No. 100, Interim Financial Information, on any unaudited financial statements included in the Registration Statement;

(iii) on the basis of the review, if any, referred to in clause (ii) above, a reading of the latest available interim financial statements of the Issuer, inquiries of officials of the Issuer

who have responsibility for financial and accounting matters and other specified procedures, nothing came to their attention that caused them to believe that:

(A) the unaudited financial statements, if any, and any summary of earnings included in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Exchange Act as it applies to Form 10-Q and the related Rules and Regulations adopted by the Commission or any material modifications should be made to such unaudited financial statements and summary of earnings for them to be in conformity with generally accepted accounting principles;

(B) at the date of the latest available balance sheet read by such accountants, or at a subsequent specified date not more than three business days prior to the date of this Agreement, there was any change in the capital stock or any increase in long-term debt of the Issuer and its consolidated subsidiaries or, at the date of the latest available balance sheet read by such accountants, there was any decrease in consolidated net current assets, net assets or stockholders' equity, as compared with amounts shown on the latest balance sheet included in the Prospectus; or

(C) for the period from the closing date of the latest available income statement included in the Prospectus to the closing date of the latest available income statement read by such accountants there were any decreases, as compared with the corresponding period of the previous year and with the period of corresponding length ended the date of the latest income statement included in the Prospectus, in consolidated total revenues, income from continuing operations before taxes or net income;

except in all cases set forth in clauses B and C above, for changes, increases or decreases which the Prospectus discloses have occurred or may occur or which are described in such letter; and

(iv) they have compared specified dollar amounts (or percentages derived from such dollar amounts) and other financial information contained in the Registration Statement (in each case to the extent that such dollar amounts, percentages and other financial information are derived from the general accounting records of the Issuer and its subsidiaries subject to the internal controls of the Issuer's accounting system or are derived directly from such records by analysis or computation) with the results obtained from inquiries, a reading of such general accounting records and other procedures specified in such letter and have found such dollar amounts, percentages and other financial information to be in agreement with such results, except as otherwise specified in such letter.

All financial statements and schedules included in material incorporated by reference into the Prospectus shall be deemed included in the Prospectus for purposes of this Section 5(g).

In the case of each such letter delivered pursuant to a Terms Agreement, the statements contained in such letter relating to the Registration Statement or the Prospectus shall relate to the Registration Statement or the Prospectus, as the case may be, as amended or supplemented as of the date of the Issuer's acceptance of the offer to purchase such Securities, as the case may be, and as of the time of delivery of such Securities.

(h) At the Closing Date, the Distributors shall have received from **[**Name of Underwriters' counsel**]**, counsel for the Distributors, such opinion or opinions, dated the Closing Date, with respect to the valid existence of the Issuer, the validity of the Securities, the Registration Statement, the Prospectus and other related matters as the Distributors reasonably may require, and the Issuer shall have furnished to such counsel such documents as they reasonably request for the purpose of enabling them to pass upon such matters.

(i) The Issuer shall have furnished to the Distributors or their counsel such further certificates and documents as the Distributors or such counsel reasonably request.

The Issuer will furnish the Distributors with such conformed copies of such opinions, certificates, letters and documents as they reasonably request.

6. ***Additional Covenants of the Issuer.*** The Issuer agrees that:

(a) Each acceptance by the Issuer of an offer for the purchase of Securities shall be deemed to be an affirmation that its representations and warranties contained in this Agreement are true and correct at the time of such acceptance and a covenant that such representations and warranties will be true and correct at the time of delivery to the purchaser of the Securities as though made at and as of each such time, it being understood that such representations and warranties shall relate to the Registration Statement and the Prospectus as amended or supplemented at each such time. Each such acceptance by the Issuer of an offer to purchase Securities shall be deemed to constitute an additional representation, warranty and agreement by the Issuer that, as of the date of delivery of such Securities to the purchaser thereof, after giving effect to the issuance of such Securities, of any other Securities to be issued on or prior to such delivery date and of any other Registered Securities to be issued and sold by the Issuer on or prior to such delivery date, the aggregate amount of Registered Securities (including any Securities) which have been issued and sold by the Issuer will not exceed the amount of Registered Securities registered pursuant to the Registration Statement.

(b) At each Selected Representation Date (as defined below), the Issuer, (A) concurrently with such amendment or supplement, if such amendment or supplement shall occur at a Marketing Time or (B) immediately at the next Marketing Time if such amendment or supplement shall not occur at a Marketing Time, will furnish the Distributors with a certificate, dated the date of delivery thereof, of the Issuer signed on its behalf by the President or any Vice President and a principal financial or accounting officer of the Issuer, in form reasonably satisfactory to the Distributors, to the effect that the statements contained in the certificate covering the matters set forth in Section 5(f) which was last furnished to the Distributors pursuant to Section 5(f) or this Section 6(b) are true and correct at the time of such amendment or supplement, as though made at and as of such time or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in Section 5(f). Any certificate furnished under this Section 6(b), however, shall relate to the Registration Statement and the Prospectus as amended or supplemented at the time of delivery of such certificate and, in the case of the matters set forth in Section 5(f)(ii), to the time of delivery of such certificate. A "**Selected Representation Date**" means each time that the Registration Statement or the Prospectus is amended or supplemented (other than by the filing of (i) a Current Report on Form 8-K or a Quarterly Report on Form 10-Q, (ii) a Prospectus Supplement that does not relate to the Securities or (iii) a Pricing Supplement).

(c) At each Selected Representation Date referred to in Section 6(b) (other than the Selected Representation Dates on which the Registration Statement or the Prospectus is amended or supplemented solely to include additional financial information), and as specified in a Terms Agreement with respect to the opinion referred to in Section 5(e)(1), the Issuer, (A) concurrently if such Selected Representation Date shall occur at a Marketing Time or (B) immediately at the next Marketing Time if such Selected Representation Date shall not occur at a Marketing Time, will furnish the Distributors with a written opinion or opinions, dated the date of such Selected Representation Date, of counsel for the Issuer, in form reasonably satisfactory to the Distributors, to the effect set forth in Section 5(e). To the extent appropriate, however, such opinion or opinions may reconfirm matters set forth in a prior opinion or opinions delivered at the Closing Date or under this Section 6(c). Any opinion or opinions furnished under this Section 6(c) shall relate to the Registration Statement and the Prospectus as amended or supplemented at such Selected

Representation Date and shall state that the Securities sold in the relevant Applicable Period (as defined below) have been duly executed, authenticated, issued and delivered and constitute valid and legally binding obligations of the Issuer enforceable in accordance with their terms, subject to the exceptions set forth in Exhibit E-2, and conform to the description thereof contained in the Prospectus as amended or supplemented at the relevant date or dates for the delivery of such Securities to the purchaser or purchasers thereof. For the purpose of this Section (6)(c), "**Applicable Period**" means with respect to any opinion delivered on a Selected Representation Date the period commencing on the date as of which the most recent prior opinion delivered at the Closing Date or under this Section (6)(c) speaks and ending on such Selected Representation Date.

(d) At each Representation Date referred to in Section 2(b) on which the Registration Statement or the Prospectus shall be amended or supplemented to include additional financial information (other than a Representation Date arising from the filing of (i) a Current Report on Form 8-K which relates solely to summary quarterly earnings information, (ii) a Current Report on Form 8-K which contains only financial statements of businesses acquired by the Issuer, (iii) a Prospectus Supplement that does not relate to the Securities or (iv) a Pricing Supplement), the Issuer shall cause PricewaterhouseCoopers LLP (A) concurrently if such Representation Date shall occur at a Marketing Time, or (B) immediately at the next Marketing Time if such Representation Date shall not occur at a Marketing Time, to furnish the Distributors with a letter, addressed jointly to the Issuer and the Distributors and dated the date of such Representation Date, in form and substance reasonably satisfactory to the Distributors, to the effect set forth in Section 5(g). To the extent appropriate, however, such letter may reconfirm matters set forth in a prior letter delivered at the Closing Date or pursuant to this Section 6(d). Any letter furnished under this Section 6(d) shall relate to the Registration Statement and the Prospectus as amended or supplemented at such Representation Date, with such changes as may be necessary to reflect changes in the financial statements and other information derived from the accounting records of the Issuer.

(e) Any obligation of a person who has agreed to purchase Securities and to make payment for and take delivery of such Securities shall be subject to (i) the accuracy, on the related settlement date fixed pursuant to the Procedures, of the Issuer's representation and warranty deemed to be made to the Distributors pursuant to the last sentence of Section 6(a), and (ii) the satisfaction, on such settlement date, of each of the conditions set forth in Sections 5(a), (b) and (c), it being understood that any reference to a Distributor therein shall be deemed a reference to such person for purposes of this Section 6(e) and under no circumstance shall any Distributor have any duty or obligation to exercise the judgment permitted under Section 5(b) or (c) on behalf of any such person.

7. ***Indemnification and Contribution.***

(a) The Issuer will indemnify and hold harmless each Distributor against any losses, claims, damages or liabilities, joint or several, to which such Distributor may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement, the Prospectus, or any amendment or supplement thereto, or any related preliminary prospectus or preliminary prospectus supplement, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Distributor for any legal or other expenses reasonably incurred by such Distributor in connection with investigating or defending any such loss, claim, damage, liability or action as such expenses are incurred; *provided*, *however*, that the Issuer will not be liable to such Distributor in any such case to the extent that any such loss, claim, damage or liability arises out of or is based

upon an untrue statement or alleged untrue statement or omission or alleged omission made in any of such documents in reliance upon and in conformity with written information furnished to the Issuer by such Distributor specifically for use therein, unless such loss, claim, damage or liability arises out of the offer or sale of Securities occurring after the Distributor has timely notified the Issuer in writing that such information should no longer be used therein.

(b) Each Distributor will severally and not jointly indemnify and hold harmless the Issuer against any losses, claims, damages or liabilities to which the Issuer may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement, the Prospectus or any amendment or supplement thereto, or any related preliminary prospectus or preliminary prospectus supplement, or arise out of or are based upon the omission or the alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Issuer by such Distributor specifically for use therein, and will reimburse any legal or other expenses reasonably incurred by the Issuer in connection with investigating or defending any such loss, claim, damage, liability or action as such expenses are incurred, unless such loss, claim, damage or liability arises out of the offer or sale of Securities occurring after the Distributor has timely notified the Issuer in writing that such information should no longer be used therein.

(c) Promptly after receipt by an indemnified party under this Section 7 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under Section 7(a) or (b), notify the indemnifying party of the commencement thereof; but the omission so to notify the indemnifying party will not relieve it from any liability which it may have to any indemnified party otherwise than under Section 7(a) or (b). In case any such action is brought against any indemnified party, and it notifies the indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel of its own choosing. Subject to the following sentence, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party under this Section 7 for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation. The indemnified party will have the right to employ its own counsel in any such action, but the fees, expenses and other charges of such counsel will be at the expense of such indemnified party unless the indemnified party has reasonably concluded (based on the advice of counsel) that a conflict or potential conflict exists between the indemnified party and the indemnifying party (in which case the indemnifying party will not have the right to direct the defense of such action on behalf of the indemnified party). In no event shall the indemnifying party be liable for 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. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement or compromise of, or consent to the entry of judgment with respect to, any pending or threatened action in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party unless (i) such settlement includes an unconditional release of such indemnified party from all liability on any claims that are the subject matter of such action and (ii) does not include a

statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section 7 is unavailable or insufficient to hold harmless an indemnified party under Section 7(a) or (b), then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in Section 7(a) or(b) (i) in such proportion as is appropriate to reflect the relative benefits received by the Issuer on the one hand and any Distributor on the other from the offering pursuant to this Agreement of the Securities which are the subject of the action or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Issuer on the one hand and any Distributor on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities as well as any other relevant equitable considerations. The relative benefits received by the Issuer on the one hand and any Distributor on the other shall be deemed to be in the same proportions as the total net proceeds from the offering pursuant to this Agreement of the Securities which are the subject of the action (before deducting expenses) received by the Issuer bear to the total discounts and commissions received by such Distributor from the offering of such Securities pursuant to this Agreement. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Issuer or such Distributor and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this Section 7(d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim which is the subject of this Section 7(d). Notwithstanding the provisions of this Section 7(d), no Distributor shall be required to contribute any amount in excess of the amount by which the total price at which the Securities which are the subject of the action and which were distributed to the public through it pursuant to this Agreement or upon resale of Securities purchased by it from the Issuer exceeds the amount of any damages which such Distributor has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The obligations of each Distributor in this Section 7(d) to contribute are several, in the same proportion which the amount of the Securities which are the subject of the action and which were distributed to the public through such Distributor pursuant to this Agreement bears to the total amount of such Securities distributed to the public through all of the Distributors pursuant to this Agreement, and not joint.

(e) The obligations of the Issuer under this Section 7 shall be in addition to any liability which the Issuer may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls each Distributor within the meaning of the Securities Act; and the obligations of each Distributor under this Section 7 shall be in addition to any liability which each Distributor may otherwise have and shall extend, upon the same terms and conditions, to each director of the Issuer, to each officer of the Issuer who has signed the Registration Statement and to each person, if any, who controls the Issuer within the meaning of the Securities Act.

8. ***Status of Each Distributor.*** In soliciting offers to purchase the Securities from the Issuer pursuant to this Agreement and in assuming its other obligations hereunder (other than any obligation to purchase Securities pursuant to Section 3), each Distributor is acting individually and not jointly and

is acting solely as agent for the Issuer and not as principal. In connection with the placement of any Securities by a Distributor, acting as agent:

(a) each Distributor will make reasonable best efforts to assist the Issuer in obtaining performance by each purchaser whose offer to purchase Securities from the Issuer has been solicited by such Distributor and accepted by the Issuer, but such Distributor shall have no liability to the Issuer in the event any such purchase is not consummated for any reason; and

(b) if the Issuer shall default on its obligations to deliver Securities to a purchaser whose offer it has accepted, the Issuer (i) shall hold the Distributors harmless against any loss, claim or damage arising from or as a result of such default by the Issuer, and (ii) shall pay to the Distributors any commission to which they would be entitled in connection with such sale.

9. ***Survival of Certain Representations and Obligations.*** The respective indemnities, agreements, representations, warranties and other statements of the Issuer and of the Distributors set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation, or statement as to the results thereof, made by or on behalf of any Distributor, the Issuer or any of their respective representatives, officers or directors or any controlling person and will survive delivery of and payment for the Securities. If this Agreement is terminated pursuant to Section 10 or for any other reason or if for any reason (other than the occurrence of an event described in Section 5(c)(iii), (iv), (v) or (vi)) the sale of Securities described in a Terms Agreement referred to in Section 3 by the Issuer to a Distributor is not consummated, the Issuer shall remain responsible for the expenses to be paid or reimbursed by it pursuant to Section 4(i) and the obligations of the Issuer under Section 4(f) and the respective obligations of the Issuer and the Distributors pursuant to Section 7 shall remain in effect. In addition, if any such termination of this Agreement shall occur (other than due to the occurrence of an event described in Section 5(c)(iii), (iv), (v) or (vi)) either (i) at a time when any Distributor shall own any of the Securities with the intention of reselling them or (ii) after the Issuer has accepted an offer to purchase Securities and prior to the related settlement, the obligations of the Issuer under the second sentence of Section 4(c), under Sections 4(a), 4(b), 4(d), 4(e), 4(g), 4(h) and 4(i) and, in the case of a termination occurring as described in clause (ii), under Sections 3(b)(vii), 6(a) and 6(e) and under the last sentence of Section 8, shall also remain in effect.

10. ***Termination.*** This Agreement may be terminated for any reason at any time by the Issuer as to any Distributor or, in the case of any Distributor, by such Distributor insofar as this Agreement relates to such Distributor, upon the giving of one day's written notice of such termination to the other parties hereto; *provided*, *however*, that, subject to the provisions of Section 5, this Agreement may not be terminated with respect to a Distributor by the giving of such notice following the execution by the Issuer and such Distributor of a Terms Agreement referred to in Section 3 relating to the purchase of Securities by or through such Distributor and prior to delivery of the Securities described in such Terms Agreement. Any settlement with respect to Securities placed by a Distributor on an agency basis occurring after termination of this Agreement shall be made in accordance with the Procedures and each Distributor agrees, if requested by the Issuer, to take the steps therein provided to be taken by such Distributor in connection with such settlement.

11. ***Sales of Securities Denominated in a Currency other than U.S. Dollars or of Indexed Securities.*** If at any time the Issuer and any of the Distributors shall determine to issue and sell Securities denominated in a currency other than U.S. dollars, which other currency may include a currency unit, or with respect to which an index is used to determine the amounts of payments of principal and any premium and interest, the Issuer and any such Distributor may execute and deliver a supplement to this Agreement for the purpose of making any appropriate additions to and modifications of the terms of this Agreement (and the Procedures) applicable to such Securities and the offer and sale thereof. The Distributors are authorized to solicit offers to purchase Securities with respect to which an index is used to determine the amounts of payments of principal and any premium and interest, and the Issuer

shall agree to any sales of such Securities (whether offered on any agency or principal basis), only in a minimum aggregate amount of $2,500,000. The Issuer will not issue Securities denominated in Yen otherwise than in compliance with applicable Japanese laws, regulations and policies. In particular, the Issuer or its designated agent shall submit such reports or information as may be required from time to time by applicable law, regulations and guidelines promulgated by Japanese governmental and regulatory authorities in the case of the issue and purchase of the Securities and the Issuer shall ensure that each such Security shall have a minimum denomination of ¥1,000,000 and a minimum maturity of one year or such other minimum denomination and maturity as may be allowed from time to time by Japanese governmental and regulatory authorities.

12. ***Notices.*** Except as otherwise provided herein, 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 Distributors shall be directed to their respective addresses set forth in Exhibit F. Notices to the Issuer shall be directed to it at World Headquarters, Stamford, CT 06926, Attention: Dessa Bokides (facsimile no. (203) 351-7768), with a copy to the General Counsel (facsimile no. (203) 351-7984); or in the case of any party hereto, to such other address or person as such party shall specify to each other party by a notice given in accordance with the provisions of this Section 12. Any such notice shall take effect at the time of receipt.

13. ***Successors.*** This Agreement will inure to the benefit of and be binding upon the parties hereto, their respective successors, the officers and directors and controlling persons referred to in Section 7 and, to the extent provided in Section 6(e), any person who has agreed to purchase Securities from the Issuer, and no other person will have any right or obligation hereunder.

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

15. ***Applicable Law.*** **This Agreement and any Terms Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflicts of laws.**

The Issuer hereby submits to the non-exclusive jurisdiction of the Federal and state courts in the Borough of Manhattan in The City of New York in any suit or proceeding arising out of or relating to this Agreement or any Terms Agreement or the transactions contemplated hereby or thereby.

If the foregoing correctly sets forth our agreement, please indicate your acceptance hereof in the space provided for that purpose below.

Very truly yours.

PITNEY BOWES INC.

By: _____

Name:
Title:

CONFIRMED AND ACCEPTED, as of the date first above written:
[NAMES OF AGENTS]

By:

Name:
Title:

[NAMES OF AGENTS]

By:

Name:
Title:

[NAMES OF AGENTS]

By:

Name:
Title:

[NAMES OF AGENTS]

By:

Name:
Title:

[NAMES OF AGENTS]

By:

Name:
Title:

By:

Name:
Title:

[NAMES OF AGENTS]

[NAMES OF AGENTS]

By:

Name:
Title:

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Exhibit 4(a)

PITNEY BOWES INC.

AND

[_____],

Trustee

Senior Debt Securities

INDENTURE

Dated as of _____, 20__

CROSS REFERENCE SHEET*

Provisions of Sections 310 through 318(a) inclusive of the Trust Indenture Act of 1939, as amended, and the Indenture dated as of , 20 between Pitney Bowes Inc. and [ ], as Trustee.

Section of Act	Section of Indenture
310(a)(1)	6.10
310(a)(2)	6.10
310(a)(3)	N/A
310(a)(4)	N/A
310(a)(5)	6.10
310(b)	6.10
310(c)	N/A
311(a)	6.11
311(b)	6.11
311(c)	N/A
312(a)	4.01
312(b)	4.02(b)
312(c)	4.02(c)
313(a)	6.06
313(b)	6.06
313(c)	6.06
313(d)	6.06
314(a)	3.04 and 4.03
314(b)	N/A
314(c)(1)	2.04 and 11.05
314(c)(2)	2.04 and 11.05
314(c)(3)	N/A
314(d)	N/A
314(e)	11.05
315(a)	6.01(b)
315(b)	6.05
315(c)	6.01(a)
315(d)	6.01(c)
315(e)	5.10
316(a)(1)(A)	5.08
316(a)(1)(B)	5.09
316(a)(2)	N/A
316(b)	5.06
316(c)	2.07
317(a)(1)	5.02
317(a)(2)	5.02
317(b)	3.02 and 3.03
318(a)	11.07

* This cross reference sheet shall not, for any purpose, be deemed to be a part of the Indenture.

Attention should also be directed to Section 318(c) of the Trust Indenture Act of 1939, as amended, which provides that the provisions of Sections 310 through 317 of such Act are a part of and govern every qualified indenture, whether or not physically contained therein.

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This INDENTURE (this "**Indenture**"), dated as of , 20 between PITNEY BOWES INC., a Delaware corporation (the "**Company**"), and [ ], a [ ] banking corporation, as trustee (the "**Trustee**").

RECITALS

A. The Company has duly authorized the issue from time to time of its unsecured debentures, notes or other evidences of indebtedness (the "**Securities**") to be issued in one or more Series.

B. All things necessary to make this Indenture a valid indenture and agreement according to its terms have been done.

NOW, THEREFORE, in consideration of the premises and the purchase of the Securities by the Holders thereof, it is mutually agreed for the equal and ratable benefit of the Holders from time to time of the Securities or of Series thereof as follows.

ARTICLE 1
DEFINITIONS

SECTION 1.01. *Certain Terms Defined.* The following terms (except as otherwise expressly provided or unless the context otherwise clearly requires) for all purposes of this Indenture and of any indenture supplemental hereto shall have the respective meanings specified in this Section 1.01. All other terms (except as herein otherwise expressly provided or unless the context otherwise clearly requires) used in this Indenture that are defined in the Trust Indenture Act or the definitions of which in the Securities Act are referred to in the Trust Indenture Act, including terms defined therein by reference to the Securities Act, shall have the meanings assigned to such terms in the Trust Indenture Act and the Securities Act as in force at the date of this Indenture. All accounting terms used herein and not expressly defined shall have the meanings assigned to such terms in accordance with GAAP. The words "**herein**", "**hereof**" and "**hereunder**" and other words of similar import refer to this Indenture as a whole, as supplemented and amended from time to time, and not to any particular Article, Section or other subdivision. The terms defined in this Article 1 have the meanings assigned to them in this Article 1 and include the plural as well as the singular.

"**Board of Directors**" means either the Board of Directors of the Company or any duly authorized committee of that Board or any duly authorized committee created by that Board.

"**Business Day**", except as may otherwise be provided in the form of Securities of any particular Series, with respect to any Place of Payment or place of publication means any day, other than a Saturday, Sunday or day on which banking institutions are authorized or required by law or regulation to close in that Place of Payment or place of publication.

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

"**Common Shares**" means the shares of common stock, par value $1.00 per share, of the Company as they exist on the date of this Indenture, or any other shares of capital stock of the Company into which such shares shall be reclassified or changed.

"**Company**" means the Person identified as the "Company" in the first paragraph hereof until a successor corporation shall have become such pursuant to the applicable provisions hereof, and thereafter "Company" shall mean such successor corporation.

"**Corporate Trust Office**" means the principal corporate trust office of the Trustee at which at any particular time its corporate trust business shall be administered, which office at the date of execution of this Indenture is located at [ ], Attention: [ ].

"**defaulted interest**" has the meaning specified in Section 2.07.

"**defeasance**" has the meaning specified in Section 10.01(b).

"**Depository**", with respect to Securities of any Series for which the Company shall determine that such Securities will be issued as a Depository Security, means The Depository Trust Company or another clearing agency or any successor registered under the Securities Exchange Act or other applicable statute or regulation, which, in each case, shall be designated by the Company pursuant to Sections 2.03 and 2.12.

"**Depository Security**", with respect to any Series of Securities, means a Security executed by the Company and authenticated and delivered by the Trustee to the Depository or pursuant to the Depository's instruction, all in accordance with this Indenture and pursuant to a resolution of the Board of Directors or an indenture supplemental hereto as contemplated by Section 2.03, which shall be registered as to principal and interest in the name of the Depository or its nominee and shall represent, and shall be denominated in an amount equal to the aggregate principal amount of, all of the Outstanding Securities of such Series.

"**Event of Default**" has the meaning specified in Section 5.01.

"**GAAP**" means such accounting principles as are generally accepted at the time of any computation hereunder.

"**Government Obligations**", unless otherwise specified pursuant to Section 2.03, means securities that are (i) direct obligations of the United States government or (ii) obligations of a Person controlled or supervised by, or acting as an agency or instrumentality of, the United States government, the payment of which obligations is unconditionally guaranteed by such government, and that, in either case, are full faith and credit obligations of such government and are not callable or redeemable at the option of the issuer thereof.

"**Holder**", "**Holder of Securities**", "**Registered Holder**", "**Securityholder**" or other similar terms mean the Person in whose name at the time a particular Security is registered in the Security register.

"**Indenture**" means this instrument as originally executed or as it may from time to time be amended or supplemented as herein provided, as so amended or supplemented or both, and shall include the forms and terms of particular Series of Securities established as contemplated by Section 2.03.

"**Instructions**" means instructions acceptable to the Trustee issued pursuant to the written order of the Company, signed by its chief executive officer, president or any vice president, and by its treasurer, secretary or any assistant treasurer or assistant secretary. Instructions need not comply with the provisions of Section 11.05.

"**Officers' Certificate**" means a certificate signed on behalf of the Company by the chief executive officer, president or any vice president and by the treasurer, controller, secretary, or any assistant treasurer or any assistant secretary of the Company and delivered to the Trustee. Each such certificate shall include the statements provided for in Section 11.05.

"**Opinion of Counsel**" means a written opinion of legal counsel who may be an employee of or counsel to the Company and who shall be reasonably acceptable to the Trustee. Each Opinion of Counsel shall include the statements provided for in Section 11.05, if and to the extent required hereby.

"**original issue date**" of any Security means the date set forth as such on such Security.

"**Original Issue Discount Security**" means any Security that provides for an amount less than the principal amount thereof to be due and payable upon a declaration of acceleration of the maturity thereof pursuant to Section 5.01.

"**Outstanding**", when used with reference to Securities of any Series as of any particular time, subject to the provisions of Section 7.04, means all Securities of that Series authenticated and delivered under this Indenture, except:

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

(b) Securities, or portions thereof, for the payment or redemption of which the necessary funds in the required currency shall have been deposited in trust with the Trustee or with any Paying Agent other than the Company, or shall have been set aside, segregated and held in trust by the Company for the holders of such Securities if the Company shall act as its own Paying Agent, provided that if such securities, or portions thereof, are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as herein provided, or provision satisfactory to the Trustee shall have been made for giving such notice;

(c) Securities in substitution for which other Securities shall have been authenticated and delivered pursuant to the terms of Section 2.09, except with respect to any such Security as to which proof satisfactory to the Trustee and the Company is presented that such Security is held by a person in whose hands such Security is a legal, valid and binding obligation of the Company;

(d) Securities converted into Common Shares or Preferred Shares in accordance with or as contemplated by this Indenture; and

(e) Securities with respect to which the Company has effected defeasance as provided in Article 10.

"**Paying Agent**" means any Person, which may include the Company, authorized by the Company to pay the principal of or interest, if any, on any Security of any Series on behalf of the Company.

"**Periodic Offering**" means an offering of Securities of a Series from time to time, during which any or all of the specific terms of the Securities, including the rate or rates of interest, if any, thereon, the maturity or maturities thereof and the redemption provisions, if any, with respect thereto, are to be determined by the Company or its agents upon the issuance of such Securities.

"**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 interest, if any, on the Securities of that Series are payable as specified pursuant to Section 3.02.

"**Preferred Shares**" means any shares of capital stock issued by the Company that are entitled to a preference or priority over the Common Shares upon any distribution of the Company's assets, whether by dividend or upon liquidation.

"**principal**" whenever used with reference to the Securities or any Security or any portion thereof shall be deemed to include "and premium, if any".

"**Responsible Officer**", when used with respect to the Trustee, means any officer within the corporate trust department of the Trustee including any vice president, assistant vice president, assistant secretary, senior trust officer, trust officer or any other officer or assistant officer of the Trustee customarily performing functions similar to those performed by the individuals who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred at the Corporate Trust Office because of his or her knowledge of and familiarity with the particular subject.

"**Securities Act**" means the Securities Act of 1933, as amended, as in force at the date as of which this Indenture was originally executed.

"**Securities Exchange Act**" means the Securities Exchange Act of 1934, as amended, as in force at the date as of which this Indenture was originally executed.

"**Security**" or "**Securities**" has the meaning stated in the first recital of this Indenture and more particularly means any securities authenticated and delivered under this Indenture.

"**Series**" or "**Series of Securities**" means all Securities of a similar tenor authorized by a particular resolution of the Board of Directors or in one or more indentures supplemental hereto.

"**Trust Indenture Act**", except as otherwise provided in Sections 8.01 and 8.02, means the Trust Indenture Act of 1939, as amended, as in force at the date as of which this Indenture was originally executed.

"**Trustee**" means the Person identified as the "Trustee" in the first paragraph hereof until a successor Trustee shall have become such pursuant to the applicable provisions hereof, and thereafter "Trustee" shall mean each Person who is then a Trustee hereunder. If at any time there is more than one such Person, "Trustee" as used with respect to the Securities of any Series means the Trustee with respect to Securities of that Series.

"**United States of America**" means the United States of America, including the states and the District of Columbia, its territories, possessions, the Commonwealth of Puerto Rico and other areas subject to its jurisdiction.

"**vice president**" when used with respect to the Company or the Trustee, means any vice president, whether or not designated by a number or a word or words added before or after the title of "vice president."

ARTICLE 2
SECURITIES

SECTION 2.01. *Forms Generally.* The Securities of each Series shall be substantially in such form, including temporary or definitive global form, as shall be established by or pursuant to a resolution of the Board of Directors or in one or more indentures supplemental hereto or, in the case of a Periodic Offering, Instructions, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have imprinted or otherwise reproduced thereon such legend or legends, not inconsistent with the provisions of this Indenture, as may be required to comply with any law or with any rules or regulations, or with any rules of any securities exchange or to conform to general usage, all as may be determined by the officers executing such Securities as evidenced by their execution of the Securities.

The definitive Securities may be printed or reproduced in any other manner, all as determined by the officers executing such Securities as evidenced by their execution of such Securities.

SECTION 2.02. *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 herein and referred to in the within-mentioned Indenture.

[_____], as Trustee

By: _____

Authorized Signatory

—or—

[_____], as Trustee

By: _____, as
Authentication Agent

By: _____

Authorized Signatory

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

The Securities may be issued in one or more Series. There shall be established in or pursuant to a resolution of the Board of Directors and set forth in an Officers' Certificate, or established in one or more indentures supplemental hereto, or in the case of a Periodic Offering, Instructions, prior to the issuance of Securities of any Series:

(a) the title of the Securities of the Series, which shall distinguish the Securities of the Series from all other Securities issued by the Company;

(b) any limit upon the aggregate principal amount of the Securities of the Series that may be authenticated and delivered under this Indenture, except for Securities authenticated and delivered upon registration of transfer of, or in exchange for or in lieu of, other Securities of the Series pursuant to Section 2.08, 2.09, 2.11, 8.05 or 12.03;

(c) if other than 100% of their principal amount, the percentage of their principal amount at which the Securities of the Series will be offered for sale to the public;

(d) the date or dates on which the principal of the Securities of the Series is payable or the method of determination thereof;

(e) the rate or rates, which may be fixed or variable, or the method or methods of determination thereof (including any procedures to vary or reset such rate or rates), at which the Securities of the Series shall bear interest, if any, the date or dates from which such interest shall accrue, the interest payment dates on which such interest shall be payable or the manner of determination of such interest payment dates and the record dates for the determination of Holders to whom interest is payable;

(f) the place or places where the principal and interest, if any, on Securities of the Series shall be payable if other than as provided in Section 3.02;

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

(h) if other than the principal amount thereof, the portion of the principal amount of Securities of the Series which shall be payable upon declaration of acceleration of the maturity thereof pursuant to Section 5.01 or provable in bankruptcy pursuant to Section 5.02;

(i) the obligation, if any, of the Company to redeem, purchase or repay Securities of the Series whether pursuant to any sinking fund or analogous provisions or pursuant to other provisions set forth therein or at the option of a Holder thereof and the price or prices at which and the period or periods within which and the terms and conditions upon which Securities of the Series shall be redeemed, purchased or repaid, in whole or in part;

(j) the right, if any, of the Company to extend the interest payment periods or defer the payment of interest and the duration of such extension or deferral;

(k) if other than denominations of $1,000 and any integral multiple thereof, the denominations in which Securities of the Series shall be issuable;

(l) the form of the Securities, including such legends as required by law or as the Company deems necessary or appropriate and the form of any temporary global security that may be issued;

(m) whether, and under what circumstances, the Securities of any Series shall be convertible into other securities of the Company and, if so, the terms and conditions upon which such conversion will be effected, including the initial conversion price or rate, the conversion period and other provisions in addition to or in lieu of those described herein;

(n) the currency or currencies in which payment of the principal of and interest on, Securities of such Series shall be payable;

(o) the terms of any repurchase or remarketing rights;

(p) if other than the Trustee, any trustees, authenticating agents, Paying Agents, transfer agents or registrars or any other agents with respect to the Securities of such Series;

(q) if the Securities of such Series do not bear interest, the applicable dates for purposes of Section 4.01;

(r) whether the Securities of such Series are to be issuable in whole or in part in the form of one or more Depository Securities and, in such case, the Depository for such Securities;

(s) any restrictive covenants or additional Events of Default that will apply to the Securities of such Series, or any changes to the Events of Default set forth in Section 5.01 that will apply to the Securities of such Series, which may consist of establishing different terms or provisions from those set forth in Article 3 or Section 5.01 or eliminating any such Event of Default with respect to the Securities of such Series;

(t) the application, if any, of Section 10.01(b) to the Securities of such Series;

(u) any and all additional, eliminated or changed terms that shall apply to the Securities of such Series, including any terms which may be required by or advisable under United States laws or regulations (including the Securities Act and the rules and regulations promulgated thereunder) or advisable in connection with the marketing of Securities of such Series; and

(v) whether the Securities of such Series shall be subject to a Periodic Offering.

All Securities of any one Series shall be substantially identical except as to denomination and except as otherwise may be provided in or pursuant to such resolution of the Board of Directors 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.

SECTION 2.04. *Authentication and Delivery of 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 executed by the Company to the Trustee for authentication, together with a written order of the Company, signed by its chief executive officer, president or any vice president, and by its treasurer, secretary, or any assistant treasurer or any assistant secretary for the authentication and delivery of such Securities and the Trustee, in accordance with such order of the Company, shall authenticate and deliver such Securities. In the case of Securities offered in a Periodic Offering, however, the Trustee shall authenticate and deliver such Securities from time to time in accordance with Instructions or such other procedures acceptable to the Trustee as may be specified by or pursuant to a supplemental indenture or the written order of the Company delivered to the Trustee prior to the time of the first authentication of Securities of such Series. At the time of the first authentication of Securities of a Series that provides for the issuance of Securities of that Series from time to time, and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive and subject to Section 6.01 shall be fully protected in relying upon:

(a) a copy of any resolution or resolutions of the Board of Directors relating to such Series, in each case certified by the secretary or an assistant secretary of the Company;

(b) a supplemental indenture, if any;

(c) an Officers' Certificate setting forth the form and terms of the Securities of such Series as required pursuant to Sections 2.01 and 2.03, respectively, and prepared in accordance with Section 11.05; and

(d) an Opinion of Counsel, prepared in accordance with Section 11.05, which shall state:

(i) that the form or forms and terms of such Securities have been established by or pursuant to a resolution of the Board of Directors or by a supplemental indenture as permitted by Sections 2.01 and 2.03 in conformity with the provisions of this Indenture; and

(ii) that such Securities have been duly authorized and, 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 valid and binding obligations of the Company enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization or other laws relating to or affecting the enforcement of creditors' rights generally and by general equitable principles, regardless of whether such enforceability is considered in a proceeding in equity or at law.

With respect to Securities of a Series subject to a Periodic Offering, however, the Trustee may conclusively rely, as to the authorization by the Company of any of such Securities, the forms and terms thereof and the legality, validity, binding effect and enforceability thereof, upon the written order of the Company, Opinion of Counsel, Officers' Certificate and other documents delivered pursuant to this Section 2.04 at or prior to the time of the first authentication of Securities of such Series unless and until such written order, Opinion of Counsel, Officers' Certificate or other documents have been superseded or revoked or expire by their terms.

The Trustee shall have the right to decline to authenticate and deliver any Securities under this Section 2.04 if the issue of such Securities pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under this Indenture in a manner not reasonably acceptable to the Trustee.

SECTION 2.05. *Execution of Securities*. The Securities shall be signed on behalf of the Company by its chief executive officer, president or any vice president and its treasurer, secretary or any assistant

treasurer or assistant secretary, under its corporate seal. Such signatures may be the manual or facsimile signatures of such officers. 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 Securities. Typographical and other minor errors or defects in any such reproduction of the seal or any such signature shall not affect the validity or enforceability of any Security that has been duly authenticated and delivered by the Trustee.

In case any officer of the Company who shall have signed any of the Securities shall cease to be such officer before the Security so signed shall be authenticated and delivered by the Trustee or disposed of by the Company, such Security nevertheless may be authenticated and delivered or disposed of as though the person who signed such Security had not ceased to be such officer of the Company. Any Security may be signed on behalf of the Company by such individuals as, at the actual date of the execution of such Security, shall be the proper officers of the Company, although at the date of the execution and delivery of this Indenture any such individual was not such an officer.

SECTION 2.06. *Certificate of Authentication.* Only such Securities as shall bear thereon a certificate of authentication substantially in the form set forth in Section 2.02 and executed by the Trustee by the manual signature of one of its authorized signatories shall be entitled to the benefits of this Indenture or be valid or obligatory for any purpose. Such certificate by the Trustee upon any Security executed by the Company shall be conclusive evidence that the Security so authenticated has been duly authenticated and delivered hereunder and that the Holder is entitled to the benefits of this Indenture.

SECTION 2.07. *Denomination and Date of Securities; Payments of Interest.* The Securities shall be issuable in denominations as shall be specified as contemplated by Section 2.03. In the absence of any such specification with respect to the Securities of any Series, Securities shall be issuable in denominations of $1,000 and any integral multiple thereof, and interest shall be computed on the basis of a 360-day year of twelve 30-day months. The Securities shall be numbered, lettered or otherwise distinguished in such manner or in accordance with such plan as the officers of the Company executing the same may determine with the approval of the Trustee as evidenced by its execution and authentication thereof.

Each Security shall be dated the date of its authentication.

Unless otherwise provided as contemplated by Section 2.03, interest on any Security that is payable, and is punctually paid or duly provided for, on any interest payment date 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 the regular record date for the payment of such interest.

The term "**record date**" as used with respect to any interest payment date (except for a date for payment of defaulted interest) means the date specified as such in the terms of the Securities of any particular Series or, if no such date is so specified, the close of business on the fifteenth day preceding such interest payment date, whether or not such record date is a Business Day.

Any interest on any Security of any Series that is payable but not punctually paid or duly provided for ("**defaulted interest**") on any interest payment date shall forthwith cease to be payable to the Registered Holder on the relevant record date by virtue of such Holder having been a Holder on such record date. Such defaulted interest may be paid by the Company, at its election in each case, as provided in clause (a) or clause (b) below:

(a) The Company may elect to make payment of any defaulted interest to the persons in whose names any such Securities (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 Security of such Series and the date of the

proposed payment and at the same time the Company shall deposit with the Trustee funds 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 funds when deposited shall be held in trust for the benefit of the Persons entitled to such defaulted interest as provided in this clause (a). Thereupon the Trustee promptly shall fix a special record date for the payment of such defaulted interest in respect of Securities of such Series, which shall be not more than 15 nor less than ten days prior to the date of the proposed payment. The Trustee promptly shall 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 thereof to be mailed, first class postage prepaid, to each Registered Holder at his address as it appears in the Security register, not less than ten days prior to 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 in respect of Securities of such Series shall be paid to the persons in whose names such Securities (or their respective predecessor Securities) are registered on such special record date and such defaulted interest shall no longer be payable pursuant to the following clause (b).

(b) The Company may make payment of any defaulted interest on the Securities of any Series in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of that Series 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.

Subject to the foregoing provisions of this Section 2.07, 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, that were carried by such other Security.

SECTION 2.08. *Registration, Registration of Transfer and Exchange.* The Company will cause to be kept at each office or agency to be maintained for the purpose as provided in Section 3.02 a register or registers (the "**Security register**") in which, subject to such reasonable regulations as it may prescribe, the Company will provide for the registration and the registration of transfer of the Securities. The Trustee is hereby appointed Security registrar for purposes of registering, and registering transfers of, the Securities.

Upon surrender for registration of transfer of any Security of any Series at any such office or agency to be maintained for the purpose as provided in Section 3.02, the Company shall execute, and the Trustee shall authenticate and make available for delivery in the name of the transferee or transferees, a new Security or Securities of the same Series and of like tenor and containing the same terms (other than the principal amount thereof, if more than one Security is executed, authenticated and delivered with respect to any security so presented, in which case the aggregate principal amount of the executed, authenticated and delivered Securities shall equal the principal amount of the Security presented in respect thereof) and conditions.

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 Security presented or surrendered for registration of transfer or exchange, if so required by the Company or the Trustee, shall be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company and the Trustee, duly executed by the Holder thereof or his attorney and duly authorized in writing.

No service charge shall be made for any registration of transfer or exchange of Securities, but the Company may require payment of an amount 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 2.11, 8.05 or 12.03 not involving any transfer.

The Company shall not be required (i) to issue, register the transfer of or exchange any Security during a 15-day period prior to the day of mailing of the relevant notice of redemption or (ii) to register the transfer of or exchange any 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 redeemed.

SECTION 2.09. *Mutilated, Defaced, Destroyed, Lost and Stolen Securities*. In case any temporary or definitive Security shall become mutilated or defaced or be destroyed, lost or stolen, the Company shall execute, and upon the written request of any officer of the Company, the Trustee shall authenticate and make available for delivery a new Security of the same Series and of like tenor and principal amount and with the same terms and conditions, bearing a number not contemporaneously outstanding, in exchange and substitution for the mutilated or defaced Security or in lieu of and substitution for the Security so destroyed, lost or stolen. In every case the applicant for a substitute Security shall furnish to the Company and to the Trustee such security or indemnity as may be required by them to indemnify and defend and to save each of them harmless and, in every case of destruction, loss or theft, evidence to their satisfaction of the destruction, loss or theft of such Security and of the ownership thereof.

Upon the issuance of any substitute Security, the Company may require the payment of an amount sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses, including the reasonable fees and expenses of the Trustee, connected therewith. In case any Security which has matured or is about to mature or has been called for redemption in full shall become mutilated or defaced or be destroyed, lost or stolen, the Company, instead of issuing a substitute Security, may pay or authorize the payment of the same without surrender thereof except in the case of a mutilated or defaced Security. The applicant for such payment shall furnish to the Company and to the Trustee such security or indemnity as any of them may require to save each of them harmless. In every case of destruction, loss or theft, the applicant also shall furnish to the Company and the Trustee evidence to their satisfaction of the destruction, loss or theft of such Security and of the ownership thereof.

Every substitute Security of any Series issued pursuant to the provisions of this Section 2.09 by virtue of the fact that any Security is destroyed, lost or stolen shall constitute an additional contractual obligation of the Company, whether or not the destroyed, lost or stolen Security shall be at any time enforceable by anyone and shall be entitled to all the benefits of and shall be subject to all the limitations of rights set forth in this Indenture equally and proportionately with any and all other Securities of such Series duly authenticated and delivered hereunder. All Securities shall be held and owned upon the express condition that, to the extent permitted by law, the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, defaced, destroyed, lost or stolen Securities and shall preclude any and all other rights or remedies, notwithstanding any law or statute to the contrary with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

SECTION 2.10. *Cancellation of Securities*. All Securities surrendered for payment, redemption, registration of transfer or exchange, or for credit against any payment in respect of a sinking or analogous fund, if surrendered to the Company or any agent of the Company or the Trustee shall be delivered to the Trustee for cancellation or, if surrendered to the Trustee, shall be cancelled by it; and no Securities shall be issued in lieu thereof except as expressly permitted by the provisions of this Indenture. The Company at any time may deliver to the Trustee for cancellation any Securities previously authenticated hereunder which the Company has not issued and sold and all Securities so delivered shall be promptly cancelled by the Trustee. The Trustee or its agent shall dispose of cancelled Securities held by it and deliver a certificate of disposition to the Company. If the Company shall acquire any of the Securities, such acquisition shall not operate as a redemption or satisfaction of the indebtedness represented by such Securities unless the same are delivered to the Trustee for cancellation.

SECTION 2.11. *Temporary Securities.* Pending the preparation of definitive Securities for any Series, the Company may execute and the Trustee shall authenticate and make available for delivery temporary Securities for such Series, which may be printed, typewritten or otherwise reproduced, in each case in form reasonably acceptable to the Trustee. Temporary Securities of any Series may be issued in any authorized denomination and substantially in the form of the definitive Securities of such Series but with such omissions, insertions and variations as may be appropriate for temporary Securities, all as may be determined by the Company with the reasonable concurrence of the Trustee. Temporary Securities may contain such reference to any provisions of this Indenture as may be appropriate. Every temporary Security shall be executed by the Company and be authenticated by the Trustee upon the same conditions and in substantially the same manner, and with like effect, as the definitive Securities. Without unreasonable delay the Company shall execute and shall furnish definitive securities of such Series and thereupon temporary Securities of such Series may be surrendered in exchange therefor without charge at each office or agency to be maintained by the Company for that purpose pursuant to Section 3.02, and the Trustee shall authenticate and make available for delivery in exchange for such temporary Securities of such Series a like aggregate principal amount of definitive Securities of the same Series of authorized denominations. Until so exchanged, the temporary Securities of any Series shall be entitled to the same benefits under this Indenture as definitive Securities of such Series.

SECTION 2.12. *Securities in Global Form.* If Securities of a Series are issuable in global form, as specified as contemplated by Section 2.03, then, notwithstanding the provisions of Sections 2.03(k) and Section 2.07, such Security shall represent such of the Outstanding Securities of such Series as shall be specified therein and may provide that it shall represent the aggregate amount of Outstanding Securities from time to time endorsed thereon and that the aggregate amount of Outstanding Securities represented thereby from time to time may 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, of Outstanding Securities represented thereby may be made by the Trustee in such manner and upon instructions given by such Person or Persons as shall be specified therein or in the Company order to be delivered to the Trustee pursuant to Section 2.04. Subject to the provisions of Section 2.04, the Trustee shall deliver and redeliver any Security in definitive global form in the manner and upon written instructions given by the Person or Persons specified therein or in the applicable Company order. If a Company order pursuant to Section 2.04 has been, or simultaneously is, delivered, any instructions by the Company with respect to endorsement or delivery or redelivery of a Security in global form shall be in writing but need not comply with Section 11.05 and need not be accompanied by an Opinion of Counsel.

Unless otherwise specified as contemplated by Section 2.03, payment of principal of and any interest on any Security in definitive global form shall be made to the Person or Persons specified therein.

Except as provided in the preceding paragraph, the Company, the Trustee and any agent of the Company and the Trustee shall treat a Person as the Holder of such principal amount of outstanding Securities represented by a definitive global Security as shall be specified in a written statement of the Holder of such definitive global Security.

SECTION 2.13. *CUSIP Numbers.* The Company in issuing the Securities may use "CUSIP" numbers if then generally in use and, if so, the Trustee shall use "CUSIP" numbers in notices of redemption as a convenience to Holders. Any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Securities or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Securities. No such redemption shall be affected by any defect in or omission of such numbers. The Company promptly will notify the Trustee of any change in the CUSIP numbers.

ARTICLE 3
COVENANTS OF THE COMPANY

SECTION 3.01. *Payment of Principal and Interest.* The Company covenants and agrees for the benefit of each particular Series of Securities that it will duly and punctually pay or cause to be paid the principal of, and interest on, each of the Securities of such Series in accordance with the terms of the Securities of such Series and this Indenture.

SECTION 3.02. *Offices for Payment, Etc.* So long as any of the Securities remain outstanding, the Company will maintain the following for each Series: an office or agency where the Securities may be presented for payment or conversion; where the Securities may be presented for registration of transfer and for exchange; and where notices and demands to or upon the Company in respect of the Securities or of this Indenture may be served. The Company will give to the Trustee written notice of the location of any such office or agency and of any change of location thereof. In case the Company shall fail to so designate or maintain any such office or agency or shall fail to give such notice of the location or of any change in the location thereof, presentations and demands may be made and notices may be served at the Corporate Trust Office. Unless otherwise specified pursuant to Section 2.03, the Trustee is hereby appointed Paying Agent.

SECTION 3.03. *Paying Agents.* Whenever the Company shall appoint a Paying Agent other than the Trustee with respect to the Securities of any Series, it will cause such Paying Agent to execute and deliver to the Trustee an instrument in which such Agent shall agree with the Trustee, subject to the provisions of this Section 3.03:

(a) that it will hold all amounts received by it as such Paying Agent for the payment of the principal of or interest on the Securities of such Series in trust for the benefit of the Holders of the Securities of such Series and, upon the occurrence of an Event of Default and upon the written request of the Trustee, pay over all such amounts received by it to the Trustee; and

(b) that it will give the Trustee notice of any failure by the Company or by any other obligor on the Securities of such Series to make any payment of the principal of or interest on the Securities of such Series when the same shall be due and payable.

On or prior to each due date of the principal of or interest on the Securities of such Series, the Company will deposit with the Paying Agent sufficient funds to pay such principal or interest so becoming due and, unless such Paying Agent is the Trustee, notify the Trustee of any failure to take such action.

If the Company shall act as its own Paying Agent with respect to the Securities of any Series, on or before each due date of the principal of or interest on the Securities of such Series it will set aside, segregate and hold in trust for the benefit of the Holders of the Securities of such Series sufficient

funds to pay such principal or interest so becoming due. The Company will promptly notify the Trustee of any failure to take such action.

At any time, for the purpose of obtaining a satisfaction and discharge with respect to one or more or all Series of Securities or for any other reason, the Company may pay or cause to be paid to the Trustee all amounts held in trust for any such Series by the Company or any Paying Agent, such amounts to be held by the Trustee in trust pursuant to this Indenture.

The agreement to hold amounts in trust as provided in this Section 3.03 is subject to the provisions of Sections 10.03 and 10.04.

SECTION 3.04. *Officers' Certificate.* The Company shall deliver to the Trustee, within 120 days after the end of each fiscal year of the Company ending after the date hereof, a statement, signed by the principal executive officer, principal financial officer or principal accounting officer of the Company, which need not constitute an Officer's Certificate, as to the Company's compliance with all conditions and covenants under the Indenture (such compliance to be determined without regard to any period of grace or requirement of notice provided under the Indenture).

SECTION 3.05. *Calculation of Original Issue Discount.* The Company shall file with the Trustee, within 60 days after the end of each calendar year, a written notice specifying the amount of original issue discount, if any, including daily rates and accrual periods, accrued on each Series of Outstanding Securities as of the end of such year.

ARTICLE 4
SECURITYHOLDERS' LISTS AND REPORTS BY THE COMPANY

SECTION 4.01. *Company to Furnish Trustee Information as to Names and Addresses of Securityholders.* The Company will furnish or cause to be furnished to the Trustee a list in such form as the Trustee reasonably may require of the names and addresses of the Holders of the Securities of each Series:

(a) semiannually, and not more than 15 days after each record date for the payment of interest on such Securities, as of such record date; and

(b) at such other times as the Trustee reasonably may request in writing, within 30 days after receipt by the Company of any such request, such list to be as of a date not more than 15 days prior to the time such information is furnished.

If the Trustee shall be the Security registrar for such Series, no such list shall be required to be furnished to the Trustee.

SECTION 4.02. *Preservation and Disclosure of Securityholders' Lists.*

(a) The Trustee shall preserve, in as current a form as is reasonably practicable, all information as to the names and addresses of the Holders of each Series of Securities contained in the most recent list furnished to it as provided in Section 4.01 or maintained by the Trustee in its capacity as Security registrar for such Series. The Trustee may destroy any list furnished to it as provided in Section 4.01 upon receipt of a new list so furnished.

(b) In case three or more Holders of Securities of any Series ("**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 or with Holders of all Securities with respect to their rights under this Indenture or under such Securities and such application is accompanied by a copy of the form of

proxy or other communication which such applicants propose to transmit, then the Trustee, within five Business Days after the receipt of such application, at its election, either:

(i) shall afford to such applicants access to the information preserved at the time by the Trustee in accordance with the provisions of Section 4.02(a); or

(ii) shall inform such applicants as to the approximate number of Holders of Securities of such Series or all Securities, as the case may be, whose names and addresses appear in the information preserved at the time by the Trustee, in accordance with the provisions of Section 4.02(a), and as to the approximate cost of mailing to such Securityholders the form of proxy or other communication, if any, specified in such application.

If the Trustee shall elect not to afford to such applicants access to such information, the Trustee, upon the written request of such applicants, shall mail to each Securityholder of such Series or all Securities, as the case may be, whose name and address appear in the information preserved at the time by the Trustee in accordance with the provisions of Section 4.02(a), a copy of the form of proxy or other communication that 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 all Securities, as the case may be, or could 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 such 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 Securityholders with reasonable promptness after the entry of such order and the renewal of such tender; otherwise the Trustee shall be relieved of any obligation or duty to such applicants respecting their application.

(c) Each and every Holder of Securities, by receiving and holding the same, agrees with the Company and the Trustee that neither the Company nor the Trustee nor any agent of the Company or the Trustee 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 the provisions of Section 4.02(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 such Section 4.02(b).

SECTION 4.03. *Reports by the Company.* The Company:

(a) will 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 from time to time by rules and regulations may prescribe) that the Company may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Securities Exchange Act, or if the Company is not required to file information, documents or reports pursuant to either of such Sections, then to 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 that may be required pursuant to Section 13 of the Securities Exchange Act or 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;

(b) will 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 provided for in this Indenture as may be required from time to time by such rules and regulations; and

(c) will transmit by mail to the Holders of Securities in the manner and to the extent required by Section 6.06, within 30 days after the filing thereof with the Trustee, such summaries of any information, documents and reports required to be filed by the Company pursuant to Sections 4.03(a) and (b) as may be required to be transmitted to such Holders by rules and regulations prescribed from time to time by the Commission.

ARTICLE 5
REMEDIES OF THE TRUSTEE AND SECURITYHOLDERS ON EVENT OF DEFAULT

SECTION 5.01. *Event of Default Defined; Acceleration of Maturity; Waiver of Default.* "**Event of Default**", with respect to Securities of any Series, means any one of the following events which shall have occurred and be continuing (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body) unless it is either inapplicable to a particular Series or it is specifically deleted or modified in or pursuant to the supplemental indenture or resolution of the Board of Directors establishing such Series of Securities or in the form of Security for such Series:

(a) default in the payment of any installment of interest upon any of the Securities of such Series as and when the same shall become due and payable, and continuance of such default for a period of 30 days;

(b) default in the payment of all or any part of the principal of any of the Securities of such Series as and when the same shall become due and payable, either at maturity, upon any redemption, by declaration or otherwise;

(c) default in the performance or breach of any covenant or warranty contained in the Securities of such Series or in this Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section 5.01 specifically dealt with or which has expressly been included in this Indenture solely for the benefit of one or more 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% 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" hereunder;

(d) 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 (1) adjudging the Company a bankrupt or insolvent, (2) 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, (3) appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or of any substantial part of its property or (4) 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 90 consecutive days;

(e) 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 by it of an assignment for the benefit of creditors; or

(f) any other Event of Default provided with respect to Securities of such Series in the supplemental indenture or resolution of the Board of Directors establishing such Series.

If an Event of Default occurs and is continuing with respect to the Securities of any Series, then and in each and every such case, unless the principal of all Securities of such Series shall have already become due and payable, either the Trustee for such Series or the Holders of not less than 25% in aggregate principal amount at maturity of the Securities of such Series then Outstanding, by notice in writing to the Company and to the Trustee if given by such Holders, may declare the principal of all the Securities of such Series to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable. This provision, however, is subject to the condition that if at any time after the principal of the Securities of such Series shall have been so declared due and payable, and before any judgment or decree for the payment of the amounts due shall have been obtained or entered as hereinafter provided, the Company shall have paid or deposited with the Trustee sufficient funds to pay all matured installments of interest, if any, upon all the Securities of such Series and the principal of the Securities of such Series that shall have become due other than by such acceleration (with interest upon such principal and, to the extent that payment of such interest is enforceable under applicable law, upon overdue installments of interest, at the rate borne by the Securities of such Series to the date of such payment or deposit) and all other defaults under this Indenture, other than the nonpayment of the principal of Securities of such Series that shall have become due by such acceleration, shall have been remedied, then and in every such case the Holders of a majority in aggregate principal amount at maturity of the Securities of such Series then Outstanding, by written notice to the Company and to the Trustee for the Securities of such Series, may waive all defaults and rescind and annul such declaration and its consequences; but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon.

SECTION 5.02. *Collection of Indebtedness by Trustee; Trustee May Prove Debt.* If the Company shall fail to pay any installment of interest on any of the Securities of any Series when such interest shall have become due and payable, and such default shall have continued for a period of 30 days or shall fail to pay the principal of any of the Securities of any Series when the same shall have become due and payable, whether upon maturity of the Securities of such Series or upon any redemption or by declaration or otherwise, then upon demand of the Trustee for the Securities of such Series, the Company will pay to the Trustee for the Securities of such Series for the benefit of the Holders of the Securities of such Series the whole amount that then shall have become due and payable on all Securities of such Series for principal of or interest, as the case may be (with interest to the date of such payment upon the overdue principal and, to the extent that payment of such interest is enforceable under applicable law, on overdue installments of interest at the same rate as the rate of interest specified in the Securities of such Series) and such further amount as shall be sufficient to cover the costs and expenses of collection, including reasonable compensation to and expenses incurred by the Trustee and each predecessor Trustee and their respective agents, attorneys and counsel.

Until such demand is made by the Trustee, the Company may pay the principal of and interest on the Securities of any Series to the persons entitled thereto, whether or not the principal of and interest on the Securities of such Series are overdue.

If the Company shall fail to pay such amounts upon such demand, the Trustee for the Securities of such Series, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceedings at law or in equity for the collection of the amounts so due and unpaid. In any such case, the Trustee may prosecute any such action or proceedings to judgment or final decree and may enforce any such judgment or final decree against the Company or other obligor upon such Securities and collect in the manner provided by law out of the property of the Company or other obligor upon such Securities, wherever situated, the amounts adjudged or decreed to be payable.

If (i) there shall be pending proceedings relative to the Company or any other obligor upon the Securities under Title 11 of the United States Code or any other applicable federal or state bankruptcy, insolvency or other similar law, (ii) a receiver, assignee or trustee in bankruptcy or reorganization, liquidator, sequestrator or similar official shall have been appointed for or taken possession of the Company or its property or such other obligor or (iii) any other comparable judicial proceedings relative to the Company or other obligor under the Securities of any Series, or to the creditors or property of the Company or such other obligor, shall be pending, and irrespective of whether the principal of any Securities shall then be due and payable or whether the Trustee shall have made any demand pursuant to the provisions of this Section 5.02, the Trustee shall be entitled and empowered, by intervention in such proceedings or otherwise:

(a) to file and prove a claim or claims for the whole amount of principal and interest owing and unpaid in respect of the Securities of any Series 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 reasonable compensation to, and expenses incurred by, the Trustee and each predecessor Trustee, and their respective agents, attorneys and counsel) and of the Securityholders allowed in any judicial proceedings relative to the Company or other obligor upon all Securities of any Series, or to the creditors or property of the Company or such other obligor; and

(b) to collect and receive any funds or other property payable or deliverable on any such claims, and to distribute all amounts received with respect to the claims of the Securityholders and of the Trustee on their behalf; and any trustee, receiver, or liquidator, custodian or other similar official is hereby authorized by each of the Holders to make payments to the Trustee for the Securities of such Series, and, in the event that such Trustee shall consent to the making of payments directly to the Securityholders, to pay to such Trustee such amounts as shall be sufficient to cover reasonable compensation to and expenses incurred by such Trustee, each predecessor Trustee and their respective agents, attorneys and counsel and all other amounts due to such Trustee or any predecessor Trustee pursuant to Section 6.07.

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

All rights of action and of asserting claims under this Indenture or under any of the Securities may be enforced by the Trustee for the Securities of such Series without the possession of any of the Securities of such Series or the production thereof at any trial or other proceedings relative thereto. Any such action or proceedings instituted by the Trustee shall be brought in its own name as trustee of an express trust. Any recovery of judgment, subject to the payment of the expenses, disbursements and compensation of the Trustee, each predecessor Trustee and their respective agents and attorneys, shall be for the ratable benefit of the Holders of the Securities in respect of which such action was taken.

In any proceedings brought by the Trustee for the Securities of such Series, the Trustee shall be held to represent all the Holders of the Securities in respect of which such action was taken, and it shall not be necessary to make any Holders of such Securities parties to any such proceedings.

SECTION 5.03. *Application of Proceeds.* Any amounts collected by the Trustee for the Securities of such Series pursuant to this Article 5 in respect of the Securities of any Series shall be applied in the following order at the date or dates fixed by such Trustee and, in case of the distribution of such amounts on account of principal or interest, upon presentation of the several Securities in respect of which amounts have been collected and stamping or otherwise noting thereon the payment, or issuing Securities of such Series in reduced principal amounts in exchange for the presented Securities of like Series if only partially paid, or upon surrender thereof if fully paid:

FIRST: to the payment of costs and expenses applicable to such Series in respect of which amounts have been collected, including reasonable compensation to and expenses incurred by the Trustee and each predecessor Trustee and their respective agents and attorneys and all other amounts due to the Trustee or any predecessor Trustee pursuant to Section 6.07;

SECOND: to the payment of the amounts then due and unpaid for principal of and interest on the Securities of such Series in respect of which amounts have been collected, such payments to be made ratably to the persons entitled thereto, without discrimination or preference, according to the amounts then due and payable on such Securities for principal and interest; and

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

SECTION 5.04. *Restoration of Rights on Abandonment of Proceedings.* If the Trustee for the Securities of any Series shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, the Company and the Trustee, subject to the determination in any such proceeding, shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Company, the Trustee and the Securityholders shall continue as though no such proceedings had been taken.

SECTION 5.05. *Limitations on Suits by Securityholders.* No Holder of any Security of any Series shall have any right, by virtue or by availing of any provision of this Indenture, to institute any action or proceeding at law or in equity or in bankruptcy or otherwise with respect to this Indenture, or for the appointment of a trustee, receiver, liquidator, custodian or other similar official or for any other remedy hereunder, unless such Holder previously shall have given to the Trustee written notice of an Event of Default and of the continuance thereof and the Holders of not less than 25% in aggregate principal amount of the Securities of such Series then Outstanding shall have made written request upon the Trustee to institute such action or proceedings in its own name as trustee hereunder and shall have offered to the Trustee indemnity reasonable to it as it may require, against the costs, expenses and liabilities to be incurred therein or thereby and the Trustee for 60 days after its receipt of such notice, request and offer of indemnity shall have failed to institute any such action or proceeding and no direction inconsistent with such written request shall have been given to the Trustee during such 60-day period by Holders of a majority in principal amount of the Securities of such Series then Outstanding; it being understood and intended, and being expressly covenanted by the Holder of every Security with every other Holder of a Security and the Trustee, that no one or more Holders of Securities of any Series shall have any right in any manner whatever, by virtue or by availing of any provision of this Indenture, to affect, disturb or prejudice the rights of any other such Holder of Securities, or to obtain or seek to obtain priority over or preference to any other such Holder or to enforce any right under this Indenture, except in the manner herein provided and for the equal, ratable and common benefit of all Holders of Securities of the applicable Series.

SECTION 5.06. *Unconditional Right of Securityholders to Institute Certain Suits*. Notwithstanding any provision in this Indenture and any provision of any Security, the right of any Holder of any Security to receive payment of the principal of and (subject to Section 2.07) interest on such Security at the respective rates, in the respective amount on or after the respective due dates expressed in such Security, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder.

SECTION 5.07. *Powers and Remedies Cumulative; Delay or Omission Not Waiver of Default*. Except as provided in Sections 2.09 and 5.05, no right or remedy herein conferred upon or reserved to the Trustee or to the Securityholders is intended to be exclusive of any other right or remedy, and every right and remedy, to the extent permitted by law, shall 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 shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

No delay or omission of the Trustee or of any Securityholder to exercise any right or power accruing upon any Event of Default occurring and continuing as aforesaid shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein. Subject to Section 5.05, every power and remedy given by this Indenture or by law to the Trustee or to the Securityholders may be exercised from time to time, and as often as shall be deemed expedient, by the Trustee or the Securityholders.

SECTION 5.08. *Control by Securityholders.* The Holders of a majority in aggregate principal amount of the Securities of each Series affected at the time Outstanding 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 by this Indenture on the Trustee with respect to the Securities of such Series; provided that such direction shall not be otherwise than in accordance with law and the provisions of this Indenture. The Trustee shall have the right to decline to follow any such direction if the Trustee shall determine that the action or proceedings so directed would involve the Trustee in personal liability or if the Trustee in good faith shall so determine that the actions or forbearances specified in or pursuant to such direction would be unduly prejudicial to the interests of Holders of the Securities of all Series so affected not joining in the giving of said direction, it being understood that the Trustee shall have no duty to ascertain whether or not such actions or forbearances are unduly prejudicial to such Holders.

SECTION 5.09. *Waiver of Past Defaults*. q]The Holders of a majority in aggregate principal amount of the Securities of such Series at the time Outstanding, on behalf of the Holders of all the Securities of such Series, may waive any past default hereunder or its consequences, except a default in the payment of the principal of or interest on any of the Securities of such Series.

Upon any such waiver, such default shall cease to exist and be deemed to have been cured and not to have occurred, and any Event of Default arising therefrom shall be deemed to have been cured and not to have occurred for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

SECTION 5.10. *Right of Court to Require Filing of Undertaking to Pay Costs.* Any court in its discretion may 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 of an undertaking to pay the costs of such suit. Any such court in its discretion may assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant. The provisions of this Section 5.10 shall not apply, however, to any suit instituted by the Trustee, to any suit instituted by any Securityholder or group of Securityholders of any Series holding in the aggregate more than 10% in aggregate principal amount of the Securities of such Series or to any suit instituted by any Securityholder for the enforcement of the payment of the principal of or interest on any Security on or after the due date expressed in such Security.

SECTION 5.11. *Suits for Enforcement.* If an Event of Default has occurred, has not been waived and is continuing, the Trustee in its discretion may proceed to protect and enforce the rights vested in it by this Indenture by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any of such rights, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Indenture or in aid of the exercise of any power granted in this Indenture or to enforce any other legal or equitable right vested in the Trustee by this Indenture or by law.

ARTICLE 6
CONCERNING THE TRUSTEE

SECTION 6.01. *Duties of Trustee.*

(a) If an Event of Default has occurred and is continuing with respect to the Securities of any Series, the Trustee shall exercise the rights and powers vested in it by this Indenture and use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default with respect to the Securities of any Series:

(i) the Trustee need perform only those duties that are specifically set forth in this Indenture and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) 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 any certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture.

(c) The Trustee may not be relieved from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:

(i) this paragraph (c) does not limit the effect of paragraph (b) of this Section 6.01;

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

(iii) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 5.08.

(d) Every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b), (c) and (e) of this Section 6.01.

(e) No provision of this Indenture shall require the Trustee to extend or risk its own funds or otherwise incur any financial liability unless it receives indemnity satisfactory to it against any loss, liability or expense.

(f) Amounts 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 amounts received by it hereunder except as otherwise agreed in writing with the Company.

SECTION 6.02. *Rights of Trustee.*

(a) The Trustee may rely on, and shall be protected in relying upon, any document believed by it to be genuine and to have been signed or presented by the proper person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such Officers' Certificate or Opinion of Counsel.

(c) Subject to the provisions of Section 6.01(c), the Trustee shall not be liable for any action it takes or omits to take in good faith which it believes to be authorized or within its rights or powers.

(d) Before the Trustee acts or refrains from acting, the Trustee may consult with counsel of its selection and the 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 in accordance with such advice or Opinion of Counsel.

(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 pursuant to this Indenture, unless such Holders shall have offered to the Trustee indemnity reasonable to it against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

(f) 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.

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

Indenture, the Trustee may require reasonable indemnity against such expenses or liabilities as a condition to proceeding.

(h) The Trustee shall not be required to give any bond or surety in respect of the performance of its powers and duties hereunder.

(i) The Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Company, except as otherwise set forth herein, but the Trustee may require of the Company full information and advice as to the performance of the covenants, conditions and agreements contained herein and shall be entitled in connection herewith to examine the books, records and premises of the Company.

(j) The permissive rights of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful default.

(k) Except for (i) a default under Section 5.01(a) or (b) or (ii) any other event of which the Trustee has actual knowledge and which event, with the giving of notice or the passage of time or both, would constitute an Event of Default under this Indenture, the Trustee shall not be deemed to have notice of any default or event unless specifically notified in writing of such event by the Company or the Holders of not less than 25% in aggregate principal amount of the Outstanding Securities of each affected Series.

SECTION 6.03. *Individual Rights of Trustee.* The Trustee in its individual or any other capacity may become the owner or pledgee of Securities and may otherwise deal with the Company or its affiliates with the same rights it would have if it were not Trustee. Any Paying Agent, registrar or co-registrar may do the same with like rights. However, the Trustee must comply with Sections 6.10 and 6.11.

SECTION 6.04. *Trustee's Disclaimer.* The Trustee makes no representation as to the validity or adequacy of this Indenture or the Securities. The Trustee shall not be accountable for the Company's use of the proceeds from the Securities and shall not be responsible for any statement in any registration statement for the Securities filed with the Commission under the Securities Act (other than its Statement of Eligibility on Form T-1) or in the Indenture (other than its eligibility under Section 6.10) or the Securities (other than its certificate of authentication).

SECTION 6.05. *Notice of Defaults.* If a default occurs and is continuing with respect to any Securities of any Series and if the Trustee has actual knowledge of such default, the Trustee shall give to each Securityholder of such Series notice of the default within 90 days after such default occurs. Except in the case of a default described in Section 5.01(a) or (b), the Trustee may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of Securityholders of such Series.

SECTION 6.06. *Reports by Trustee to Holders.* Within 60 days after each May 15 beginning with the May 15 following the date of this Indenture, the Trustee shall mail to each Securityholder of any Series and each other Person specified in Section 313(c) of the Trust Indenture Act a brief report dated as of such May 15 that complies with Section 313(a) of the Trust Indenture Act to the extent required thereby. The Trustee also shall comply with Section 313(b) of the Trust Indenture Act.

The Trustee will file a copy of each report, at the time of its mailing to Securityholders of any Series, with the Commission and each securities exchange on which the Securities of any Series are listed. The Company promptly will notify the Trustee whenever the Securities of any Series become listed on any securities exchange and of any delisting thereof.

SECTION 6.07. *Compensation and Indemnity*. The Company:

(a) will pay to the Trustee from time to time, and the Trustee shall be entitled to, such compensation as shall be agreed to in writing between the Company and the Trustee 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;

(b) will 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 expenses of its agents and counsel, except to the extent any such compensation or expense may be attributable to its negligence or willful misconduct; and

(c) will indemnify the Trustee for, and hold it harmless against, any loss, liability or expense arising out of or in connection with the acceptance or administration of this trust or the performance of its duties hereunder, including the reasonable costs and expenses of defending itself against or investigating any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder, except to the extent that any such loss, liability or expense may be attributable to its negligence or willful misconduct.

As security for the performance of the Company's obligations under this Section 6.07, the Trustee shall have a lien prior to the Securities on all funds or property held or collected by the Trustee, except for those funds that are held in trust to pay the principal of or interest, if any, on particular Securities.

"Trustee" for purpose of this Section 6.07 includes any predecessor trustee; provided that the negligence or bad faith of any Trustee shall not be attributable to any other Trustee.

The Company's payment obligations pursuant to this Section 6.07 shall constitute additional indebtedness hereunder and shall survive the discharge of this Indenture. When the Trustee incurs expenses after the occurrence of a default specified in Sections 5.01(d) and (e), such expenses, including reasonable fees and expenses of counsel, are intended to constitute expenses of administration under bankruptcy law.

SECTION 6.08. *Replacement of Trustee.* The Trustee may resign at any time with respect to Securities of one or more Series by so notifying the Company. No such resignation, however, shall be effective until a successor Trustee has accepted its appointment pursuant to this Section 6.08. The Holders of a majority in aggregate principal amount of the Outstanding Securities of any Series may remove the Trustee with respect to such Series by so notifying the Trustee and the Company. The Company shall remove the Trustee if:

(a) the Trustee fails to comply with Section 6.10;

(b) the Trustee is adjudged bankrupt or insolvent;

(c) a receiver or public officer takes charge of the Trustee or its property; or

(d) the Trustee otherwise becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, with respect to the Securities of one or more Series, the Company shall promptly appoint, by resolution of its Board of Directors, a successor Trustee with respect to the Securities of such Series.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Thereupon the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture with respect to the Securities of such Series. The successor Trustee shall mail a notice of its succession to Securityholders so affected. The retiring Trustee shall promptly transfer all funds and property held by it as Trustee to the successor Trustee, subject to the lien provided for in Section 6.07.

If a successor Trustee does not take office within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Company or the Holders of a majority in aggregate principal amount of the Outstanding Securities of each affected Series may petition any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee fails to comply with Section 6.10, any Securityholder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

SECTION 6.09. *Successor Trustee by Merger.* If the Trustee consolidates with, merges or converts into or transfers all or substantially all its corporate trust business or assets to another corporation, the resulting, surviving or transferee corporation without any further act shall be the successor Trustee.

SECTION 6.10. *Eligibility; Disqualification.* The Trustee shall at all times satisfy the requirements of Section 310(a)(1) of the Trust Indenture Act. The Trustee shall have a combined capital and surplus of at least $50,000,000 as set forth in its most recent published annual report of condition. Neither the Company nor any person directly or indirectly controlling, controlled by or under common control with the Company shall serve as Trustee hereunder. The Trustee shall comply with Section 310(b) of the Trust Indenture Act.

SECTION 6.11. *Preferential Collection of Claims Against Company.* The Trustee shall comply with Section 311(a) of the Trust Indenture Act, excluding any creditor relationship listed in Section 311(b) of the Trust Indenture Act. A Trustee who has resigned or been removed shall be subject to Section 311(a) of the Trust Indenture Act to the extent indicated therein.

ARTICLE 7
CONCERNING THE SECURITYHOLDERS

SECTION 7.01. *Evidence of Action Taken by Securityholders.*

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by a specified percentage in principal amount of the Securityholders of any or all Series may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such specified percentage of Securityholders 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 are delivered to the Trustee. Proof of execution of any instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and, subject to Sections 6.01 and 6.02, conclusive in favor of the Trustee and the Company, if made in the manner provided in this Article 7.

(b) The ownership of Securities shall be proved by the Security register.

SECTION 7.02. *Proof of Execution of Instruments.* Subject to Sections 6.01 and 6.02, the execution of any instrument by a Securityholder or his agent or proxy may be proved in accordance with such reasonable rules and regulations as may be prescribed by the Trustee or in such manner as shall be satisfactory to the Trustee.

SECTION 7.03. *Holders to Be Treated as Owners.* The Company, the Trustee and any agent of the Company or the Trustee may deem and treat the person in whose name any Security shall be registered upon the Security register for such Series as the absolute owner of such Security (whether or not such Security shall be overdue and notwithstanding any notation of ownership or other writing thereon) for the purpose of receiving payment of or on account of the principal of and interest on such Security and for all other purposes. Neither the Company nor the Trustee nor any agent of the Company or the Trustee shall be affected by any notice to the contrary. All payments made to any such person, or upon his order, shall be valid and, to the extent of the amounts so paid, effectual to satisfy and discharge the liability for amounts payable upon any such Security.

SECTION 7.04. *Securities Owned by Company Deemed Not Outstanding.* In determining whether the Holders of the requisite aggregate principal amount of Outstanding Securities of any or all Series have concurred in any direction, consent or waiver under this Indenture, Securities that are owned by the Company or any other obligor on the Securities with respect to which such determination is being made, or by any person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company or any other obligor on the Securities with respect to which such determination is being made, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. For the purpose of determining whether the Trustee shall be protected in relying on any such direction, consent or waiver, only Securities that the Trustee knows are so owned shall be so disregarded. Securities so owned that 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 person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company or any other obligor on the Securities.

SECTION 7.05. *Right of Revocation of Action Taken.* At any time prior to the evidencing to the Trustee, as provided in Section 7.01, of the taking of any action by the Holders of the percentage in aggregate principal amount of the Securities of any Series specified in this Indenture in connection with such action, any Holder of a Security the serial number of which is shown by the evidence to be included among the serial numbers of the Securities the Holders of which have consented to such action, by filing written notice at the Corporate Trust Office and upon proof of holding as provided in this Article 7, may revoke such action so far as concerns such Security. Except as aforesaid any such action taken by the Holder of any Security shall be conclusive and binding upon such Holder and upon all future Holders and owners of such Security and of any Securities issued in exchange or substitution therefor, irrespective of whether or not any notation in regard thereto is made upon any such Security. Any action taken by the Holders of the percentage in aggregate principal amount of the Securities of any Series specified in this Indenture in connection with such action shall be binding upon the Company, the Trustee and the Holders of all the Securities affected by such action.

ARTICLE 8
SUPPLEMENTAL INDENTURES

SECTION 8.01. *Supplemental Indentures Without Consent of Securityholders.* The Company, when authorized by a resolution of its Board of Directors, and the Trustee for the Securities of any Series from time to time and at any time may enter into an indenture or indentures supplemental hereto, which shall conform to the provisions of the Trust Indenture Act as in force at the date of the execution thereof, in form satisfactory to such Trustee, for one or more of the following purposes:

(a) to convey, transfer, assign, mortgage or pledge any property or assets to the Trustee as security for the Securities of one or more Series or to provide that any of the Company's obligations under any Series of the Securities or this Indenture shall be guaranteed and the terms and conditions for the release or substitution of such security or guarantee;

(b) to evidence the succession of another Person to the Company, or successive successions, and the assumption by the successor Person of the covenants, agreements and obligations of the Company pursuant to Article 9;

(c) to add to the covenants of the Company such further covenants, restrictions, conditions or provisions for the protection of the Holders of Securities of any Series and, if such additional covenants are to be for the benefit of less than all the Series of Securities, stating that such covenants are being added solely for the benefit of such Series;

(d) to cure any ambiguity or to correct or supplement any provision contained herein or in any supplemental indenture that may be defective or inconsistent with any other provision contained herein or in any supplemental indenture, or to make such other provisions in regard to matters or questions arising under this Indenture or under any supplemental indenture as the Board of Directors may deem necessary or desirable and that shall not materially and adversely affect the interests of the Holders of the Securities;

(e) to establish the form or terms of Securities of any Series as permitted by Sections 2.01 and 2.03; or

(f) 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 the one Trustee, pursuant to the requirements of Section 6.08.

The Trustee is hereby authorized to join with the Company in the execution of any such supplemental indenture, to make any further appropriate agreements and stipulations that may be therein contained and to accept the conveyance, transfer, assignment, mortgage or pledge of any property thereunder, but the Trustee 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.

Any supplemental indenture authorized by the provisions of this Section 8.01 may be executed without the consent of the Holders of any of the Securities at the time Outstanding, notwithstanding any of the provisions of Section 8.02.

SECTION 8.02. *Supplemental Indentures with Consent of Securityholders*. With the consent (evidenced as provided in Article 7) 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, the Company, when authorized by a resolution of its Board of Directors, and the Trustee for such Series of Securities, from time to time and at any time, may enter into an indenture or indentures supplemental hereto, which shall conform to the provisions of the Trust Indenture Act as in force at the date of execution thereof, for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of any supplemental indenture or of modifying in any manner the rights of the Holders of the Securities of each such Series. No such supplemental indenture, however, shall:

(a) extend the final maturity date of any Security, reduce the principal amount thereof, reduce the rate or extend the time of payment of interest thereon, reduce any amount payable on redemption thereof, impair or affect the right of any Securityholder to institute suit for payment thereof or, if the Securities provide therefor, affect any right of repayment at the option of the Securityholder without the consent of the Holder of each Security so affected;

(b) reduce the aforesaid percentage of Securities of any Series, the consent of the Holders of which is required for any such supplemental indenture, without the consent of the Holders of each Security so affected; or

(c) reduce the amount of principal payable upon acceleration of the maturity date of any Original Issue Discount Security.

Upon the request of the Company, accompanied by a copy of a resolution of the Board of Directors certified by the secretary or an assistant secretary of the Company authorizing the execution of any such supplemental indenture, and upon the filing with the Trustee for such Series of Securities of evidence of the consent of the Securityholders as aforesaid and other documents, if any, required by Section 7.01, the Trustee for such Series of Securities shall join with the Company in the execution of

such supplemental indenture. If such supplemental indenture affects such Trustee's own rights, duties or immunities under this Indenture or otherwise, such Trustee in its discretion may, but shall not be obligated to, enter into such supplemental indenture.

It shall not be necessary for the consent of the Securityholders under this Section 8.02 to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such consent shall approve the substance thereof.

Promptly after the execution by the Company and the Trustee of any supplemental indenture pursuant to the provisions of this Section 8.02, the Company shall give notice in the manner and to the extent provided in Section 11.04 to the Holders of Securities of each Series affected thereby at their addresses as they shall appear on the Security register, setting forth in general terms the substance of such supplemental indenture. Any failure of the Company to mail such notice, or any defect therein, shall not in any way impair or affect the validity of any such supplemental indenture.

SECTION 8.03. *Effect of Supplemental Indenture.* Upon the execution of any supplemental indenture pursuant to the provisions hereof, this Indenture shall be and be deemed to be modified and amended in accordance therewith and the respective rights, limitations of rights, obligations, duties and immunities under this Indenture of the Trustee, the Company and the Holders of Securities of each Series affected thereby shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such supplemental indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

SECTION 8.04. *Documents to Be Given to Trustee.* The Trustee, subject to the provisions of Sections 6.01 and 6.02, shall receive an Officers' Certificate and an Opinion of Counsel as conclusive evidence that any supplemental indenture executed pursuant to this Article 8 complies with the applicable provisions of this Indenture.

SECTION 8.05. *Notation on Securities in Respect of Supplemental Indentures.* Securities of any Series authenticated and delivered after the execution of any supplemental indenture pursuant to the provisions of this Article 8 may bear, upon the direction of the Company, a notation in form satisfactory to the Trustee for the Securities of such Series as to any matter provided for by such supplemental indenture. If the Company or the Trustee shall so determine, new Securities of any Series so modified as to conform, in the opinion of the Trustee and the Board of Directors, to any modification of this Indenture contained in any such supplemental indenture may be prepared by the Company, authenticated by the Trustee and delivered in exchange for the Outstanding Securities of such Series.

ARTICLE 9
CONSOLIDATION, MERGER, SALE OR CONVEYANCE

SECTION 9.01. *Company May Consolidate, Etc. on Certain Terms.* The Company may consolidate with or merge with or into, or sell, convey or lease all or substantially all of its assets to, any other corporation; provided that in any such case:

(a) either the Company shall be the continuing Person, or the successor Person shall be organized and validly existing under the laws of the United States of America or any State thereof or the District of Columbia and shall expressly assume the due and punctual payment of the principal of and interest on all 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 by supplemental indenture satisfactory to the Trustee, executed and delivered to the Trustee by such Person, and

(b) the Company or such successor Person, as the case may be, shall not be in material default immediately after such consolidation, merger, sale, conveyance or lease in the performance or observance of any such covenant or condition of this Indenture.

SECTION 9.02. *Successor Person Substituted.* In case of any such consolidation, merger, sale, lease or conveyance, and following such an assumption by the successor Person, such successor Person shall succeed to and be substituted for the Company, with the same effect as if it had been named herein. Such successor Person may cause to be signed, and may issue either in its own name or in the name of the Company prior to such succession any or all of the Securities issuable hereunder that shall not have been signed by the Company and delivered to the Trustee; and, upon the order of such successor Person instead of the Company and subject to all the terms, conditions and limitations in this Indenture, the Trustee shall authenticate and shall make available for delivery any Securities that shall have been signed and delivered by the officers of the Company to the Trustee for authentication, and any Securities which such successor Person thereafter shall cause to be signed and delivered to the Trustee for that purpose. All of the Securities so issued shall in all respects have the same legal rank and benefit under this Indenture as the Securities 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, lease 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.

In the event of any such sale or conveyance, the Company (or any successor Person which shall theretofore have become such in the manner described in this Article 9) shall be discharged from all obligations and covenants under this Indenture and the Securities and may be liquidated and dissolved.

SECTION 9.03. *Opinion of Counsel to Trustee*. The Trustee, subject to the provisions of Sections 6.01 and 6.02, shall receive an Opinion of Counsel, prepared in accordance with Section 11.05, as conclusive evidence that any such consolidation, merger, sale, lease or conveyance, and any such assumption, and any such liquidation or dissolution, complies with the applicable provisions of this Indenture.

ARTICLE 10
SATISFACTION AND DISCHARGE OF INDENTURE; UNCLAIMED FUNDS

SECTION 10.01. *Satisfaction and Discharge of Indenture.*

(a) If at any time:

(i) the Company shall have paid or caused to be paid the principal of and interest on all the Outstanding Securities of any Series as and when the same shall have become due and payable,

(ii) the Company shall have delivered to the Trustee for cancellation all Securities of any Series theretofore authenticated (other than any Securities of such Series which have been destroyed, lost or stolen and which shall have been replaced or paid as provided in Section 2.09) or

(iii) (A) all the Securities of such Series not theretofore delivered to the Trustee for cancellation shall have become due and payable, or are by their terms to become due and payable within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption, and (B) the Company shall have irrevocably deposited or caused to be deposited with the Trustee as trust funds the entire amount or Government Obligations maturing as to principal and interest in such amounts and at such times as will ensure the availability of funds sufficient to pay at maturity or upon redemption all Securities of such Series (other than any Securities of such Series which shall have been destroyed, lost or stolen and which shall have been replaced or paid as provided in Section 2.09) not theretofore delivered to the Trustee for cancellation, including principal and interest due or to become due to such date of maturity as the case may be, and if, in any such case, the Company shall also pay or cause to be paid all other amounts payable hereunder by the Company with respect to Securities of such Series,

then this Indenture shall cease to be of further effect with respect to Securities of such Series (except as to (1) rights of registration of transfer and exchange, (2) substitution of mutilated, defaced, destroyed, lost or stolen Securities, (3) rights of Holders to receive payments of principal thereof and interest thereon upon the original stated due dates therefor and remaining rights of the Holders to receive mandatory sinking fund payments, if any, (4) the rights, obligations and immunities of the Trustee hereunder and (5) the rights of the Securityholders of such Series as beneficiaries hereof with respect to the property so deposited with the Trustee payable to all or any of them). Subject to Section 10.05, the Trustee, on demand of the Company accompanied by an Officers' Certificate and an Opinion of Counsel and at the cost and expense of the Company, shall execute proper instruments acknowledging such satisfaction of and discharging this Indenture with respect to such Series. The Company will reimburse the Trustee for any costs or expenses thereafter reasonably and properly incurred and will compensate the Trustee for any services thereafter reasonably and properly rendered by the Trustee in connection with this Indenture and the Securities of such Series.

(b) In addition to its rights to discharge this Indenture pursuant to Section 10.01(a), the Company may defease the covenants applicable to any Series of Securities, as provided in this Section 10.01(b), by complying with the provisions of this Section 10.01(b):

(i) The Company, at its option at any time, may exercise its right to elect to have defeasance under Section 10.01(b)(ii) be applied to the Outstanding Securities of any Series; provided that provision is made for such right pursuant to Section 2.03 and the applicable conditions thereto as set forth in this Section 10.01(b) have been satisfied.

(ii) Upon the Company's exercise of the right referenced in Section 10.01(b)(i) applicable to this Section 10.01(b)(ii), the Company may terminate its obligations under the Outstanding Securities of any Series and this Indenture with respect to such Series on the date the conditions set forth in Section 10.01(b)(iii) are satisfied ("**defeasance**"). For this purpose, defeasance means that the Company shall be deemed to have paid and discharged the entire indebtedness represented by the Outstanding Securities of such Series and to have satisfied all its other obligations under such Securities and this Indenture insofar as such Securities are concerned, except for the following: (A) the rights of Holders of Outstanding Securities of such Series to receive payments in respect of the principal of and interest on such Securities when such payments are due; (B) the Company's obligations with respect to such Securities under Sections 2.08, 2.09, 3.02, 6.07, 10.04 and 10.05; (C) the rights, powers, trusts, duties and immunities of the Trustee hereunder; and (D) this Section 10.01(b).

(iii) The following shall be the conditions to the application of Section 10.01(b)(ii) to the Outstanding Securities of such Series:

(A) The Company shall have irrevocably deposited or caused to be deposited with the Trustee under the terms of an irrevocable trust agreement, as trust funds in trust solely for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefit of the Holders of Securities of such Series, (I) cash in the currency or currency unit required, (II) Government Obligations maturing as to principal and interest in such amounts (payable in the currency in which the Securities of such Series are payable) and at such times as are sufficient to pay the principal of and interest on the Outstanding Securities of such Series to maturity or redemption, as the case may be, or (III) a combination thereof, in each case sufficient, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, to pay and discharge, and which shall be applied by the Trustee to pay and discharge, (x) the principal of and each installment of interest, if any, on the Outstanding Securities of such Series on the stated maturity of such principal or installment of interest, if any, and (y) any mandatory sinking fund payments or analogous payments applicable to the Outstanding Securities of such Series on the day on which such payments are due and payable in accordance with the terms of this Indenture and of such Securities. Such irrevocable trust agreement shall include, among other things, (a) provision for the payments referenced in clauses (x) and (y) of the immediately preceding sentence, (b) the payment of the reasonable expenses of the Trustee incurred or to be incurred in connection with carrying out such trust provisions, (c) rights of registration of transfer, substitution and exchange of Securities of such Series in accordance with the terms stated in this Indenture and (d) continuation of the rights and obligations and immunities of the Trustee as against the Holders of Securities of such Series as stated in this Indenture.

(B) No Event of Default or event which with notice or lapse of time or both would constitute an Event of Default with respect to the Securities of such Series shall have occurred and be continuing on the date of such deposit or, insofar as Sections 5.01(d) and 5.01(e) are concerned, at any time during the period ending on the 91st day after the date of such deposit (it being understood that this condition shall not be deemed satisfied until the expiration of such period).

(C) Such defeasance shall not result in a breach or violation of, or constitute a default under, this Indenture with respect to the Securities of such Series.

(D) The Company shall have delivered to the Trustee an Opinion of Counsel to the effect that Securityholders of such Series will not recognize income, gain or loss for federal income tax purposes as a result of such deposit and discharge and will be subject to federal income tax on the same amounts and in the same manner and at the same time as would have been the case if such deposit and defeasance had not occurred, and which Opinion of Counsel must be based upon (x) a ruling of the U.S. Internal Revenue Service to the same effect or (y) a change in applicable U.S. federal income tax law after the date of the Indenture such that a ruling is no longer required.

(E) The Company shall have delivered to the Trustee an Officers' Certificate and Opinion of Counsel, each stating that all conditions precedent provided for herein relating to the deposit and defeasance contemplated by this Section 10.01(b) have been complied with.

SECTION 10.02. *Application by Trustee of Funds Deposited for Payment of Securities.* Subject to Section 10.04, all funds deposited with the Trustee pursuant to Section 10.01 shall be held in trust and applied by it to the payment, either directly or through any Paying Agent, to the Holders of the particular Securities of such Series for the payment or redemption of which such funds have been deposited with the Trustee, of all amounts due and to become due thereon for principal and interest; but such funds need not be segregated from other funds except to the extent required by law.

SECTION 10.03. *Repayment of Amounts Held by Paying Agent.* In connection with the satisfaction and discharge of this Indenture with respect to Securities of any Series, all amounts then held by any Paying Agent (other than the Company) under the provisions of this Indenture with respect to such Series of Securities, upon written demand of the Company, shall be paid to the Trustee and thereupon such Paying Agent shall be released from all further liability with respect to such amounts.

SECTION 10.04. *Return of Unclaimed Amounts Held by Trustee and Paying Agent* .Any amounts deposited with or paid to the Trustee or any Paying Agent (including the Company acting as its own Paying Agent) for the payment of the principal of or interest on any Security of any Series and not applied but remaining unclaimed for two years after the date upon which such principal or interest shall have become due and payable, upon the written request of the Company, unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property law, promptly shall be repaid to the Company by the Trustee for such Series or such Paying Agent (except that with respect to any amounts then held by the Company in trust as its own Paying Agent no such request need be given and at such time the Company shall be discharged from its duty to hold such amounts in trust as Paying Agent). The Holder of the Security of such Series, unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property laws, thereafter shall look only to the Company for any payment which such Holder may be entitled to collect, and all liability of the Trustee or any Paying Agent with respect to such amounts thereupon shall cease. Anything in this Article 10 to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon the written request of the Company any funds or Government Obligations held by it as provided in Section 10.01(b)(iii) which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect such defeasance in accordance with the provisions of this Indenture.

SECTION 10.05. *Reinstatement of Company's Obligations.* If the Trustee is unable to apply any funds or Government Obligations in accordance with Section 10.01 by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Company's obligations under this Indenture and the Securities of any Series for which such application is prohibited shall be revived and reinstated as if no deposit had occurred pursuant to Section 10.01 until such time as the Trustee is permitted to apply all such funds or Government Obligations in accordance with Section 10.01. If the Company has made any payment of interest on or principal of any of such Securities because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Securityholders of such Securities to receive such payment from the funds or Government Obligations held by the Trustee.

ARTICLE 11
MISCELLANEOUS PROVISIONS

SECTION 11.01. *Incorporators, Shareholders, Officers and Directors of Company Exempt from Individual Liability.* No recourse under or upon any obligation, covenant or agreement contained in this Indenture or in any Security shall be had against any incorporator as such or against any past, present or future shareholder, officer or director of the Company or of any successor, either directly or through the Company or any successor, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such liability being expressly waived and released by the acceptance of the Securities by the Holders thereof and as part of the consideration for the issue of the Securities.

SECTION 11.02. *Provisions of Indenture for the Sole Benefit of Parties and Securityholders.* Nothing in this Indenture or in the Securities, expressed or implied, shall give or be construed to give to any Person, firm or corporation, other than the parties hereto, any Paying Agent and their successors hereunder and the Holders of the Securities any legal or equitable right, remedy or claim under this Indenture or under any covenant or provision herein contained, all such covenants and provisions being for the sole benefit of the parties hereto and their successors and of the Holders of the Securities.

SECTION 11.03. *Successors and Assigns of Company Bound by Indenture.* All the covenants, stipulations, promises and agreements in this Indenture contained by or on behalf of the Company shall bind its successors and assigns, whether so expressed or not.

SECTION 11.04. *Notices and Demands on Company, Trustee and Securityholders.* Any notice or demand that by any provision of this Indenture is required or permitted to be given or served by the Trustee or by the Holders of Securities to or on the Company may be given or served by being deposited postage prepaid, first-class mail (except as otherwise specifically provided herein) addressed (until another address of the Company is filed by the Company with the Trustee) to Pitney Bowes Inc., World Headquarters, 1 Elmcroft Road, Stamford, Connecticut 06926-0700, Attention: [ ]. Any notice, direction, request or demand by the Company or any Securityholder to or upon the Trustee shall be deemed to have been sufficiently given or made, for all purposes, if given or made at the Corporate Trust Office.

Where this Indenture provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed by first-class mail, postage prepaid to such Holders as their names and addresses appear in the Security register within the time prescribed. Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. In any case where notice to Holders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed to any particular Holder shall affect the sufficiency of such notice with respect to other Holders, and any notice which is mailed in the manner herein provided shall be conclusively presumed to have been duly given.

In case, by reason of the suspension of or irregularities in regular mail service, it shall be impracticable to mail notice to the Company and Securityholders when such notice is required to be given pursuant to any provision of this Indenture, then any manner of giving such notice as shall be reasonably acceptable to the Trustee shall be deemed to be a sufficient giving of such notice.

SECTION 11.05. *Officers' Certificates and Opinions of Counsel; Statements to Be Contained Therein*. Upon any application or demand by the Company to the Trustee to take any action under any of the provisions 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 demand as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or demand, no additional certificate or opinion need be furnished.

Each certificate or opinion provided for in this Indenture and delivered to the Trustee with respect to compliance with a condition or covenant provided for in this Indenture shall include:

(a) a statement that the person making such certificate or opinion has read such covenant or condition;

(b) 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;

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

(d) a statement as to whether or not, in the opinion of such person, such condition or covenant has been complied with.

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

Any certificate, statement or opinion of an officer of the Company or of counsel may be based, insofar as it relates to accounting matters, upon a certificate or opinion of or representations by an accountant or firm of accountants in the employ of the Company, unless such officer or counsel, as the case may be, knows that the certificate or opinion or representations with respect to the accounting matters upon which his certificate, statement or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should know that the same are erroneous.

SECTION 11.06. *Payments Due on Saturdays, Sundays and Holidays*. Unless otherwise specified in a Security, if the date of maturity of interest on or principal of the Securities of any Series or the date fixed for redemption or repayment of any such Security shall not be a Business Day, payment of interest or principal need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date.

SECTION 11.07. *Conflict of Any Provision of Indenture with Trust Indenture Act*. If and to the extent that any provision of this Indenture limits, qualifies or conflicts with another provision included in this Indenture which is required by the Trust Indenture Act, such required provision shall control. If

any provision of this Indenture modifies or excludes any provision of the Trust Indenture Act that may be so modified or excluded, the latter provision shall be deemed to apply to this Indenture as so modified or to be excluded, as the case may be.

SECTION 11.08. *New York Law to Govern*. This Indenture and each Security shall be deemed to be a contract under the internal laws of the State of New York (other than principles of law that would apply the law of another jurisdiction), and for all purposes shall be construed and enforced in accordance with and governed by the laws of said State.

SECTION 11.09. *Counterparts*. This Indenture may be executed in any number of counterparts, each of which shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 11.10. *Effect of Headings; Gender*. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof. The use of the masculine, feminine or neuter gender herein shall not limit in any way the applicability of any term or provision hereof.

ARTICLE 12
REDEMPTION OF SECURITIES AND SINKING FUNDS

SECTION 12.01. *Applicability of Article*. The provisions of this Article 12 shall be applicable to the Securities of any Series which are redeemable before their maturity or to any sinking fund for the retirement of Securities of a Series, except as otherwise specified as contemplated by Section 2.03 for Securities of such Series.

SECTION 12.02. *Notice of Redemption; Partial Redemptions*. Notice of redemption to the Holders of Securities of any Series required to be redeemed or to be redeemed as a whole or in part at the option of the Company shall be given by giving notice of such redemption as provided in Section 11.04, at least 30 days and not more than 60 days prior to the date fixed for redemption to such Holders of Securities of such Series. Failure to give notice by mail, or any defect in the notice to the Holder of any Security of a Series designated for redemption as a whole or in part shall not affect the validity of the proceedings for the redemption of any other Security of such Series.

The notice of redemption to each such Holder shall specify the date fixed for redemption, the "CUSIP" number or numbers for such Securities, the redemption price, the Place or Places of Payment, that payment will be made upon presentation and surrender of such Securities, that such redemption is pursuant to the mandatory or optional sinking fund, or both, if such be the case, that interest accrued to the date fixed for redemption will be paid as specified in such notice, that on and after said date interest thereon or on the portions thereof to be redeemed will cease to accrue and, if applicable, that a Holder of Securities who desires to convert Securities for redemption must satisfy the requirements for conversion contained in such Securities, the then existing conversion price or rate and the date and time when the option to convert shall expire. If less than all of the Securities of any Series are to be redeemed, the notice of redemption shall specify the numbers of the Securities of such Series to be redeemed. In case any Security of a Series is to be redeemed in part, the notice of redemption shall state the portion of the principal amount thereof to be redeemed and shall state that on and after the date fixed for redemption, upon surrender of such Security, a new Security or Securities of such Series in principal amount equal to the unredeemed portion thereof will be issued.

The notice of redemption of Securities of any Series to be redeemed at the option 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. If such notice is to be given by the Trustee, the Company shall provide notice of such redemption to the Trustee at least 60 days prior to the date fixed for redemption (unless a shorter notice shall be satisfactory to the Trustee). If such notice is given by the Company, the

Company shall provide a copy of such notice given to the Holders of such redemption to the Trustee at least three Business Days prior to the date such notice is given to such Holders, but in any event at least 30 days prior to the date fixed for redemption (unless a shorter notice shall be satisfactory to the Trustee).

Unless otherwise specified pursuant to Section 2.03, not later than the redemption date specified in the notice of redemption given as provided in this Section 12.02, the Company will have on deposit with the Trustee or with one or more Paying Agents (or, if the Company is acting as its own Paying Agent, set aside, segregate and hold in trust as provided in Section 3.03) funds available on such date (or other forms of property, if permitted by the terms of the Securities of such Series) sufficient to redeem on the redemption date all the Securities of such Series so called for redemption at the appropriate redemption price, together with accrued interest to the date fixed for redemption. If less than all the Outstanding Securities of a Series are to be redeemed, the Company will deliver to the Trustee at least 60 days prior to the date fixed for redemption an Officers' Certificate stating the aggregate principal amount of Securities to be redeemed (unless a shorter notice shall be satisfactory to the Trustee).

If less than all the Securities of a Series are to be redeemed, the Trustee shall select, in such manner as it shall deem appropriate and fair, Securities of such Series to be redeemed in whole or in part and the Trustee shall promptly notify the Company in writing of the Securities of such Series selected for redemption and, in the case of any Securities of such Series selected for partial redemption, the principal amount thereof to be redeemed. However, if less than all the Securities of any Series with differing issue dates, interest rates and stated maturities are to be redeemed, the Company in its sole discretion shall select the particular securities to be redeemed and shall notify the Trustee in writing thereof at least 60 days prior to the relevant redemption date (unless a shorter notice shall be satisfactory to the Trustee). Securities may be redeemed in part in multiples equal to the minimum authorized denomination for Securities of such Series or any multiple thereof. For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities of any Series shall relate, in the case of any Security redeemed or to be redeemed only in part, to the portion of the principal amount of such Security which has been or is to be redeemed.

SECTION 12.03. *Payment of Securities Called for Redemption*. If notice of redemption has been given as above provided, the Securities or portions of Securities specified in such notice shall become due and payable on the date and at the place stated in such notice at the applicable redemption price, together with interest accrued to the date fixed for redemption, and on and after said date (unless the Company shall default in the payment of such Securities at the redemption price, together with interest accrued to said date) interest on the Securities or portions of Securities so called for redemption shall cease to accrue. Except as provided in Sections 6.01 and 10.04, such Securities shall cease from and after the date fixed for redemption to be entitled to any benefit or security under this Indenture, and the Holders thereof shall have no right in respect of such Securities except the right to receive the redemption price thereof and unpaid interest to the date fixed for redemption. On presentation and surrender of such Securities at a Place of Payment specified in said notice, said Securities or the specified portions thereof shall be paid and redeemed by the Company at the applicable redemption price, together with interest accrued thereon to the date fixed for redemption. If for any Securities the date fixed for redemption is a regular interest payment date, payment of interest becoming due on such date shall be payable to the Holders of such Securities registered as such on the relevant record date subject to the terms and provisions of Section 2.07.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid or duly provided for, bear interest from the date fixed for redemption at the rate of interest borne by the Security.

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

SECTION 12.04. *Exclusion of Certain Securities from Eligibility for Selection for Redemption*. Securities shall be excluded from eligibility for selection for redemption if they are identified by registration and certificate number in a written statement signed by an authorized officer of the Company and delivered to the Trustee at least 30 days prior to the last date on which notice of redemption may be given as being owned of record and beneficially by, and not pledged or hypothecated by, either (a) the Company or (b) an entity specifically identified in such written statement as directly or indirectly controlling or controlled by or under direct or indirect common control with the Company.

SECTION 12.05. *Mandatory and Optional Sinking Funds*. The minimum amount of any sinking fund payment provided for by the terms of Securities of any Series is 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 any Series is referred to as an "**optional sinking fund payment**". The date on which a sinking fund payment is to be made is referred to as the "**sinking fund payment date**".

In lieu of providing funds for all or any part of any mandatory sinking fund payment with respect to any Series of Securities, the Company at its option:

(a) may deliver to the Trustee securities of such Series theretofore purchased or otherwise acquired (except upon redemption pursuant to the mandatory sinking fund) by the Company or receive credit for Securities of such Series (not previously so credited) theretofore purchased or otherwise acquired (except as aforesaid) by the Company and delivered to the Trustee for cancellation pursuant to Section 2.10;

(b) may receive credit for optional sinking fund payments (not previously so credited) made pursuant to this Section 12.05; or

(c) may receive credit for Securities of such Series (not previously so credited) redeemed by the Company through any optional redemption provision contained in the terms of such Series.

Securities so delivered or credited shall be received or credited by the Trustee at the sinking fund redemption price specified in such Securities.

On or before the forty-fifth day next preceding each sinking fund payment date for any Series of Securities, the Company will deliver to the Trustee a written statement (which need not contain the statements required by Section 11.05) signed by an authorized officer of the Company which will:

(a) specify the portion of the mandatory sinking fund payment to be satisfied by delivery of funds, except as otherwise specified pursuant to Section 2.03 for the Securities of such Series, and the portion to be satisfied by delivery or credit of Securities of such Series;

(b) state that none of the Securities of such Series for which credit is sought has theretofore been so credited;

(c) state that no defaults in the payment of interest or Events of Default with respect to such Series have occurred (which have not been waived or cured) and are continuing;

(d) state whether or not the Company intends to exercise its right to make an optional sinking fund payment with respect to such Series and, if so, specifying the amount of such optional sinking fund payment which the Company intends to pay on or before the next succeeding sinking fund payment date; and

(e) specify such sinking fund payment date.

Any Securities of such Series to be credited and required to be delivered on the Trustee in order for the Company to be entitled to credit therefor that have not previously been delivered to the Trustee shall be delivered for cancellation pursuant to Section 2.10 to the Trustee with such written statement. Such written statement shall be irrevocable. Upon its receipt by the Trustee the Company shall become unconditionally obligated to make all the payments, if any, therein referred to on or before the next succeeding sinking fund payment date. Failure of the Company, on or before any such forty-fifth day, to deliver such written statement and Securities specified in this paragraph, if any, shall not constitute a default but shall constitute, on and as of such date, the irrevocable election of the Company (i) that the mandatory sinking fund payment for such Series due on the next succeeding sinking fund payment date shall be paid entirely in funds without the option to deliver or credit Securities of such Series in respect thereof and (ii) that the Company will make no optional sinking fund payment with respect to such Series as provided in this Section 12.05.

If the sinking fund payment or payments (mandatory or optional or both) to be made in funds on the next succeeding sinking fund payment date plus any unused balance of any preceding sinking fund payments made in funds shall exceed $100,000 (or a lesser amount if the Company shall so request) with respect to the Securities of any particular Series, such funds shall be applied on the next succeeding sinking fund payment date to the redemption of Securities of such Series at the sinking fund redemption price together with accrued interest to the date fixed for redemption. If such amount shall be $100,000 or less and the Company makes no such request then it shall be carried over until an amount in excess of $100,000 is available. The Trustee shall select, in the manner provided in Section 12.02 and giving effect to any exclusions required pursuant to Section 12.04, for redemption on such sinking fund payment date a sufficient principal amount of Securities of such Series to absorb, as nearly as may be possible, such funds and shall inform the Company of the serial numbers of the Securities of such Series (or portions thereof) so selected. The Trustee, in the name and at the expense of the Company, shall cause notice of redemption of the Securities of such Series to be given in substantially the manner provided in Section 12.02 for the redemption of Securities of such Series. The amount of any sinking fund payments not so applied or allocated to the redemption of Securities of such Series shall be added to the next sinking fund payment for such Series and, together with such payment, shall be applied in accordance with the provisions of this Section 12.05. Any and all sinking fund amounts held on the stated maturity date of the Securities of any particular Series (or earlier, if such maturity is accelerated) that are not held for the payment or redemption of particular Securities of such Series shall be applied, together with other amounts, if necessary, sufficient for the purpose, to the payment of the principal of, and interest on, the Securities of such Series at maturity.

Unless otherwise specified pursuant to Section 2.03, not later than the sinking fund payment date, the Company shall have paid to the Trustee or shall otherwise provide funds available on such date for the payment of all principal and interest accrued to the date fixed for redemption on Securities to be redeemed on such sinking fund payment date.

The Trustee shall not redeem or cause to be redeemed any Securities of a Series with sinking fund amounts or mail or publish any notice of redemption of Securities for such Series by operation of the sinking fund during the continuance of a default in payment of interest on such Securities or of any Event of Default except that, where the mailing or publication of notice of redemption of Securities of any Series previously shall have been made, the Trustee shall redeem or cause to be redeemed such Securities; provided that it shall have received from the Company amounts sufficient for such redemption. Except as aforesaid, any amounts in the sinking fund for Securities of such Series at the time when any such default or Event of Default shall occur, and any amounts thereafter paid into the sinking fund, during the continuance of such default or Event of Default, shall be deemed to have been collected under Article 5 and held for the payment of all Securities of such Series. In case such Event of Default shall have been waived as provided in Section 5.09 or the default cured on or before the

sixtieth day preceding the sinking fund payment date in any year, such amounts thereafter shall be applied on the next succeeding sinking fund payment date in accordance with this Section 12.05 to the redemption of such Securities.

SECTION 12.06. *Repayment at the Option of the Holders*. Securities of any Series that are repayable at the option of the Holders 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 10.01, 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.

SECTION 12.07. *Conversion Arrangement on Call for Redemption*. In connection with any redemption of Securities of any Series, the Company may arrange for the purchase and conversion of any Securities of any Series called for redemption by an agreement with one or more investment bankers or other purchasers to purchase such Securities by paying to the Trustee or the Paying Agent in trust for the Holders of such Securities, on or before 10:00 a.m. New York time on the redemption date, an amount not less than the redemption price, together with interest, if any, accrued to the redemption date of such Securities, in immediately available funds. Notwithstanding anything to the contrary contained in this Article 12, the obligation of the Company to pay the redemption price of such Securities, including all accrued interest, if any, shall be deemed to be satisfied and discharged to the extent such amount is so paid by such purchasers. If such an agreement is entered into, any Securities not duly surrendered for conversion by the Holders thereof, at the option of the Company, may be deemed, to the fullest extent permitted by law, acquired by such purchasers from such Holders and surrendered by such purchasers for conversion, all as of immediately prior to the close of business on the last day on which such Securities called for redemption may be converted in accordance with this Indenture and the terms of such Securities, subject to payment to the Trustee or Paying Agent of the above-described amount. The Trustee or the Paying Agent shall hold and pay to the Holders whose Securities are selected for redemption any such amount paid to it in the same manner as it would pay funds deposited with it by the Company for the redemption of Securities of such Series. Without the Trustee's and the Paying Agent's prior written consent, no arrangement between the Company and such purchasers for the purchase and conversion of any Securities shall increase or otherwise affect any of the powers, duties, responsibilities or obligations of the Trustee and the Paying Agent as set forth in this Indenture. The Company agrees to indemnify the Trustee and the Paying Agent from, and hold them harmless against, any loss, liability or expense arising out of or in connection with any such arrangement for the purchase and conversion of Securities of any Series between the Company and such purchasers, including the reasonable costs and expenses incurred by the Trustee and the Paying Agent in the defense of any claim or liability arising out of or in connection with the exercise or performance of any of their powers, duties, responsibilities or obligations under this Indenture.

ARTICLE 13
CONVERSION OF SECURITIES

SECTION 13.01. *Applicability of Article*. Securities of any Series that are convertible into Common Shares at the option of the Holder of such Securities shall be convertible in accordance with their terms and, unless otherwise specified as contemplated by Section 2.03 for the Securities of any Series, in accordance with this Article 13. Each reference in this Article 13 to "a Security" or "the Securities" refers to the Securities of the particular Series that is convertible into Common Shares. If more than one Series of Securities with conversion privileges are Outstanding at any time, the provisions of this Article 13 shall be applied separately to each such Series.

SECTION 13.02. *Right of Holders to Convert Securities into Common Shares*. Subject to the provisions of Section 12.07 and this Article 13, at the option of the Holder thereof, any Security of any Series that is convertible into Common Shares, or any portion of the principal amount thereof which is $1,000 or any integral multiple of $1,000, may be converted into duly authorized, validly issued, fully paid and nonassessable Common Shares at any time during the period specified in the Securities of such Series, or in case such Security or portion thereof shall have been called for redemption, then in respect of such Security or portion thereof until (unless the Company shall default in payment due upon the redemption thereof) the close of business on the redemption date (except that in the case of repayment at the option of the Holder, if specified in the terms of the relevant Security, such right shall terminate upon the Company's receipt of written notice of the exercise of such option), as specified in such Security, at the conversion price or conversion rate for each $1,000 principal amount of Securities (such initial conversion rate reflecting an initial conversion price specified in such Security) in effect on the conversion date, or, in case an adjustment in the conversion price has taken place pursuant to the provisions of this Article 13, then at the applicable conversion price as so adjusted, upon surrender of the Security or Securities, the principal amount of which is so to be converted, to the Company at any time during usual business hours at the office or agency to be maintained by it in accordance with the provisions of Section 3.02, accompanied by a written notice of election to convert as provided in Section 13.03. If the Holder requests that the Common Shares be registered in a name other than that of the Holder, such notice also shall be accompanied by a written instrument or instruments of transfer in form satisfactory to the Company and the Trustee, duly executed by the Holder thereof or his attorney duly authorized in writing. All Securities surrendered for conversion shall, if surrendered to the Company or any conversion agent, be delivered to the Trustee for cancellation and cancelled by it, or shall, if surrendered to the Trustee, be cancelled by it, as provided in Section 2.10.

The initial conversion price or conversion rate in respect of a Series of Securities shall be as specified in the Securities of such Series. The conversion price or conversion rate will be subject to adjustment on the terms set forth in Section 13.05 or such other or different terms, if any, as may be specified by Section 2.03 for Securities of such Series. Provisions of this Indenture that apply to conversion of all of a Security also apply to conversion of any portion of such Security.

SECTION 13.03. *Issuance of Common Shares on Conversions*. As promptly as practicable after the surrender, as herein provided, of any Security or Securities for conversion into Common Shares, the Company shall deliver or cause to be delivered at the office or agency to be maintained by it in accordance with the provisions of Section 3.02 to or upon the written order of the Holder of the Security or Securities so surrendered a certificate or certificates representing the number of duly authorized, validly issued, fully paid and nonassessable Common Shares into which such Security or Securities may be converted in accordance with the terms thereof and the provisions of this Article 13. Prior to delivery of such certificate or certificates, the Company shall require written notice at its said office or agency from the Holder of the Security or Securities so surrendered stating that the Holder irrevocably elects to convert such Security or Securities, or, if less than the entire principal amount

thereof is to be converted, stating the portion thereof to be converted. Such notice shall also state the name or names (with address and social security or other taxpayer identification number) in which said certificate or certificates are to be issued. Such conversion shall be deemed to have been made at the time that such Security or Securities shall have been surrendered for conversion and such notice shall have been received by the Company or the Trustee and such conversion shall be at the conversion price in effect at such time. The rights of the Holder of such Security or Securities as a Holder shall cease at such time, and the Person or Persons entitled to receive the Common Shares upon conversion of such Security or Securities shall be treated for all purposes as having become either record holder or holders of such Common Shares at such time. In the case of any Security of any Series that is converted in part only, upon such conversion the Company shall execute and, upon the Company's request and at the Company's expense, the Trustee or an authenticating agent shall authenticate and deliver to the Holder thereof, as requested by such Holder, a new Security or Securities of such Series of authorized denominations in aggregate principal amount equal to the unconverted portion of such Security.

If the last day on which such Security may be converted is not a Business Day in a place where the conversion agent for that Security is located, such Security may be surrendered to that conversion agent on the next succeeding day that is a Business Day.

The Company shall not be required to deliver certificates for Common Shares upon conversion while its stock transfer books are closed for a meeting of shareholders or for the payment of dividends or for any other purpose, but certificates for Common Shares shall be delivered as soon as the stock transfer books shall again be opened.

SECTION 13.04. *No Payment or Adjustment for Interest or Dividends*. Unless otherwise specified as contemplated by Section 2.03 for Securities of such Series, Securities surrendered for conversion into Common Shares during the period from the close of business on any regular record date or special record date next preceding any interest payment date to the opening of business on such interest payment date (except Securities called for redemption on a redemption date within such period) when surrendered for conversion must be accompanied by payment, by certified or official bank check to the order of the Company payable in clearing house funds at the location where the Securities are surrendered, of an amount equal to the interest thereon which the Holder is entitled to receive on such interest payment date. Payment of interest shall be made, on such interest payment date or such other payment date (as set forth in Section 2.07), as the case may be, to the Holder of the Securities as of such regular record date or special record date, as applicable. Except where Securities surrendered for conversion must be accompanied by payment 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. Notwithstanding the foregoing, upon conversion of any Original Issue Discount Security, the fixed number of Common Shares into which such Security is convertible delivered by the Company to the Holder thereof shall be applied, first, to the portion attributable to the accrued original issue discount relating to the period from the date of issuance to the date of conversion of such Security, and, second, to the portion attributable to the balance of the principal amount of such Security.

SECTION 13.05. *Adjustment of Conversion Price*. Unless otherwise specified as contemplated by Section 2.03 for Securities of such Series, the conversion price for Securities convertible into Common Shares shall be adjusted from time to time as follows:

(a) If the Company shall (x) pay a dividend or make a distribution on Common Shares in Common Shares, (y) subdivide the outstanding Common Shares into a greater number of shares or (z) combine the outstanding Common Shares into a smaller number of shares, the conversion price for the Securities of such Series shall be adjusted so that the Holder of any such Security thereafter surrendered for conversion shall be entitled to receive the number of Common Shares that such Holder 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 record date in the case of a dividend or the effective date in the case of subdivision or combination. An adjustment made pursuant to this Section 13.05(a) shall become effective immediately after the record date in the case of a dividend, except as provided in Section 13.05(h), and shall become effective immediately after the effective date in the case of a subdivision or combination.

(b) If the Company shall issue rights or warrants to all holders of 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 share of Common Shares (as defined for purposes of this Section 13.05(b) in Section 13.05(e)), 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 such record date by a fraction, the numerator of which shall be the number of Common Shares outstanding on such record date plus the number of Common Shares which the aggregate offering price of the total number of Common Shares so offered would purchase at such current market price, and the denominator of which shall be the number of Common Shares outstanding on such record date plus the number of additional Common Shares receivable upon exercise of such rights or warrants. Such adjustment shall be made successively whenever any such rights or warrants are issued, and shall become effective immediately, except as provided in Section 13.05(h), after such record date. In determining whether any rights or warrants entitle the Holders of the Securities of such Series 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 plus the exercise price thereof, the value of such consideration or exercise price, as the case may be, if other than cash, to be determined by the Board of Directors.

(c) If the Company shall distribute to all holders of Common Shares any shares of capital stock of the Company (other than Common Shares) or evidences of its indebtedness or assets (excluding cash dividends or distributions paid from retained earnings of the Company) or rights or warrants to subscribe for or purchase any of its securities (excluding those rights or warrants referred to in Section 13.05(b)) (any of the foregoing being herein in this Section 13.05(c) called the "**Special Securities**"), the conversion price shall be adjusted as provided in the next sentence unless the Company elects to reserve such Special Securities for distribution to the Holders of Securities of such Series upon the conversion so that any such Holder converting such Securities will receive upon such conversion, in addition to the Common Shares to which such Holder is entitled, the amount and kind of Special Securities which such Holder would have received if such Holder had, immediately prior to the record date for the distribution of the Special Securities, converted Securities into Common Shares. The conversion price, as adjusted, shall equal the price determined by multiplying the conversion price in effect immediately prior to such record date by a fraction the numerator of which shall be the current market price per share (as defined for purposes of this Section 13.05(c) in Section 13.05(e)) of Common Shares on the record date mentioned above less the then fair market value (as determined by the Board of Directors, whose determination shall, if made in good faith, be conclusive) of the portion of the Special Securities so distributed applicable to one Common Share, and the denominator of which shall be the current market price per Common Shares (as defined in Section 13.05(e)). In the event the then fair market value (as so determined) of the portion of the Special Securities so distributed applicable to one Common Share is equal to or greater than the current market price per Common Share (as defined in Section 13.05(e)) on the record date mentioned above, in lieu of the foregoing adjustment, adequate provision shall be made so that each Holder of Securities of such Series shall have the right to receive the amount and kind of Special Securities such holder would have received had he converted such Securities immediately prior to the record date for the

distribution of the Special Securities. Such adjustment shall become effective immediately, except as provided in Section 13.05(h), after the record date for the determination of shareholders entitled to receive such distribution.

(d) If, pursuant to Section 13.05(b) or 13.05(c), the conversion price shall have been adjusted because the Company has declared a dividend, or made a distribution, on the outstanding Common Shares in the form of any right or warrant to purchase securities of the Company, or the Company has issued any such right or warrant, then, upon the expiration of any such unexercised right or unexercised warrant, the conversion price shall forthwith be adjusted to equal the conversion price that would have applied had such right or warrant never been declared, distributed or issued.

(e) For the purpose of any computation under Section 13.05(b), the current market price per Common Share on any date shall be deemed to be the average of the reported last sales prices for the 30 consecutive Trading Days (as defined below) commencing 45 Trading Days before the date in question. For the purpose of any computation under Section 13.05(c), the current market price per Common Share on any date shall be deemed to be the average of the reported last sales prices for the ten consecutive Trading Days before the date in question. The reported last sales price for each day (whether for purposes of Section 13.05(b) or 13.05(c)) shall be the reported last sales price, regular way, or, in case no sale takes place on such day, the average of the reported closing bid and asked prices, regular way, in either case as reported on the New York Stock Exchange Composite Tape or, if the Common Shares are not listed or admitted to trading on the New York Stock Exchange, on the principal national securities exchange on which the Common Shares are listed or admitted to trading or, if not listed or admitted to trading on any national securities exchange, on the Nasdaq National Market or, if the Common Shares are not quoted on the Nasdaq National Market, the average of the closing bid and asked prices on such day in the over-the-counter market as furnished by any New York Stock Exchange member firm regularly making a market in the Common Shares selected for such purpose by the Board of Directors or, if no such quotations are available, the fair market value of the Common Shares as determined by a New York Stock Exchange member firm regularly making a market in the Common Shares selected for such purpose by the Board of Directors. As used herein, the term "Trading Day" with respect to the Common Shares means (x) if the Common Shares are listed or admitted for trading on the New York Stock Exchange or another national securities exchange, a day on which the New York Stock Exchange or such other national securities exchange is open for business, (y) if the Common Shares are quoted on the Nasdaq National Market, a day on which trades may be made on the Nasdaq National Market or (z) otherwise, any day other than a Saturday or Sunday or a day on which banking institutions in the State of New York are authorized or obligated by law or executive order to close.

(f) No adjustment in the conversion price shall be required unless such adjustment would require an increase or decrease of at least 1% in such price. Any adjustments that by reason of this Section 13.05(f) are not required to be made, however, shall be carried forward and taken into account in any subsequent adjustment. Any adjustment required to be made in accordance with the provisions of this Article 13 shall be made not later than such time as may be required in order to preserve the tax free nature of a distribution to the holders of Common Shares. All calculations under this Article 13 shall be made to the nearest cent or to the nearest one-one hundredth of a share, as the case may be, with one-half cent and one-two hundredth of a share, respectively, being rounded upward. The Company shall be entitled to make such reductions in the conversion price, in addition to those required by this Section 13.05, as it in its discretion shall determine to be advisable in order that any stock dividend, subdivision of shares, distribution of rights or warrants to purchase stock or securities or distribution of other assets (other than cash dividends) made by the Company to its shareholders shall not be taxable.

(g) Whenever the conversion price is adjusted, the Company shall file with the Trustee, at the Corporate Trust Office of the Trustee, and with the office or agency maintained by the Company for the conversion of Securities of such Series pursuant to Section 3.02, 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. Neither the Trustee nor any conversion agent shall be under any duty or responsibility with respect to any such certificate or any facts or computations set forth therein, except to exhibit said certificate from time to time to any Holder of a Security of such Series desiring to inspect the same. The Company shall promptly cause a notice setting forth the adjusted conversion price to be mailed to the Holders of Securities of such Series, as their names and addresses appear upon the Security register.

(h) In any case in which this Section 13.05 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 (y) issuing to the Holder of any Security of such Series 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 (z) paying to such holder any amount in cash in lieu of any fractional Common Shares pursuant to Section 13.06.

SECTION 13.06. *No Fractional Shares to Be Issued*. No fractional Common Shares shall be issued upon any conversion of Securities. If more than one Security of any Series shall be surrendered for conversion at one time by the same Holder, the number of full Common Shares which shall be issuable upon conversion thereof shall be computed on the basis of the aggregate principal amount of the Securities of such Series (or specified portions thereof to the extent permitted hereby) so surrendered. Instead of a fraction of a Common Share which would otherwise be issuable upon conversion of any Security or Securities (or specified portions thereof), the Company shall pay a cash adjustment (computed to the nearest cent, with one-half cent being rounded upward) in respect of such fraction of a share in an amount equal to the same fractional interest of the reported last sales price (as defined in Section 13.05(e)) of the Common Shares on the Trading Day (as defined in Section 13.05(e)) next preceding the day of conversion.

SECTION 13.07. *Preservation of Conversion Rights upon Consolidation, Merger, Sale or Conveyance*. In case of any consolidation of the Company with, or merger of the Company into, any other corporation (other than a consolidation or merger in which the Company is the surviving corporation), or in the case of any sale or transfer of all or substantially all of the assets of the Company, the corporation formed by such consolidation or the corporation into which the Company shall have been merged or the corporation which shall have acquired such assets, as the case may be, shall execute and deliver to the Trustee a supplemental indenture in accordance with the provisions of Articles 8 and 9 as they relate to supplemental indentures, providing that the Holder of each Outstanding Security that was convertible into Common Shares shall have the right thereafter to convert such Security into the kind and amount of shares of stock and other securities and property, including cash, receivable upon such consolidation, merger, sale or transfer by a holder of the number of Common Shares into which such Securities might have been converted immediately prior to such consolidation, merger, sale or transfer. Such supplemental indenture shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Article 13. Neither the Trustee nor any conversion agent shall have any liability or responsibility for determining the correctness of any provision contained in any such supplemental indenture relating either to the kind or amount of shares of stock or other securities or property receivable by Holders of the Securities upon the conversion of their Securities after any such consolidation, merger, sale or transfer, or to any adjustment to be made with respect thereto and, subject to the provisions of Section 313 of the Trust Indenture Act, may accept as conclusive evidence of the correctness of any

such provisions, and shall be protected in relying upon, an Officers' Certificate with respect thereto and an Opinion of Counsel with respect to legal matters related thereto. If in the case of any such consolidation, merger, sale or transfer, the stock or other securities and property receivable by a Holder of the Securities includes stock or other securities and property of a corporation other than the successor or purchasing corporation, then such supplemental indenture shall also be executed by such other corporation and shall contain such additional provisions to protect the interests of the Holders of the Securities as the Board of Directors shall reasonably consider necessary. The above provisions of this Section 13.07 shall similarly apply to successive consolidations, mergers, sales or transfers.

SECTION 13.08. *Notice to Holders of the Securities of a Series Prior to Taking Certain Types of Action.* With respect to the Securities of any Series, in case:

(a) the Company shall authorize the issuance to all holders of Common Shares of rights or warrants to subscribe for or purchase shares of its capital stock or of any other right;

(b) the Company shall authorize the distribution to all holders of Common Shares of evidences of indebtedness or assets (except for cash dividends or distributions paid from retained earnings of the Company);

(c) of any subdivision or combination of Common Shares or of any consolidation or merger to which the Company is a party and for which approval by the shareholders of the Company is required, or of the sale or transfer of all or substantially all of the assets of the Company; or

(d) of the voluntary or involuntary dissolution, liquidation or winding up of the Company;

the Company shall cause to be filed with the Trustee and at the office or agency maintained for the purpose of conversion of Securities of such Series pursuant to Section 3.02, and shall cause to be mailed to the Holders of Securities of such Series at their last addresses as they shall appear on the Security register, at least ten days prior to the applicable record date hereinafter specified, a notice stating (i) the date as of which the holders of Common Shares to be entitled to receive any such rights, warrants or distribution are to be determined, or (ii) the date on which any such subdivision, combination, consolidation, merger, sale, transfer, dissolution, liquidation, winding up or other action is expected to become effective, and the date as of which it is expected that holders of record of Common Shares shall be entitled to exchange their Common Shares for securities or other property, if any, deliverable upon such subdivision, combination, consolidation, merger, sale, transfer, dissolution, liquidation, winding up or other action. The failure to give the notice required by this Section 13.08 or any defect therein shall not affect the legality or validity of any distribution, right, warrant, subdivision, combination, consolidation, merger, sale, transfer, dissolution, liquidation, winding up or other action, or the vote upon any of the foregoing.

SECTION 13.09. *Covenant to Reserve Shares for Issuance on Conversion of Securities*. The Company at all times will reserve and keep available out of each class of its authorized Common Shares, free from preemptive rights, solely for the purpose of issue upon conversion of Securities of any Series as herein provided, such number of Common Shares as shall then be issuable upon the conversion of all Outstanding Securities of such Series. The Company covenants that all Common Shares which shall be so issuable, when issued or delivered, shall be duly and validly issued Common Shares into which Securities of such Series are convertible, and shall be fully paid and nonassessable, free of all liens and charges and not subject to preemptive rights and that, upon conversion, the appropriate capital stock accounts of the Company will be duly credited.

SECTION 13.10. *Compliance with Governmental Requirements*. If any Common Shares required to be reserved for purposes of conversion of Securities hereunder require registration or listing with or approval of any governmental authority under any Federal or State law, pursuant to the Securities Act or the Securities Exchange Act or any national or regional securities exchange on which the Common Shares are listed at the time of delivery of any Common Shares, the Company will use its best efforts

to cause such shares to be duly registered, listed or approved, as the case may be, before such shares may be issued upon conversion.

SECTION 13.11. *Payment of Taxes upon Certificates for Shares Issued upon Conversion*. The issuance of certificates for Common Shares upon the conversion of Securities shall be made without charge to the converting Holders for any tax (including documentary and stamp taxes) in respect of the issuance and delivery of such certificates, and such certificates shall be issued in the respective names of, or in such names as may be directed by, the Holders of the Securities converted. The Company, however, shall not be required to pay any tax that may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in a name other than that of the Holder of the Security converted, and the Company shall not be required to issue or deliver such certificate unless or until the Person or Persons requesting the issuance thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid.

SECTION 13.12. *Trustee's Duties with Respect to Conversion Provisions*. The Trustee and any conversion agent shall have no duty to any Holder to determine whether any facts exist that may require any adjustment of the conversion rate, or with respect to the nature or extent of any such adjustment when made, or with respect to the method employed, in making the same. Neither the Trustee nor any conversion agent shall be accountable with respect to the registration under securities laws, listing, validity or value (or the kind or amount) of any Common Shares, or of any other securities or property, that at any time may 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 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. The Trustee and any conversion agent, subject to the provisions of Section 313 of the Trust Indenture Act, shall not be responsible for any failure of the Company to comply with any of the covenants contained in this Article 13.

SECTION 13.13. *Conversion of Securities into Preferred Shares or Other Securities*. Notwithstanding anything to the contrary in this Article 13, the Company may issue Securities that are convertible into Preferred Shares or other securities of the Company, including Preferred Shares convertible into Common Shares, in which case all terms and conditions relating to the conversion of Securities into Preferred Shares or other securities, including any terms similar to those provided in Sections 13.01 through 13.12, shall be as provided in or pursuant to an appropriate resolution of the Board of Directors or in any indenture supplemental hereto or as otherwise contemplated by Section 2.03.

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

PITNEY BOWES INC.

By: _____

Name:
Title:

[ ]

By: _____

Name:
Title:

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Exhibit 4(b)

PITNEY BOWES INC.

AND

[ ],

Trustee

Subordinated Debt Securities

INDENTURE

Dated as of , 20

CROSS REFERENCE SHEET *

Provisions of Sections 310 through 318(a) inclusive of the Trust Indenture Act of 1939, as amended, and the Indenture dated as of , 20 between Pitney Bowes Inc. and [ ], as Trustee.

Section of Act	Section of Indenture
310(a)(1)	6.10
310(a)(2)	6.10
310(a)(3)	N/A
310(a)(4)	N/A
310(a)(5)	6.10
310(b)	6.10
310(c)	N/A
311(a)	6.11
311(b)	6.11
311(c)	N/A
312(a)	4.01
312(b)	4.02(b)
312(c)	4.02(c)
313(a)	6.06
313(b)	6.06
313(c)	6.06
313(d)	6.06
314(a)	3.04 and 4.03
314(b)	N/A
314(c)(1)	2.04 and 11.05
314(c)(2)	2.04 and 11.05
314(c)(3)	N/A
314(d)	N/A
314(e)	11.05
315(a)	6.01(b)
315(b)	6.05
315(c)	6.01(a)
315(d)	6.01(c)
315(e)	5.10
316(a)(1)(A)	5.08
316(a)(1)(B)	5.09
316(a)(2)	N/A
316(b)	5.06
316(c)	2.07
317(a)(1)	5.02
317(a)(2)	5.02
317(b)	3.02 and 3.03
318(a)	11.07

* This cross reference sheet shall not, for any purpose, be deemed to be a part of the Indenture.

Attention should also be directed to Section 318(c) of the Trust Indenture Act of 1939, as amended, which provides that the provisions of Sections 310 through 317 of such Act are a part of and govern every qualified indenture, whether or not physically contained therein.

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This INDENTURE (this "**Indenture**"), dated as of , 20 between PITNEY BOWES INC., a Delaware corporation (the "**Company**"), and [ ], a [ ] banking corporation, as trustee (the "**Trustee**").

RECITALS

A. The Company has duly authorized the issue from time to time of its unsecured subordinated debentures, notes or other evidences of indebtedness (the "**Securities**") to be issued in one or more Series.

B. All things necessary to make this Indenture a valid indenture and agreement according to its terms have been done.

NOW, THEREFORE, in consideration of the premises and the purchase of the Securities by the Holders thereof, it is mutually agreed for the equal and ratable benefit of the Holders from time to time of the Securities or of Series thereof as follows.

ARTICLE 1
DEFINITIONS

SECTION 1.01. *Certain Terms Defined.* The following terms (except as otherwise expressly provided or unless the context otherwise clearly requires) for all purposes of this Indenture and of any indenture supplemental hereto shall have the respective meanings specified in this Section 1.01. All other terms (except as herein otherwise expressly provided or unless the context otherwise clearly requires) used in this Indenture that are defined in the Trust Indenture Act or the definitions of which in the Securities Act are referred to in the Trust Indenture Act, including terms defined therein by reference to the Securities Act, shall have the meanings assigned to such terms in the Trust Indenture Act and the Securities Act as in force at the date of this Indenture. All accounting terms used herein and not expressly defined shall have the meanings assigned to such terms in accordance with GAAP. The words "**herein**", "**hereof**" and "**hereunder**" and other words of similar import refer to this Indenture as a whole, as supplemented and amended from time to time, and not to any particular Article, Section or other subdivision. The terms defined in this Article 1 have the meanings assigned to them in this Article 1 and include the plural as well as the singular.

"**Board of Directors**" means either the Board of Directors of the Company or any duly authorized committee of that Board or any duly authorized committee created by that Board.

"**Business Day**", except as may otherwise be provided in the form of Securities of any particular Series, with respect to any Place of Payment or place of publication means any day, other than a Saturday, Sunday or day on which banking institutions are authorized or required by law or regulation to close in that Place of Payment or place of publication.

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

"**Common Shares**" means the shares of common stock, par value $1.00 per share, of the Company as they exist on the date of this Indenture, or any other shares of capital stock of the Company into which such shares shall be reclassified or changed.

"**Company**" means the Person identified as the "Company" in the first paragraph hereof until a successor corporation shall have become such pursuant to the applicable provisions hereof, and thereafter "Company" shall mean such successor corporation.

"**Corporate Trust Office**" means the principal corporate trust office of the Trustee at which at any particular time its corporate trust business shall be administered, which office at the date of execution of this Indenture is located at [ ], Attention: [ ].

"**defaulted interest**" has the meaning specified in Section 2.07.

"**defeasance**" has the meaning specified in Section 10.01(b).

"**Depository**", with respect to Securities of any Series for which the Company shall determine that such Securities will be issued as a Depository Security, means The Depository Trust Company or another clearing agency or any successor registered under the Securities Exchange Act or other applicable statute or regulation, which, in each case, shall be designated by the Company pursuant to Sections 2.03 and 2.12.

"**Depository Security**", with respect to any Series of Securities, means a Security executed by the Company and authenticated and delivered by the Trustee to the Depository or pursuant to the Depository's instruction, all in accordance with this Indenture and pursuant to a resolution of the Board of Directors or an indenture supplemental hereto as contemplated by Section 2.03, which shall be registered as to principal and interest in the name of the Depository or its nominee and shall represent, and shall be denominated in an amount equal to the aggregate principal amount of, all of the Outstanding Securities of such Series.

"**Event of Default**" has the meaning specified in Section 5.01.

"**GAAP**" means such accounting principles as are generally accepted at the time of any computation hereunder.

"**Government Obligations**", unless otherwise specified pursuant to Section 2.03, means securities that are (i) direct obligations of the United States government or (ii) obligations of a Person controlled or supervised by, or acting as an agency or instrumentality of, the United States government, the payment of which obligations is unconditionally guaranteed by such government, and that, in either case, are full faith and credit obligations of such government and are not callable or redeemable at the option of the issuer thereof.

"**Holder**", "**Holder of Securities**", "**Registered Holder**", "**Securityholder**" or other similar terms mean the Person in whose name at the time a particular Security is registered in the Security register.

"**Indenture**" means this instrument as originally executed or as it may from time to time be amended or supplemented as herein provided, as so amended or supplemented or both, and shall include the forms and terms of particular Series of Securities established as contemplated by Section 2.03.

"**Instructions**" means instructions acceptable to the Trustee issued pursuant to the written order of the Company, signed by its chief executive officer, president or any vice president, and by its treasurer, secretary or any assistant treasurer or assistant secretary. Instructions need not comply with the provisions of Section 11.05.

"**Officers' Certificate**" means a certificate signed on behalf of the Company by the chief executive officer, the president or any vice president and by the treasurer, controller, secretary or any assistant treasurer or assistant secretary of the Company and delivered to the Trustee. Each such certificate shall include the statements provided for in Section 11.05.

"**Opinion of Counsel**" means a written opinion of legal counsel who may be an employee of or counsel to the Company and who shall be reasonably acceptable to the Trustee. Each Opinion of Counsel shall include the statements provided for in Section 11.05, if and to the extent required hereby.

"**original issue date**" of any Security means the date set forth as such on such Security.

"**Original Issue Discount Security**" means any Security that provides for an amount less than the principal amount thereof to be due and payable upon a declaration of acceleration of the maturity thereof pursuant to Section 5.01.

"**Outstanding**", when used with reference to Securities of any Series as of any particular time, subject to the provisions of Section 7.04, means all Securities of that Series authenticated and delivered under this Indenture, except:

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

(b) Securities, or portions thereof, for the payment or redemption of which the necessary funds in the required currency shall have been deposited in trust with the Trustee or with any Paying Agent other than the Company, or shall have been set aside, segregated and held in trust by the Company for the holders of such Securities if the Company shall act as its own Paying Agent, provided that if such securities, or portions thereof, are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as herein provided, or provision satisfactory to the Trustee shall have been made for giving such notice;

(c) Securities in substitution for which other Securities shall have been authenticated and delivered pursuant to the terms of Section 2.09, except with respect to any such Security as to which proof satisfactory to the Trustee and the Company is presented that such Security is held by a person in whose hands such Security is a legal, valid and binding obligation of the Company;

(d) Securities converted into Common Shares or Preferred Shares in accordance with or as contemplated by this Indenture; and

(e) Securities with respect to which the Company has effected defeasance as provided in Article 10.

"**Paying Agent**" means any Person, which may include the Company, authorized by the Company to pay the principal of or interest, if any, on any Security of any Series on behalf of the Company.

"**Periodic Offering**" means an offering of Securities of a Series from time to time, during which any or all of the specific terms of the Securities, including the rate or rates of interest, if any, thereon, the maturity or maturities thereof and the redemption provisions, if any, with respect thereto, are to be determined by the Company or its agents upon the issuance of such Securities.

"**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 interest, if any, on the Securities of that Series are payable as specified pursuant to Section 3.02.

"**Preferred Shares**" means any shares of capital stock issued by the Company that are entitled to a preference or priority over the Common Shares upon any distribution of the Company's assets, whether by dividend or upon liquidation.

"**principal**" whenever used with reference to the Securities or any Security or any portion thereof shall be deemed to include "and premium, if any".

"**Responsible Officer**", when used with respect to the Trustee, means any officer within the corporate trust department of the Trustee including any vice president, assistant vice president, assistant secretary, senior trust officer, trust officer or any other officer or assistant officer of the Trustee customarily performing functions similar to those performed by the individuals who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred at the Corporate Trust Office because of his or her knowledge of and familiarity with the particular subject.

"**Securities Act**" means the Securities Act of 1933, as amended, as in force at the date as of which this Indenture was originally executed.

"**Securities Exchange Act**" means the Securities Exchange Act of 1934, as amended, as in force at the date as of which this Indenture was originally executed.

"**Security**" or "**Securities**" has the meaning stated in the first recital of this Indenture and more particularly means any securities authenticated and delivered under this Indenture.

"**Senior Indebtedness**" means (i) the principal of and premium, if any, and unpaid interest on indebtedness for money borrowed, (ii) purchase money and similar obligations, (iii) obligations under capital leases or leases of property or assets made as part of any sale and leaseback transaction, (iv) guarantees, assumptions or purchase commitments relating to, or other transactions as a result of which the Company is responsible for the payment of, such indebtedness of others, (v) renewals, extensions and refunding of any such indebtedness, (vi) interest or obligations in respect of any such indebtedness accruing after the commencement of any insolvency or bankruptcy proceedings and (vii) obligations associated with derivative products such as interest rate and currency exchange contracts, foreign exchange contracts, commodity contracts and similar arrangements, unless, in each case, the instrument by which the Company incurred, assumed or guaranteed the indebtedness or obligations described in clauses (i) through (vii) hereof expressly provides that such indebtedness or obligation is not senior in right of payment to the Securities.

"**Series**" or "**Series of Securities**" means all Securities of a similar tenor authorized by a particular resolution of the Board of Directors or in one or more indentures supplemental hereto.

"**Trust Indenture Act**", except as otherwise provided in Sections 8.01 and 8.02, means the Trust Indenture Act of 1939, as amended, as in force at the date as of which this Indenture was originally executed.

"**Trustee**" means the Person identified as the "Trustee" in the first paragraph hereof until a successor Trustee shall have become such pursuant to the applicable provisions hereof, and thereafter "Trustee" shall mean each Person who is then a Trustee hereunder. If at any time there is more than one such Person, "Trustee" as used with respect to the Securities of any Series means the Trustee with respect to Securities of that Series.

"**United States of America**" means the United States of America, including the states and the District of Columbia, its territories, possessions, the Commonwealth of Puerto Rico and other areas subject to its jurisdiction.

"**vice president**" when used with respect to the Company or the Trustee, means any vice president, whether or not designated by a number or a word or words added before or after the title of "vice president."

ARTICLE 2
SECURITIES

SECTION 2.01. *Forms Generally.* The Securities of each Series shall be substantially in such form, including temporary or definitive global form, as shall be established by or pursuant to a resolution of the Board of Directors or in one or more indentures supplemental hereto or, in the case of a Periodic Offering, Instructions, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have imprinted or otherwise reproduced thereon such legend or legends, not inconsistent with the provisions of this Indenture, as may be required to comply with any law or with any rules or regulations, or with any rules of any securities exchange or to conform to general usage, all as may be determined by the officers executing such Securities as evidenced by their execution of the Securities.

The definitive Securities may be printed or reproduced in any other manner, all as determined by the officers executing such Securities as evidenced by their execution of such Securities.

SECTION 2.02. *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 herein and referred to in the within-mentioned Indenture.

[ ], as Trustee

By: _____
Authorized Signatory

—or—

[ ], as Trustee

By: _____
Authentication Agent

By: _____
Authorized Signatory

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

The Securities may be issued in one or more Series. There shall be established in or pursuant to a resolution of the Board of Directors and set forth in an Officers' Certificate, or established in one or more indentures supplemental hereto, or in the case of a Periodic Offering, Instructions, prior to the issuance of Securities of any Series:

(a) the title of the Securities of the Series, which shall distinguish the Securities of the Series from all other Securities issued by the Company;

(b) any limit upon the aggregate principal amount of the Securities of the Series that may be authenticated and delivered under this Indenture, except for Securities authenticated and delivered upon registration of transfer of, or in exchange for or in lieu of, other Securities of the Series pursuant to Section 2.08, 2.09, 2.11, 8.05 or 12.03;

(c) if other than 100% of their principal amount, the percentage of their principal amount at which the Securities of the Series will be offered for sale to the public;

(d) the date or dates on which the principal of the Securities of the Series is payable or the method of determination thereof;

(e) the rate or rates, which may be fixed or variable, or the method or methods of determination thereof (including any procedures to vary or reset such rate or rates), at which the Securities of the Series shall bear interest, if any, the date or dates from which such interest shall accrue, the interest payment dates on which such interest shall be payable or the manner of determination of such interest payment dates and the record dates for the determination of Holders to whom interest is payable;

(f) the place or places where the principal and interest, if any, on Securities of the Series shall be payable if other than as provided in Section 3.02;

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

(h) if other than the principal amount thereof, the portion of the principal amount of Securities of the Series which shall be payable upon declaration of acceleration of the maturity thereof pursuant to Section 5.01 or provable in bankruptcy pursuant to Section 5.02;

(i) the obligation, if any, of the Company to redeem, purchase or repay Securities of the Series whether pursuant to any sinking fund or analogous provisions or pursuant to other provisions set forth therein or at the option of a Holder thereof and the price or prices at which and the period or periods within which and the terms and conditions upon which Securities of the Series shall be redeemed, purchased or repaid, in whole or in part;

(j) the right, if any, of the Company to extend the interest payment periods or defer the payment of interest and the duration of such extension or deferral;

(k) if other than denominations of $1,000 and any integral multiple thereof, the denominations in which Securities of the Series shall be issuable;

(l) the form of the Securities, including such legends as required by law or as the Company deems necessary or appropriate and the form of any temporary global security that may be issued;

(m) whether, and under what circumstances, the Securities of any Series shall be convertible into other securities of the Company and, if so, the terms and conditions upon which such conversion will be effected, including the initial conversion price or rate, the conversion period and other provisions in addition to or in lieu of those described herein;

(n) the currency or currencies in which payment of the principal of and interest on, Securities of such Series shall be payable;

(o) the terms of any repurchase or remarketing rights;

(p) if other than the Trustee, any trustees, authenticating agents, Paying Agents, transfer agents or registrars or any other agents with respect to the Securities of such Series;

(q) if the Securities of such Series do not bear interest, the applicable dates for purposes of Section 4.01;

(r) whether the Securities of such Series are to be issuable in whole or in part in the form of one or more Depository Securities and, in such case, the Depository for such Securities;

(s) any restrictive covenants or additional Events of Default that will apply to the Securities of such Series, or any changes to the Events of Default set forth in Section 5.01 that will apply to the Securities of Series, which may consist of establishing different terms or provisions from those set forth in Article 3 or Section 5.01 or eliminating any such Event of Default with respect to the Securities of such Series;

(t) the application, if any, of Section 10.01(b) to the Securities of such Series;

(u) any and all additional, eliminated or changed terms that shall apply to the Securities of such Series, including any terms which may be required by or advisable under United States laws or regulations (including the Securities Act and the rules and regulations promulgated thereunder) or advisable in connection with the marketing of Securities of such Series; and

(v) whether the Securities of such Series shall be subject to a Periodic Offering.

All Securities of any one Series shall be substantially identical except as to denomination and except as otherwise may be provided in or pursuant to such resolution of the Board of Directors 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.

SECTION 2.04. *Authentication and Delivery of 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 executed by the Company to the Trustee for authentication, together with a written order of the Company, signed by its chief executive officer, president or any vice president, and by its treasurer, secretary or any assistant treasurer or assistant secretary for the authentication and delivery of such Securities and the Trustee, in accordance with such order of the Company, shall authenticate and deliver such Securities. In the case of Securities offered in a Periodic Offering, however, the Trustee shall authenticate and deliver such Securities from time to time in accordance with Instructions or such other procedures acceptable to the Trustee as may be specified by or pursuant to a supplemental indenture or the written order of the Company delivered to the Trustee prior to the time of the first authentication of Securities of such Series. At the time of the first authentication of Securities of a Series that provides for the issuance of Securities of that Series from time to time, and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive and subject to Section 6.01 shall be fully protected in relying upon:

(a) a copy of any resolution or resolutions of the Board of Directors relating to such Series, in each case certified by the secretary or an assistant secretary of the Company;

(b) a supplemental indenture, if any;

(c) an Officers' Certificate setting forth the form and terms of the Securities of such Series as required pursuant to Sections 2.01 and 2.03, respectively, and prepared in accordance with Section 11.05; and

(d) an Opinion of Counsel, prepared in accordance with Section 11.05, which shall state:

(i) that the form or forms and terms of such Securities have been established by or pursuant to a resolution of the Board of Directors or by a supplemental indenture as permitted by Sections 2.01 and 2.03 in conformity with the provisions of this Indenture; and

(ii) that such Securities have been duly authorized and, 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 valid and binding obligations of the Company enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization or other laws relating to or affecting the enforcement of creditors' rights generally and by general equitable principles, regardless of whether such enforceability is considered in a proceeding in equity or at law.

With respect to Securities of a Series subject to a Periodic Offering, however, the Trustee may conclusively rely, as to the authorization by the Company of any of such Securities, the forms and terms thereof and the legality, validity, binding effect and enforceability thereof, upon the written order of the Company, Opinion of Counsel, Officers' Certificate and other documents delivered pursuant to this Section 2.04 at or prior to the time of the first authentication of Securities of such Series unless and until such written order, Opinion of Counsel, Officers' Certificate or other documents have been superseded or revoked or expire by their terms.

The Trustee shall have the right to decline to authenticate and deliver any Securities under this Section 2.04 if the issue of such Securities pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under this Indenture in a manner not reasonably acceptable to the Trustee.

SECTION 2.05. *Execution of Securities.* The Securities shall be signed on behalf of the Company by its chief executive officer, president or any vice president and by its treasurer, secretary or any assistant treasurer or assistant secretary, under its corporate seal. Such signatures may be the manual or facsimile signatures of such officers. 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 Securities. Typographical and other minor errors or defects in any such reproduction of the seal or any such signature shall not affect the validity or enforceability of any Security that has been duly authenticated and delivered by the Trustee.

In case any officer of the Company who shall have signed any of the Securities shall cease to be such officer before the Security so signed shall be authenticated and delivered by the Trustee or disposed of by the Company, such Security nevertheless may be authenticated and delivered or disposed of as though the person who signed such Security had not ceased to be such officer of the Company. Any Security may be signed on behalf of the Company by such individuals as, at the actual date of the execution of such Security, shall be the proper officers of the Company, although at the date of the execution and delivery of this Indenture any such individual was not such an officer.

SECTION 2.06. *Certificate of Authentication.* Only such Securities as shall bear thereon a certificate of authentication substantially in the form set forth in Section 2.02 and executed by the Trustee by the manual signature of one of its authorized signatories shall be entitled to the benefits of this Indenture or be valid or obligatory for any purpose. Such certificate by the Trustee upon any Security executed by the Company shall be conclusive evidence that the Security so authenticated has been duly authenticated and delivered hereunder and that the Holder is entitled to the benefits of this Indenture.

SECTION 2.07. *Denomination and Date of Securities; Payments of Interest.* The Securities shall be issuable in denominations as shall be specified as contemplated by Section 2.03. In the absence of any such specification with respect to the Securities of any Series, Securities shall be issuable in denominations of $1,000 and any integral multiple thereof, and interest shall be computed on the basis of a 360-day year of twelve 30-day months. The Securities shall be numbered, lettered or otherwise distinguished in such manner or in accordance with such plan as the officers of the Company executing the same may determine with the approval of the Trustee as evidenced by its execution and authentication thereof.

Each Security shall be dated the date of its authentication.

Unless otherwise provided as contemplated by Section 2.03, interest on any Security that is payable, and is punctually paid or duly provided for, on any interest payment date 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 the regular record date for the payment of such interest.

The term "**record date**" as used with respect to any interest payment date (except for a date for payment of defaulted interest) means the date specified as such in the terms of the Securities of any particular Series or, if no such date is so specified, the close of business on the fifteenth day preceding such interest payment date, whether or not such record date is a Business Day.

Any interest on any Security of any Series that is payable but not punctually paid or duly provided for ("**defaulted interest**") on any interest payment date shall forthwith cease to be payable to the Registered Holder on the relevant record date by virtue of such Holder having been a Holder on such record date. Such defaulted interest may be paid by the Company, at its election in each case, as provided in clause (a) or clause (b) below:

(a) The Company may elect to make payment of any defaulted interest to the persons in whose names any such Securities (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 Security of such Series and the date of the proposed payment and at the same time the Company shall deposit with the Trustee funds 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 funds when deposited shall be held in trust for the benefit of the Persons entitled to such defaulted interest as provided in this clause (a). Thereupon the Trustee promptly shall fix a special record date for the payment of such defaulted interest in respect of Securities of such Series, which shall be not more than 15 nor less than ten days prior to the date of the proposed payment. The Trustee promptly shall 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 thereof to be mailed, first class postage prepaid, to each Registered Holder at his address as it appears in the Security register, not less than ten days prior to 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 in respect of Securities of such Series shall be paid to the persons in whose names such Securities (or their respective predecessor Securities) are registered on such special record date and such defaulted interest shall no longer be payable pursuant to the following clause (b).

(b) The Company may make payment of any defaulted interest on the Securities of any Series in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of that Series 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.

Subject to the foregoing provisions of this Section 2.07, 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, that were carried by such other Security.

SECTION 2.08. *Registration, Registration of Transfer and Exchange.* The Company will cause to be kept at each office or agency to be maintained for the purpose as provided in Section 3.02 a register or registers (the "**Security register**") in which, subject to such reasonable regulations as it may prescribe, the Company will provide for the registration and the registration of transfer of the Securities. The Trustee is hereby appointed Security registrar for purposes of registering, and registering transfers of, the Securities.

Upon surrender for registration of transfer of any Security of any Series at any such office or agency to be maintained for the purpose as provided in Section 3.02, the Company shall execute, and the Trustee shall authenticate and make available for delivery in the name of the transferee or transferees, a new Security or Securities of the same Series and of like tenor and containing the same terms (other than the principal amount thereof, if more than one Security is executed, authenticated and delivered with respect to any security so presented, in which case the aggregate principal amount of the executed, authenticated and delivered Securities shall equal the principal amount of the Security presented in respect thereof) and conditions.

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 Security presented or surrendered for registration of transfer or exchange, if so required by the Company or the Trustee, shall be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company and the Trustee, duly executed by the Holder thereof or his attorney and duly authorized in writing.

No service charge shall be made for any registration of transfer or exchange of Securities, but the Company may require payment of an amount 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 2.11, 8.05 or 12.03 not involving any transfer.

The Company shall not be required (i) to issue, register the transfer of or exchange any Security during a 15-day period prior to the day of mailing of the relevant notice of redemption or (ii) to register the transfer of or exchange any 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 redeemed.

SECTION 2.09. *Mutilated, Defaced, Destroyed, Lost and Stolen Securities*. In case any temporary or definitive Security shall become mutilated or defaced or be destroyed, lost or stolen, the Company shall execute, and upon the written request of any officer of the Company, the Trustee shall authenticate and make available for delivery a new Security of the same Series and of like tenor and principal amount and with the same terms and conditions, bearing a number not contemporaneously outstanding, in exchange and substitution for the mutilated or defaced Security or in lieu of and substitution for the Security so destroyed, lost or stolen. In every case the applicant for a substitute Security shall furnish to the Company and to the Trustee such security or indemnity as may be required by them to indemnify and defend and to save each of them harmless and, in every case of destruction, loss or theft, evidence to their satisfaction of the destruction, loss or theft of such Security and of the ownership thereof.

Upon the issuance of any substitute Security, the Company may require the payment of an amount sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses, including the reasonable fees and expenses of the Trustee, connected therewith. In case any Security which has matured or is about to mature or has been called for redemption in full shall become mutilated or defaced or be destroyed, lost or stolen, the Company, instead of issuing a substitute Security, may pay or authorize the payment of the same without surrender thereof except in the case of a mutilated or defaced Security. The applicant for such payment shall furnish to the Company and to the Trustee such security or indemnity as any of them may require to save each of them harmless. In every case of destruction, loss or theft, the applicant also shall furnish to the Company and the Trustee evidence to their satisfaction of the destruction, loss or theft of such Security and of the ownership thereof.

Every substitute Security of any Series issued pursuant to the provisions of this Section 2.09 by virtue of the fact that any Security is destroyed, lost or stolen shall constitute an additional contractual obligation of the Company, whether or not the destroyed, lost or stolen Security shall be at any time enforceable by anyone and shall be entitled to all the benefits of and shall be subject to all the limitations of rights set forth in this Indenture equally and proportionately with any and all other Securities of such Series duly authenticated and delivered hereunder. All Securities shall be held and owned upon the express condition that, to the extent permitted by law, the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, defaced, destroyed, lost or stolen Securities and shall preclude any and all other rights or remedies, notwithstanding any law or statute to the contrary with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

SECTION 2.10. *Cancellation of Securities*. All Securities surrendered for payment, redemption, registration of transfer or exchange, or for credit against any payment in respect of a sinking or analogous fund, if surrendered to the Company or any agent of the Company or the Trustee shall be delivered to the Trustee for cancellation or, if surrendered to the Trustee, shall be cancelled by it; and no Securities shall be issued in lieu thereof except as expressly permitted by the provisions of this Indenture. The Company at any time may deliver to the Trustee for cancellation any Securities previously authenticated hereunder which the Company has not issued and sold and all Securities so

delivered shall be promptly cancelled by the Trustee. The Trustee or its agent shall dispose of cancelled Securities held by it and deliver a certificate of disposition to the Company. If the Company shall acquire any of the Securities, such acquisition shall not operate as a redemption or satisfaction of the indebtedness represented by such Securities unless the same are delivered to the Trustee for cancellation.

SECTION 2.11. *Temporary Securities.* Pending the preparation of definitive Securities for any Series, the Company may execute and the Trustee shall authenticate and make available for delivery temporary Securities for such Series, which may be printed, typewritten or otherwise reproduced, in each case in form reasonably acceptable to the Trustee. Temporary Securities of any Series may be issued in any authorized denomination and substantially in the form of the definitive Securities of such Series but with such omissions, insertions and variations as may be appropriate for temporary Securities, all as may be determined by the Company with the reasonable concurrence of the Trustee. Temporary Securities may contain such reference to any provisions of this Indenture as may be appropriate. Every temporary Security shall be executed by the Company and be authenticated by the Trustee upon the same conditions and in substantially the same manner, and with like effect, as the definitive Securities. Without unreasonable delay the Company shall execute and shall furnish definitive securities of such Series and thereupon temporary Securities of such Series may be surrendered in exchange therefor without charge at each office or agency to be maintained by the Company for that purpose pursuant to Section 3.02, and the Trustee shall authenticate and make available for delivery in exchange for such temporary Securities of such Series a like aggregate principal amount of definitive Securities of the same Series of authorized denominations. Until so exchanged, the temporary Securities of any Series shall be entitled to the same benefits under this Indenture as definitive Securities of such Series.

SECTION 2.12. *Securities in Global Form.* If Securities of a Series are issuable in global form, as specified as contemplated by Section 2.03, then, notwithstanding the provisions of Sections 2.03(k) and Section 2.07, such Security shall represent such of the Outstanding Securities of such Series as shall be specified therein and may provide that it shall represent the aggregate amount of Outstanding Securities from time to time endorsed thereon and that the aggregate amount of Outstanding Securities represented thereby from time to time may 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, of Outstanding Securities represented thereby may be made by the Trustee in such manner and upon instructions given by such Person or Persons as shall be specified therein or in the Company order to be delivered to the Trustee pursuant to Section 2.04. Subject to the provisions of Section 2.04, the Trustee shall deliver and redeliver any Security in definitive global form in the manner and upon written instructions given by the Person or Persons specified therein or in the applicable Company order. If a Company order pursuant to Section 2.04 has been, or simultaneously is, delivered, any instructions by the Company with respect to endorsement or delivery or redelivery of a Security in global form shall be in writing but need not comply with Section 11.05 and need not be accompanied by an Opinion of Counsel.

Unless otherwise specified as contemplated by Section 2.03, payment of principal of and any interest on any Security in definitive global form shall be made to the Person or Persons specified therein.

Except as provided in the preceding paragraph, the Company, the Trustee and any agent of the Company and the Trustee shall treat a Person as the Holder of such principal amount of outstanding Securities represented by a definitive global Security as shall be specified in a written statement of the Holder of such definitive global Security.

SECTION 2.13. *CUSIP Numbers.* The Company in issuing the Securities may use "CUSIP" numbers if then generally in use and, if so, the Trustee shall use "CUSIP" numbers in notices of

redemption as a convenience to Holders. Any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Securities or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Securities. No such redemption shall be affected by any defect in or omission of such numbers. The Company promptly will notify the Trustee of any change in the CUSIP numbers.

ARTICLE 3
COVENANTS OF THE COMPANY

SECTION 3.01. *Payment of Principal and Interest.* The Company covenants and agrees for the benefit of each particular Series of Securities that it will duly and punctually pay or cause to be paid the principal of, and interest on, each of the Securities of such Series in accordance with the terms of the Securities of such Series and this Indenture.

SECTION 3.02. *Offices for Payment, Etc.* So long as any of the Securities remain outstanding, the Company will maintain the following for each Series: an office or agency where the Securities may be presented for payment or conversion; where the Securities may be presented for registration of transfer and for exchange; and where notices and demands to or upon the Company in respect of the Securities or of this Indenture may be served. The Company will give to the Trustee written notice of the location of any such office or agency and of any change of location thereof. In case the Company shall fail to so designate or maintain any such office or agency or shall fail to give such notice of the location or of any change in the location thereof, presentations and demands may be made and notices may be served at the Corporate Trust Office. Unless otherwise specified pursuant to Section 2.03, the Trustee is hereby appointed Paying Agent.

SECTION 3.03. *Paying Agents.* Whenever the Company shall appoint a Paying Agent other than the Trustee with respect to the Securities of any Series, it will cause such Paying Agent to execute and deliver to the Trustee an instrument in which such Agent shall agree with the Trustee, subject to the provisions of this Section 3.03:

(a) that it will hold all amounts received by it as such Paying Agent for the payment of the principal of or interest on the Securities of such Series in trust for the benefit of the Holders of the Securities of such Series and, upon the occurrence of an Event of Default and upon the written request of the Trustee, pay over all such amounts received by it to the Trustee; and

(b) that it will give the Trustee notice of any failure by the Company or by any other obligor on the Securities of such Series to make any payment of the principal of or interest on the Securities of such Series when the same shall be due and payable.

On or prior to each due date of the principal of or interest on the Securities of such Series, the Company will deposit with the Paying Agent sufficient funds to pay such principal or interest so becoming due and, unless such Paying Agent is the Trustee, notify the Trustee of any failure to take such action.

If the Company shall act as its own Paying Agent with respect to the Securities of any Series, on or before each due date of the principal of or interest on the Securities of such Series it will set aside, segregate and hold in trust for the benefit of the Holders of the Securities of such Series sufficient funds to pay such principal or interest so becoming due. The Company will promptly notify the Trustee of any failure to take such action.

At any time, for the purpose of obtaining a satisfaction and discharge with respect to one or more or all Series of Securities or for any other reason, the Company may pay or cause to be paid to the Trustee all amounts held in trust for any such Series by the Company or any Paying Agent, such amounts to be held by the Trustee in trust pursuant to this Indenture.

The agreement to hold amounts in trust as provided in this Section 3.03 is subject to the provisions of Sections 10.03 and 10.04.

SECTION 3.04. *Officers' Certificate.* The Company shall deliver to the Trustee, within 120 days after the end of each fiscal year of the Company ending after the date hereof, a statement, signed by the principal executive officer, principal financial officer or principal accounting officer of the Company, which need not constitute an Officers' Certificate, as to the Company's compliance with all conditions and covenants under the Indenture (such compliance to be determined without regard to any period of grace or requirement of notice provided under the Indenture).

SECTION 3.05. *Calculation of Original Issue Discount.* The Company shall file with the Trustee, within 60 days after the end of each calendar year, a written notice specifying the amount of original issue discount, if any, including daily rates and accrual periods, accrued on each Series of Outstanding Securities as of the end of such year.

ARTICLE 4
SECURITYHOLDERS' LISTS AND REPORTS BY THE COMPANY

SECTION 4.01. *Company to Furnish Trustee Information as to Names and Addresses of Securityholders.* The Company will furnish or cause to be furnished to the Trustee a list in such form as the Trustee reasonably may require of the names and addresses of the Holders of the Securities of each Series:

(a) semiannually, and not more than 15 days after each record date for the payment of interest on such Securities, as of such record date; and

(b) at such other times as the Trustee reasonably may request in writing, within 30 days after receipt by the Company of any such request, such list to be as of a date not more than 15 days prior to the time such information is furnished.

If the Trustee shall be the Security registrar for such Series, no such list shall be required to be furnished to the Trustee.

SECTION 4.02. *Preservation and Disclosure of Securityholders' Lists.*

(a) The Trustee shall preserve, in as current a form as is reasonably practicable, all information as to the names and addresses of the Holders of each Series of Securities contained in the most recent list furnished to it as provided in Section 4.01 or maintained by the Trustee in its capacity as Security registrar for such Series. The Trustee may destroy any list furnished to it as provided in Section 4.01 upon receipt of a new list so furnished.

(b) In case three or more Holders of Securities of any Series ("**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 or with Holders of all Securities with respect to their rights under this Indenture or under such Securities and such application is accompanied by a copy of the form of proxy or other communication which such applicants propose to transmit, then the Trustee, within five Business Days after the receipt of such application, at its election, either:

(i) shall afford to such applicants access to the information preserved at the time by the Trustee in accordance with the provisions of Section 4.02(a); or

(ii) shall inform such applicants as to the approximate number of Holders of Securities of such Series or all Securities, as the case may be, whose names and addresses appear in the information preserved at the time by the Trustee, in accordance with the provisions of

Section 4.02(a), and as to the approximate cost of mailing to such Securityholders the form of proxy or other communication, if any, specified in such application.

If the Trustee shall elect not to afford to such applicants access to such information, the Trustee, upon the written request of such applicants, shall mail to each Securityholder of such Series or all Securities, as the case may be, whose name and address appear in the information preserved at the time by the Trustee in accordance with the provisions of Section 4.02(a), a copy of the form of proxy or other communication that 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 all Securities, as the case may be, or could 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 such 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 Securityholders with reasonable promptness after the entry of such order and the renewal of such tender; otherwise the Trustee shall be relieved of any obligation or duty to such applicants respecting their application.

(c) Each and every Holder of Securities, by receiving and holding the same, agrees with the Company and the Trustee that neither the Company nor the Trustee nor any agent of the Company or the Trustee 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 the provisions of Section 4.02(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 such Section 4.02(b).

SECTION 4.03. *Reports by the Company.* The Company:

(a) will 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 from time to time by rules and regulations may prescribe) that the Company may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Securities Exchange Act, or if the Company is not required to file information, documents or reports pursuant to either of such Sections, then to 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 that may be required pursuant to Section 13 of the Securities Exchange Act or 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;

(b) will 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 provided for in this Indenture as may be required from time to time by such rules and regulations; and

(c) will transmit by mail to the Holders of Securities in the manner and to the extent required by Section 6.06, within 30 days after the filing thereof with the Trustee, such summaries of any information, documents and reports required to be filed by the Company pursuant to Sections 4.03(a) and (b) as may be required to be transmitted to such Holders by rules and regulations prescribed from time to time by the Commission.

ARTICLE 5
REMEDIES OF THE TRUSTEE AND SECURITYHOLDERS ON EVENT OF DEFAULT

SECTION 5.01. *Event of Default Defined; Acceleration of Maturity; Waiver of Default.* "**Event of Default**", with respect to Securities of any Series, means any one of the following events which shall have occurred and be continuing (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body) unless it is either inapplicable to a particular Series or it is specifically deleted or modified in or pursuant to the supplemental indenture or resolution of the Board of Directors establishing such Series of Securities or in the form of Security for such Series:

(a) default in the payment of any installment of interest upon any of the Securities of such Series as and when the same shall become due and payable, and continuance of such default for a period of 30 days;

(b) default in the payment of all or any part of the principal of any of the Securities of such Series as and when the same shall become due and payable, either at maturity, upon any redemption, by declaration or otherwise;

(c) default in the performance or breach of any covenant or warranty contained in the Securities of such Series or in this Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section 5.01 specifically dealt with or which has expressly been included in this Indenture solely for the benefit of one or more 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% 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" hereunder;

(d) 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 (1) adjudging the Company a bankrupt or insolvent, (2) 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, (3) appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or of any substantial part of its property or (4) 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 90 consecutive days;

(e) 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 by it of an assignment for the benefit of creditors; or

(f) any other Event of Default provided with respect to Securities of such Series in the supplemental indenture or resolution of the Board of Directors establishing such Series.

If an Event of Default occurs and is continuing with respect to the Securities of any Series, then and in each and every such case, unless the principal of all Securities of such Series shall have already become due and payable, either the Trustee for such Series or the Holders of not less than 25% in aggregate principal amount at maturity of the Securities of such Series then Outstanding, by notice in writing to the Company and to the Trustee if given by such Holders, may declare the principal of all the Securities of such Series to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable. This provision, however, is subject to the condition that if at any time after the principal of the Securities of such Series shall have been so declared due and payable, and before any judgment or decree for the payment of the amounts due shall have been obtained or entered as hereinafter provided, the Company shall have paid or deposited with the Trustee sufficient funds to pay all matured installments of interest, if any, upon all the Securities of such Series and the principal of the Securities of such Series that shall have become due other than by such acceleration (with interest upon such principal and, to the extent that payment of such interest is enforceable under applicable law, upon overdue installments of interest, at the rate borne by the Securities of such Series to the date of such payment or deposit) and all other defaults under this Indenture, other than the nonpayment of the principal of Securities of such Series that shall have become due by such acceleration, shall have been remedied, then and in every such case the Holders of a majority in aggregate principal amount at maturity of the Securities of such Series then Outstanding, by written notice to the Company and to the Trustee for the Securities of such Series, may waive all defaults and rescind and annul such declaration and its consequences; but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon.

SECTION 5.02. *Collection of Indebtedness by Trustee; Trustee May Prove Debt.* If the Company shall fail to pay any installment of interest on any of the Securities of any Series when such interest shall have become due and payable, and such default shall have continued for a period of 30 days or shall fail to pay the principal of any of the Securities of any Series when the same shall have become due and payable, whether upon maturity of the Securities of such Series or upon any redemption or by declaration or otherwise, then upon demand of the Trustee for the Securities of such Series, the Company will pay to the Trustee for the Securities of such Series for the benefit of the Holders of the Securities of such Series the whole amount that then shall have become due and payable on all Securities of such Series for principal of or interest, as the case may be (with interest to the date of such payment upon the overdue principal and, to the extent that payment of such interest is enforceable under applicable law, on overdue installments of interest at the same rate as the rate of interest specified in the Securities of such Series) and such further amount as shall be sufficient to cover the costs and expenses of collection, including reasonable compensation to and expenses incurred by the Trustee and each predecessor Trustee and their respective agents, attorneys and counsel.

Until such demand is made by the Trustee, the Company may pay the principal of and interest on the Securities of any Series to the persons entitled thereto, whether or not the principal of and interest on the Securities of such Series are overdue.

If the Company shall fail to pay such amounts upon such demand, the Trustee for the Securities of such Series, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceedings at law or in equity for the collection of the amounts so due and unpaid. In any such case, the Trustee may prosecute any such action or proceedings to judgment or final decree and may enforce any such judgment or final decree against the Company or other obligor upon such Securities and collect in the manner provided by law out of the property of the Company or other obligor upon such Securities, wherever situated, the amounts adjudged or decreed to be payable.

If (i) there shall be pending proceedings relative to the Company or any other obligor upon the Securities under Title 11 of the United States Code or any other applicable federal or state bankruptcy, insolvency or other similar law, (ii) a receiver, assignee or trustee in bankruptcy or reorganization, liquidator, sequestrator or similar official shall have been appointed for or taken possession of the Company or its property or such other obligor or (iii) any other comparable judicial proceedings relative to the Company or other obligor under the Securities of any Series, or to the creditors or property of the Company or such other obligor, shall be pending, and irrespective of whether the principal of any Securities shall then be due and payable or whether the Trustee shall have made any demand pursuant to the provisions of this Section 5.02, the Trustee shall be entitled and empowered, by intervention in such proceedings or otherwise:

(a) to file and prove a claim or claims for the whole amount of principal and interest owing and unpaid in respect of the Securities of any Series 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 reasonable compensation to, and expenses incurred by, the Trustee and each predecessor Trustee, and their respective agents, attorneys and counsel) and of the Securityholders allowed in any judicial proceedings relative to the Company or other obligor upon all Securities of any Series, or to the creditors or property of the Company or such other obligor; and

(b) to collect and receive any funds or other property payable or deliverable on any such claims, and to distribute all amounts received with respect to the claims of the Securityholders and of the Trustee on their behalf; and any trustee, receiver, or liquidator, custodian or other similar official is hereby authorized by each of the Holders to make payments to the Trustee for the Securities of such Series, and, in the event that such Trustee shall consent to the making of payments directly to the Securityholders, to pay to such Trustee such amounts as shall be sufficient to cover reasonable compensation to and expenses incurred by such Trustee, each predecessor

Trustee and their respective agents, attorneys and counsel and all other amounts due to such Trustee or any predecessor Trustee pursuant to Section 6.07.

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

All rights of action and of asserting claims under this Indenture or under any of the Securities may be enforced by the Trustee for the Securities of such Series without the possession of any of the Securities of such Series or the production thereof at any trial or other proceedings relative thereto. Any such action or proceedings instituted by the Trustee shall be brought in its own name as trustee of an express trust. Any recovery of judgment, subject to the payment of the expenses, disbursements and compensation of the Trustee, each predecessor Trustee and their respective agents and attorneys, shall be for the ratable benefit of the Holders of the Securities in respect of which such action was taken.

In any proceedings brought by the Trustee for the Securities of such Series, the Trustee shall be held to represent all the Holders of the Securities in respect of which such action was taken, and it shall not be necessary to make any Holders of such Securities parties to any such proceedings.

SECTION 5.03. *Application of Proceeds.* Any amounts collected by the Trustee for the Securities of such Series pursuant to this Article 5 in respect of the Securities of any Series shall be applied in the following order at the date or dates fixed by such Trustee and, in case of the distribution of such amounts on account of principal or interest, upon presentation of the several Securities in respect of which amounts have been collected and stamping or otherwise noting thereon the payment, or issuing Securities of such Series in reduced principal amounts in exchange for the presented Securities of like Series if only partially paid, or upon surrender thereof if fully paid:

FIRST: to the payment of costs and expenses applicable to such Series in respect of which amounts have been collected, including reasonable compensation to and expenses incurred by the Trustee and each predecessor Trustee and their respective agents and attorneys and all other amounts due to the Trustee or any predecessor Trustee pursuant to Section 6.07;

SECOND: to the payment of the amounts then due and unpaid to the holders of Senior Indebtedness, to the extent required by Article 14;

THIRD: to the payment of the amounts then due and unpaid for principal of and interest on the Securities of such Series in respect of which amounts have been collected, such payments to be made ratably to the persons entitled thereto, without discrimination or preference, according to the amounts then due and payable on such Securities for principal and interest; and

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

SECTION 5.04. *Restoration of Rights on Abandonment of Proceedings.* If the Trustee for the Securities of any Series shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, the Company and the Trustee, subject to the determination in any such proceeding, shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Company, the Trustee and the Securityholders shall continue as though no such proceedings had been taken.

SECTION 5.05. *Limitations on Suits by Securityholders.* No Holder of any Security of any Series shall have any right, by virtue or by availing of any provision of this Indenture, to institute any action or proceeding at law or in equity or in bankruptcy or otherwise with respect to this Indenture, or for the appointment of a trustee, receiver, liquidator, custodian or other similar official or for any other

remedy hereunder, unless such Holder previously shall have given to the Trustee written notice of an Event of Default and of the continuance thereof and the Holders of not less than 25% in aggregate principal amount of the Securities of such Series then Outstanding shall have made written request upon the Trustee to institute such action or proceedings in its own name as trustee hereunder and shall have offered to the Trustee indemnity reasonable to it as it may require, against the costs, expenses and liabilities to be incurred therein or thereby and the Trustee for 60 days after its receipt of such notice, request and offer of indemnity shall have failed to institute any such action or proceeding and no direction inconsistent with such written request shall have been given to the Trustee during such 60-day period by Holders of a majority in principal amount of the Securities of such Series then Outstanding; it being understood and intended, and being expressly covenanted by the Holder of every Security with every other Holder of a Security and the Trustee, that no one or more Holders of Securities of any Series shall have any right in any manner whatever, by virtue or by availing of any provision of this Indenture, to affect, disturb or prejudice the rights of any other such Holder of Securities, or to obtain or seek to obtain priority over or preference to any other such Holder or to enforce any right under this Indenture, except in the manner herein provided and for the equal, ratable and common benefit of all Holders of Securities of the applicable Series.

SECTION 5.06. *Unconditional Right of Securityholders to Institute Certain Suits.* Notwithstanding any provision in this Indenture and any provision of any Security, the right of any Holder of any Security to receive payment of the principal of and (subject to Section 2.07) interest on such Security at the respective rates, in the respective amount on or after the respective due dates expressed in such Security, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder.

SECTION 5.07. *Powers and Remedies Cumulative; Delay or Omission Not Waiver of Default.* Except as provided in Sections 2.09 and 5.05, no right or remedy herein conferred upon or reserved to the Trustee or to the Securityholders is intended to be exclusive of any other right or remedy, and every right and remedy, to the extent permitted by law, shall 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 shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

No delay or omission of the Trustee or of any Securityholder to exercise any right or power accruing upon any Event of Default occurring and continuing as aforesaid shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein. Subject to Section 5.05, every power and remedy given by this Indenture or by law to the Trustee or to the Securityholders may be exercised from time to time, and as often as shall be deemed expedient, by the Trustee or the Securityholders.

SECTION 5.08. *Control by Securityholders.* The Holders of a majority in aggregate principal amount of the Securities of each Series affected at the time Outstanding 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 by this Indenture on the Trustee with respect to the Securities of such Series; provided that such direction shall not be otherwise than in accordance with law and the provisions of this Indenture. The Trustee shall have the right to decline to follow any such direction if the Trustee shall determine that the action or proceedings so directed would involve the Trustee in personal liability or if the Trustee in good faith shall so determine that the actions or forbearances specified in or pursuant to such direction would be unduly prejudicial to the interests of Holders of the Securities of all Series so affected not joining in the giving of said direction, it being understood that the Trustee shall have no duty to ascertain whether or not such actions or forbearances are unduly prejudicial to such Holders.

SECTION 5.09. *Waiver of Past Defaults.* The Holders of a majority in aggregate principal amount of the Securities of such Series at the time Outstanding, on behalf of the Holders of all the Securities of such Series, may waive any past default hereunder or its consequences, except a default in the payment of the principal of or interest on any of the Securities of such Series.

Upon any such waiver, such default shall cease to exist and be deemed to have been cured and not to have occurred, and any Event of Default arising therefrom shall be deemed to have been cured and not to have occurred for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

SECTION 5.10. *Right of Court to Require Filing of Undertaking to Pay Costs.* Any court in its discretion may 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 of an undertaking to pay the costs of such suit. Any such court in its discretion may assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant. The provisions of this Section 5.10 shall not apply, however, to any suit instituted by the Trustee, to any suit instituted by any Securityholder or group of Securityholders of any Series holding in the aggregate more than 10% in aggregate principal amount of the Securities of such Series or to any suit instituted by any Securityholder for the enforcement of the payment of the principal of or interest on any Security on or after the due date expressed in such Security.

SECTION 5.11. *Suits for Enforcement.* If an Event of Default has occurred, has not been waived and is continuing, the Trustee in its discretion may proceed to protect and enforce the rights vested in it by this Indenture by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any of such rights, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in this Indenture or in aid of the exercise of any power granted in this Indenture or to enforce any other legal or equitable right vested in the Trustee by this Indenture or by law.

ARTICLE 6
CONCERNING THE TRUSTEE

SECTION 6.01. *Duties of Trustee.*

(a) If an Event of Default has occurred and is continuing with respect to the Securities of any Series, the Trustee shall exercise the rights and powers vested in it by this Indenture and use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default with respect to the Securities of any Series:

(i) the Trustee need perform only those duties that are specifically set forth in this Indenture and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) 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 any certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall examine the

certificates and opinions to determine whether or not they conform to the requirements of this Indenture.

(c) The Trustee may not be relieved from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:

(i) this paragraph (c) does not limit the effect of paragraph (b) of this Section 6.01;

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

(iii) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 5.08.

(d) Every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b), (c) and (e) of this Section 6.01.

(e) No provision of this Indenture shall require the Trustee to extend or risk its own funds or otherwise incur any financial liability unless it receives indemnity satisfactory to it against any loss, liability or expense.

(f) Amounts 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 amounts received by it hereunder except as otherwise agreed in writing with the Company.

SECTION 6.02. *Rights of Trustee.*

(a) The Trustee may rely on, and shall be protected in relying upon, any document believed by it to be genuine and to have been signed or presented by the proper person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such Officers' Certificate or Opinion of Counsel.

(c) Subject to the provisions of Section 6.01(c), the Trustee shall not be liable for any action it takes or omits to take in good faith which it believes to be authorized or within its rights or powers.

(d) Before the Trustee acts or refrains from acting, the Trustee may consult with counsel of its selection and the 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 in accordance with such advice or Opinion of Counsel.

(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 pursuant to this Indenture, unless such Holders shall have offered to the Trustee indemnity reasonable to it against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

(f) 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.

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

(h) The Trustee shall not be required to give any bond or surety in respect of the performance of its powers and duties hereunder.

(i) The Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Company, except as otherwise set forth herein, but the Trustee may require of the Company full information and advice as to the performance of the covenants, conditions and agreements contained herein and shall be entitled in connection herewith to examine the books, records and premises of the Company.

(j) The permissive rights of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful default.

(k) Except for (i) a default under Section 5.01(a) or (b) or (ii) any other event of which the Trustee has actual knowledge and which event, with the giving of notice or the passage of time or both, would constitute an Event of Default under this Indenture, the Trustee shall not be deemed to have notice of any default or event unless specifically notified in writing of such event by the Company or the Holders of not less than 25% in aggregate principal amount of the Outstanding Securities of each affected Series.

SECTION 6.03. *Individual Rights of Trustee.* The Trustee in its individual or any other capacity may become the owner or pledgee of Securities and may otherwise deal with the Company or its affiliates with the same rights it would have if it were not Trustee. Any Paying Agent, registrar or co-registrar may do the same with like rights. However, the Trustee must comply with Sections 6.10 and 6.11.

SECTION 6.04. *Trustee's Disclaimer.* The Trustee makes no representation as to the validity or adequacy of this Indenture or the Securities. The Trustee shall not be accountable for the Company's use of the proceeds from the Securities and shall not be responsible for any statement in any registration statement for the Securities filed with the Commission under the Securities Act (other than its Statement of Eligibility on Form T-1) or in the Indenture (other than its eligibility under Section 6.10) or the Securities (other than its certificate of authentication).

SECTION 6.05. *Notice of Defaults.* If a default occurs and is continuing with respect to any Securities of any Series and if the Trustee has actual knowledge of such default, the Trustee shall give to each Securityholder of such Series notice of the default within 90 days after such default occurs. Except in the case of a default described in Section 5.01(a) or (b), the Trustee may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of Securityholders of such Series.

SECTION 6.06. *Reports by Trustee to Holders.* Within 60 days after each May 15 beginning with the May 15 following the date of this Indenture, the Trustee shall mail to each Securityholder of any Series and each other Person specified in Section 313(c) of the Trust Indenture Act a brief report dated as of such May 15 that complies with Section 313(a) of the Trust Indenture Act to the extent required thereby. The Trustee also shall comply with Section 313(b) of the Trust Indenture Act.

The Trustee will file a copy of each report, at the time of its mailing to Securityholders of any Series, with the Commission and each securities exchange on which the Securities of any Series are listed. The Company promptly will notify the Trustee whenever the Securities of any Series become listed on any securities exchange and of any delisting thereof.

SECTION 6.07. *Compensation and Indemnity.* The Company:

(a) will pay to the Trustee from time to time, and the Trustee shall be entitled to, such compensation as shall be agreed to in writing between the Company and the Trustee 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;

(b) will 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 expenses of its agents and counsel, except to the extent any such compensation or expense may be attributable to its negligence or willful misconduct; and

(c) will indemnify the Trustee for, and hold it harmless against, any loss, liability or expense arising out of or in connection with the acceptance or administration of this trust or the performance of its duties hereunder, including the reasonable costs and expenses of defending itself against or investigating any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder, except to the extent that any such loss, liability or expense may be attributable to its negligence or willful misconduct.

As security for the performance of the Company's obligations under this Section 6.07, the Trustee shall have a lien prior to the Securities on all funds or property held or collected by the Trustee, except for those funds that are held in trust to pay the principal of or interest, if any, on particular Securities.

"Trustee" for purpose of this Section 6.07 includes any predecessor trustee; provided that the negligence or bad faith of any Trustee shall not be attributable to any other Trustee.

The Company's payment obligations pursuant to this Section 6.07 shall constitute additional indebtedness hereunder and shall survive the discharge of this Indenture. When the Trustee incurs expenses after the occurrence of a default specified in Sections 5.01(d) and (e), such expenses, including reasonable fees and expenses of counsel, are intended to constitute expenses of administration under bankruptcy law.

SECTION 6.08. *Replacement of Trustee.* The Trustee may resign at any time with respect to Securities of one or more Series by so notifying the Company. No such resignation, however, shall be effective until a successor Trustee has accepted its appointment pursuant to this Section 6.08. The Holders of a majority in aggregate principal amount of the Outstanding Securities of any Series may

remove the Trustee with respect to such Series by so notifying the Trustee and the Company. The Company shall remove the Trustee if:

(a) the Trustee fails to comply with Section 6.10;

(b) the Trustee is adjudged bankrupt or insolvent;

(c) a receiver or public officer takes charge of the Trustee or its property; or

(d) the Trustee otherwise becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, with respect to the Securities of one or more Series, the Company shall promptly appoint, by resolution of its Board of Directors, a successor Trustee with respect to the Securities of such Series.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Thereupon the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture with respect to the Securities of such Series. The successor Trustee shall mail a notice of its succession to Securityholders so affected. The retiring Trustee shall promptly transfer all funds and property held by it as Trustee to the successor Trustee, subject to the lien provided for in Section 6.07.

If a successor Trustee does not take office within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Company or the Holders of a majority in aggregate principal amount of the Outstanding Securities of each affected Series may petition any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee fails to comply with Section 6.10, any Securityholder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

SECTION 6.09. *Successor Trustee by Merger.* If the Trustee consolidates with, merges or converts into or transfers all or substantially all its corporate trust business or assets to another corporation, the resulting, surviving or transferee corporation without any further act shall be the successor Trustee.

SECTION 6.10. *Eligibility; Disqualification.* The Trustee shall at all times satisfy the requirements of Section 310(a)(1) of the Trust Indenture Act. The Trustee shall have a combined capital and surplus of at least $50,000,000 as set forth in its most recent published annual report of condition. Neither the Company nor any person directly or indirectly controlling, controlled by or under common control with the Company shall serve as Trustee hereunder. The Trustee shall comply with Section 310(b) of the Trust Indenture Act.

SECTION 6.11. *Preferential Collection of Claims Against Company.* The Trustee shall comply with Section 311(a) of the Trust Indenture Act, excluding any creditor relationship listed in Section 311(b) of the Trust Indenture Act. A Trustee who has resigned or been removed shall be subject to Section 311(a) of the Trust Indenture Act to the extent indicated therein.

ARTICLE 7
CONCERNING THE SECURITYHOLDERS

SECTION 7.01. *Evidence of Action Taken by Securityholders.*

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by a specified percentage in principal amount of the Securityholders of any or all Series may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such specified percentage of Securityholders 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 are delivered to the Trustee.

Proof of execution of any instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and, subject to Sections 6.01 and 6.02, conclusive in favor of the Trustee and the Company, if made in the manner provided in this Article 7.

(b) The ownership of Securities shall be proved by the Security register.

SECTION 7.02. *Proof of Execution of Instruments*. Subject to Sections 6.01 and 6.02, the execution of any instrument by a Securityholder or his agent or proxy may be proved in accordance with such reasonable rules and regulations as may be prescribed by the Trustee or in such manner as shall be satisfactory to the Trustee.

SECTION 7.03. *Holders to Be Treated as Owners.* The Company, the Trustee and any agent of the Company or the Trustee may deem and treat the person in whose name any Security shall be registered upon the Security register for such Series as the absolute owner of such Security (whether or not such Security shall be overdue and notwithstanding any notation of ownership or other writing thereon) for the purpose of receiving payment of or on account of the principal of and interest on such Security and for all other purposes. Neither the Company nor the Trustee nor any agent of the Company or the Trustee shall be affected by any notice to the contrary. All payments made to any such person, or upon his order, shall be valid and, to the extent of the amounts so paid, effectual to satisfy and discharge the liability for amounts payable upon any such Security.

SECTION 7.04. *Securities Owned by Company Deemed Not Outstanding.* In determining whether the Holders of the requisite aggregate principal amount of Outstanding Securities of any or all Series have concurred in any direction, consent or waiver under this Indenture, Securities that are owned by the Company or any other obligor on the Securities with respect to which such determination is being made, or by any person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company or any other obligor on the Securities with respect to which such determination is being made, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. For the purpose of determining whether the Trustee shall be protected in relying on any such direction, consent or waiver, only Securities that the Trustee knows are so owned shall be so disregarded. Securities so owned that 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 person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company or any other obligor on the Securities.

SECTION 7.05. *Right of Revocation of Action Taken.* At any time prior to the evidencing to the Trustee, as provided in Section 7.01, of the taking of any action by the Holders of the percentage in aggregate principal amount of the Securities of any Series specified in this Indenture in connection with such action, any Holder of a Security the serial number of which is shown by the evidence to be included among the serial numbers of the Securities the Holders of which have consented to such action, by filing written notice at the Corporate Trust Office and upon proof of holding as provided in this Article 7, may revoke such action so far as concerns such Security. Except as aforesaid any such action taken by the Holder of any Security shall be conclusive and binding upon such Holder and upon all future Holders and owners of such Security and of any Securities issued in exchange or substitution therefor, irrespective of whether or not any notation in regard thereto is made upon any such Security. Any action taken by the Holders of the percentage in aggregate principal amount of the Securities of any Series specified in this Indenture in connection with such action shall be binding upon the Company, the Trustee and the Holders of all the Securities affected by such action.

ARTICLE 8
SUPPLEMENTAL INDENTURES

SECTION 8.01. *Supplemental Indentures Without Consent of Securityholders.* The Company, when authorized by a resolution of its Board of Directors, and the Trustee for the Securities of any Series from time to time and at any time may enter into an indenture or indentures supplemental hereto, which shall conform to the provisions of the Trust Indenture Act as in force at the date of the execution thereof, in form satisfactory to such Trustee, for one or more of the following purposes:

(a) to convey, transfer, assign, mortgage or pledge any property or assets to the Trustee as security for the Securities of one or more Series or to provide that any of the Company's obligations under any Series of the Securities or this Indenture shall be guaranteed and the terms and conditions for the release or substitution of such security or guarantee;

(b) to evidence the succession of another Person to the Company, or successive successions, and the assumption by the successor Person of the covenants, agreements and obligations of the Company pursuant to Article 9;

(c) to add to the covenants of the Company such further covenants, restrictions, conditions or provisions for the protection of the Holders of Securities of any Series and, if such additional covenants are to be for the benefit of less than all the Series of Securities, stating that such covenants are being added solely for the benefit of such Series;

(d) to cure any ambiguity or to correct or supplement any provision contained herein or in any supplemental indenture that may be defective or inconsistent with any other provision contained herein or in any supplemental indenture, or to make such other provisions in regard to matters or questions arising under this Indenture or under any supplemental indenture as the Board of Directors may deem necessary or desirable and that shall not materially and adversely affect the interests of the Holders of the Securities;

(e) to establish the form or terms of Securities of any Series as permitted by Sections 2.01 and 2.03; or

(f) 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 the one Trustee, pursuant to the requirements of Section 6.08.

The Trustee is hereby authorized to join with the Company in the execution of any such supplemental indenture, to make any further appropriate agreements and stipulations that may be therein contained and to accept the conveyance, transfer, assignment, mortgage or pledge of any property thereunder, but the Trustee 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.

Any supplemental indenture authorized by the provisions of this Section 8.01 may be executed without the consent of the Holders of any of the Securities at the time Outstanding, notwithstanding any of the provisions of Section 8.02.

SECTION 8.02. *Supplemental Indentures with Consent of Securityholders.* With the consent (evidenced as provided in Article 7) 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, the Company, when authorized by a resolution of its Board of Directors, and the Trustee for such Series of Securities, from time to time and at any time, may enter into an indenture or indentures supplemental hereto, which shall conform to the provisions of the Trust Indenture Act as in force at the date of execution thereof, for the purpose of adding any provisions to or changing in any manner or

eliminating any of the provisions of this Indenture or of any supplemental indenture or of modifying in any manner the rights of the Holders of the Securities of each such Series. No such supplemental indenture, however, shall:

(a) extend the final maturity date of any Security, reduce the principal amount thereof, reduce the rate or extend the time of payment of interest thereon, reduce any amount payable on redemption thereof, impair or affect the right of any Securityholder to institute suit for payment thereof or, if the Securities provide therefor, affect any right of repayment at the option of the Securityholder without the consent of the Holder of each Security so affected;

(b) reduce the aforesaid percentage of Securities of any Series, the consent of the Holders of which is required for any such supplemental indenture, without the consent of the Holders of each Security so affected; or

(c) reduce the amount of principal payable upon acceleration of the maturity date of any Original Issue Discount Security.

Upon the request of the Company, accompanied by a copy of a resolution of the Board of Directors certified by the secretary or an assistant secretary of the Company authorizing the execution of any such supplemental indenture, and upon the filing with the Trustee for such Series of Securities of evidence of the consent of the Securityholders as aforesaid and other documents, if any, required by Section 7.01, the Trustee for such Series of Securities shall join with the Company in the execution of such supplemental indenture. If such supplemental indenture affects such Trustee's own rights, duties or immunities under this Indenture or otherwise, such Trustee in its discretion may, but shall not be obligated to, enter into such supplemental indenture.

It shall not be necessary for the consent of the Securityholders under this Section 8.02 to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such consent shall approve the substance thereof.

Promptly after the execution by the Company and the Trustee of any supplemental indenture pursuant to the provisions of this Section 8.02, the Company shall give notice in the manner and to the extent provided in Section 11.04 to the Holders of Securities of each Series affected thereby at their addresses as they shall appear on the Security register, setting forth in general terms the substance of such supplemental indenture. Any failure of the Company to mail such notice, or any defect therein, shall not in any way impair or affect the validity of any such supplemental indenture.

SECTION 8.03. *Effect of Supplemental Indenture.* Upon the execution of any supplemental indenture pursuant to the provisions hereof, this Indenture shall be and be deemed to be modified and amended in accordance therewith and the respective rights, limitations of rights, obligations, duties and immunities under this Indenture of the Trustee, the Company and the Holders of Securities of each Series affected thereby shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such supplemental indenture shall be and be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

SECTION 8.04. *Documents to Be Given to Trustee.* The Trustee, subject to the provisions of Sections 6.01 and 6.02, shall receive an Officers' Certificate and an Opinion of Counsel as conclusive evidence that any supplemental indenture executed pursuant to this Article 8 complies with the applicable provisions of this Indenture.

SECTION 8.05. *Notation on Securities in Respect of Supplemental Indentures.* Securities of any Series authenticated and delivered after the execution of any supplemental indenture pursuant to the provisions of this Article 8 may bear, upon the direction of the Company, a notation in form satisfactory to the Trustee for the Securities of such Series as to any matter provided for by such

supplemental indenture. If the Company or the Trustee shall so determine, new Securities of any Series so modified as to conform, in the opinion of the Trustee and the Board of Directors, to any modification of this Indenture contained in any such supplemental indenture may be prepared by the Company, authenticated by the Trustee and delivered in exchange for the Outstanding Securities of such Series.

SECTION 8.06. *Subordination Unimpaired.* This Indenture may not be amended to alter the subordination of any of the Outstanding Securities of any Series without the written consent of each holder of Senior Indebtedness then outstanding that would be adversely affected thereby.

ARTICLE 9
CONSOLIDATION, MERGER, SALE OR CONVEYANCE

SECTION 9.01. *Company May Consolidate, Etc. on Certain Terms.* The Company may consolidate with or merge with or into, or sell, convey or lease all or substantially all of its assets to, any other Person; provided that in any such case:

(a) either the Company shall be the continuing Person, or the successor Person shall be organized and validly existing under the laws of the United States of America or any State thereof or the District of Columbia and shall expressly assume the due and punctual payment of the principal of and interest on all 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 by supplemental indenture satisfactory to the Trustee, executed and delivered to the Trustee by such Person, and

(b) the Company or such successor Person, as the case may be, shall not be in material default immediately after such consolidation, merger, sale, conveyance or lease in the performance or observance of any such covenant or condition of this Indenture.

SECTION 9.02. *Successor Person Substituted.* In case of any such consolidation, merger, sale, lease or conveyance, and following such an assumption by the successor Person, such successor Person shall succeed to and be substituted for the Company, with the same effect as if it had been named herein. Such successor Person may cause to be signed, and may issue either in its own name or in the name of the Company prior to such succession any or all of the Securities issuable hereunder that shall not have been signed by the Company and delivered to the Trustee; and, upon the order of such successor Person instead of the Company and subject to all the terms, conditions and limitations in this Indenture, the Trustee shall authenticate and shall make available for delivery any Securities that shall have been signed and delivered by the officers of the Company to the Trustee for authentication, and any Securities which such successor Person thereafter shall cause to be signed and delivered to the Trustee for that purpose. All of the Securities so issued shall in all respects have the same legal rank and benefit under this Indenture as the Securities 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, lease 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.

In the event of any such sale or conveyance, the Company (or any successor Person which shall theretofore have become such in the manner described in this Article 9) shall be discharged from all obligations and covenants under this Indenture and the Securities and may be liquidated and dissolved.

SECTION 9.03. *Opinion of Counsel to Trustee.* The Trustee, subject to the provisions of Sections 6.01 and 6.02, shall receive an Opinion of Counsel, prepared in accordance with Section 11.05, as conclusive evidence that any such consolidation, merger, sale, lease or conveyance, and any such

assumption, and any such liquidation or dissolution, complies with the applicable provisions of this Indenture.

ARTICLE 10
SATISFACTION AND DISCHARGE OF INDENTURE; UNCLAIMED FUNDS

SECTION 10.01. *Satisfaction and Discharge of Indenture.*

(a) If at any time:

(i) the Company shall have paid or caused to be paid the principal of and interest on all the Outstanding Securities of any Series as and when the same shall have become due and payable,

(ii) the Company shall have delivered to the Trustee for cancellation all Securities of any Series theretofore authenticated (other than any Securities of such Series which have been destroyed, lost or stolen and which shall have been replaced or paid as provided in Section 2.09) or

(iii) (A) all the Securities of such Series not theretofore delivered to the Trustee for cancellation shall have become due and payable, or are by their terms to become due and payable within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption, and (B) the Company shall have irrevocably deposited or caused to be deposited with the Trustee as trust funds the entire amount or Government Obligations maturing as to principal and interest in such amounts and at such times as will ensure the availability of funds sufficient to pay at maturity or upon redemption all Securities of such Series (other than any Securities of such Series which shall have been destroyed, lost or stolen and which shall have been replaced or paid as provided in Section 2.09) not theretofore delivered to the Trustee for cancellation, including principal and interest due or to become due to such date of maturity as the case may be, and if, in any such case, the Company shall also pay or cause to be paid all other amounts payable hereunder by the Company with respect to Securities of such Series,

then this Indenture shall cease to be of further effect with respect to Securities of such Series (except as to (1) rights of registration of transfer and exchange, (2) substitution of mutilated, defaced, destroyed, lost or stolen Securities, (3) rights of Holders to receive payments of principal thereof and interest thereon upon the original stated due dates therefor and remaining rights of the Holders to receive mandatory sinking fund payments, if any, (4) the rights, obligations and immunities of the Trustee hereunder and (5) the rights of the Securityholders of such Series as beneficiaries hereof with respect to the property so deposited with the Trustee payable to all or any of them). Subject to Section 10.05, the Trustee, on demand of the Company accompanied by an Officers' Certificate and an Opinion of Counsel and at the cost and expense of the Company, shall execute proper instruments acknowledging such satisfaction of and discharging this Indenture with respect to such Series. The Company will reimburse the Trustee for any costs or expenses thereafter reasonably and properly incurred and will compensate the Trustee for any services thereafter reasonably and properly rendered by the Trustee in connection with this Indenture and the Securities of such Series.

(b) In addition to its rights to discharge this Indenture pursuant to Section 10.01(a), the Company may defease the covenants applicable to any Series of Securities, as provided in this Section 10.01(b), by complying with the provisions of this Section 10.01(b):

(i) The Company, at its option at any time, may exercise its right to elect to have defeasance under Section 10.01(b)(ii) be applied to the Outstanding Securities of any Series;

provided that provision is made for such right pursuant to Section 2.03 and the applicable conditions thereto as set forth in this Section 10.01(b) have been satisfied.

(ii) Upon the Company's exercise of the right referenced in Section 10.01(b)(i) applicable to this Section 10.01(b)(ii), the Company may terminate its obligations under the Outstanding Securities of any Series and this Indenture with respect to such Series on the date the conditions set forth in Section 10.01(b)(iii) are satisfied ("**defeasance**"). For this purpose, defeasance means that the Company shall be deemed to have paid and discharged the entire indebtedness represented by the Outstanding Securities of such Series and to have satisfied all its other obligations under such Securities and this Indenture insofar as such Securities are concerned, except for the following: (A) the rights of Holders of Outstanding Securities of such Series to receive payments in respect of the principal of and interest on such Securities when such payments are due; (B) the Company's obligations with respect to such Securities under Sections 2.08, 2.09, 3.02, 6.07, 10.04 and 10.05; (C) the rights, powers, trusts, duties and immunities of the Trustee hereunder; and (D) this Section 10.01(b).

(iii) The following shall be the conditions to the application of Section 10.01(b)(ii) to the Outstanding Securities of such Series:

(A) The Company shall have irrevocably deposited or caused to be deposited with the Trustee under the terms of an irrevocable trust agreement, as trust funds in trust solely for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefit of the Holders of Securities of such Series, (I) cash in the currency or currency unit required, (II) Government Obligations maturing as to principal and interest in such amounts (payable in the currency in which the Securities of such Series are payable) and at such times as are sufficient to pay the principal of and interest on the Outstanding Securities of such Series to maturity or redemption, as the case may be, or (III) a combination thereof, in each case sufficient, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, to pay and discharge, and which shall be applied by the Trustee to pay and discharge, (x) the principal of and each installment of interest, if any, on the Outstanding Securities of such Series on the stated maturity of such principal or installment of interest, if any, and (y) any mandatory sinking fund payments or analogous payments applicable to the Outstanding Securities of such Series on the day on which such payments are due and payable in accordance with the terms of this Indenture and of such Securities. Such irrevocable trust agreement shall include, among other things, (a) provision for the payments referenced in clauses (x) and (y) of the immediately preceding sentence, (b) the payment of the reasonable expenses of the Trustee incurred or to be incurred in connection with carrying out such trust provisions, (c) rights of registration of transfer, substitution and exchange of Securities of such Series in accordance with the terms stated in this Indenture and (d) continuation of the rights and obligations and immunities of the Trustee as against the Holders of Securities of such Series as stated in this Indenture.

(B) No Event of Default or event which with notice or lapse of time or both would constitute an Event of Default with respect to the Securities of such Series shall have occurred and be continuing on the date of such deposit or, insofar as Sections 5.01(d) and 5.01(e) are concerned, at any time during the period ending on the 91st day after the date of such deposit (it being understood that this condition shall not be deemed satisfied until the expiration of such period).

(C) Such defeasance shall not result in a breach or violation of, or constitute a default under, this Indenture with respect to the Securities of such Series.

(D) The Company shall have delivered to the Trustee an Opinion of Counsel to the effect that Securityholders of such Series will not recognize income, gain or loss for federal income tax purposes as a result of such deposit and discharge and will be subject to federal income tax on the same amounts and in the same manner and at the same time as would have been the case if such deposit and defeasance had not occurred, and which Opinion of Counsel must be based upon (x) a ruling of the U.S. Internal Revenue Service to the same effect or (y) a change in applicable U.S. federal income tax law after the date of the Indenture such that a ruling is no longer required.

(E) The Company shall have delivered to the Trustee an Officers' Certificate and Opinion of Counsel, each stating that all conditions precedent provided for herein relating to the deposit and defeasance contemplated by this Section 10.01(b) have been complied with.

SECTION 10.02. *Application by Trustee of Funds Deposited for Payment of Securities.* Subject to Section 10.04, all funds deposited with the Trustee pursuant to Section 10.01 shall be held in trust and applied by it to the payment, either directly or through any Paying Agent, to the Holders of the particular Securities of such Series for the payment or redemption of which such funds have been deposited with the Trustee, of all amounts due and to become due thereon for principal and interest; but such funds need not be segregated from other funds except to the extent required by law.

SECTION 10.03. *Repayment of Amounts Held by Paying Agent.* In connection with the satisfaction and discharge of this Indenture with respect to Securities of any Series, all amounts then held by any Paying Agent (other than the Company) under the provisions of this Indenture with respect to such Series of Securities, upon written demand of the Company, shall be paid to the Trustee and thereupon such Paying Agent shall be released from all further liability with respect to such amounts.

SECTION 10.04. *Return of Unclaimed Amounts Held by Trustee and Paying Agent.* Any amounts deposited with or paid to the Trustee or any Paying Agent (including the Company acting as its own Paying Agent) for the payment of the principal of or interest on any Security of any Series and not applied but remaining unclaimed for two years after the date upon which such principal or interest shall have become due and payable, upon the written request of the Company, unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property law, promptly shall be repaid to the Company by the Trustee for such Series or such Paying Agent (except that with respect to any amounts then held by the Company in trust as its own Paying Agent no such request need be given and at such time the Company shall be discharged from its duty to hold such amounts in trust as Paying Agent). The Holder of the Security of such Series, unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property laws, thereafter shall look only to the Company for any payment which such Holder may be entitled to collect, and all liability of the Trustee or any Paying Agent with respect to such amounts thereupon shall cease. Anything in this Article 10 to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon the written request of the Company any funds or Government Obligations held by it as provided in Section 10.01(b)(iii) which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect such defeasance in accordance with the provisions of this Indenture.

SECTION 10.05. *Reinstatement of Company's Obligations.* If the Trustee is unable to apply any funds or Government Obligations in accordance with Section 10.01 by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Company's obligations under this Indenture and the Securities of any Series for which such application is prohibited shall be revived and reinstated as if no deposit had occurred pursuant to Section 10.01 until such time as the Trustee is permitted to apply all such funds or Government Obligations in accordance with Section 10.01. If the Company has made any payment of interest on or principal of any of such Securities because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Securityholders of such Securities to receive such payment from the funds or Government Obligations held by the Trustee.

ARTICLE 11
MISCELLANEOUS PROVISIONS

SECTION 11.01. *Incorporators, Shareholders, Officers and Directors of Company Exempt from Individual Liability.* No recourse under or upon any obligation, covenant or agreement contained in this Indenture or in any Security shall be had against any incorporator as such or against any past, present or future shareholder, officer or director of the Company or of any successor, either directly or through the Company or any successor, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such liability being expressly waived and released by the acceptance of the Securities by the Holders thereof and as part of the consideration for the issue of the Securities.

SECTION 11.02. *Provisions of Indenture for the Sole Benefit of Parties and Securityholders.* Nothing in this Indenture or in the Securities, expressed or implied, shall give or be construed to give to any Person, firm or corporation, other than the parties hereto, any Paying Agent and their successors hereunder and the Holders of the Securities any legal or equitable right, remedy or claim under this Indenture or under any covenant or provision herein contained, all such covenants and provisions being for the sole benefit of the parties hereto and their successors and of the Holders of the Securities.

SECTION 11.03. *Successors and Assigns of Company Bound by Indenture.* All the covenants, stipulations, promises and agreements in this Indenture contained by or on behalf of the Company shall bind its successors and assigns, whether so expressed or not.

SECTION 11.04. *Notices and Demands on Company, Trustee and Securityholders.* Any notice or demand that by any provision of this Indenture is required or permitted to be given or served by the Trustee or by the Holders of Securities to or on the Company may be given or served by being deposited postage prepaid, first-class mail (except as otherwise specifically provided herein) addressed (until another address of the Company is filed by the Company with the Trustee) to Pitney Bowes Inc., World Headquarters, 1 Elmcroft Road, Stamford, Connecticut 06926-0700, Attention: [ ]. Any notice, direction, request or demand by the Company or any Securityholder to or upon the Trustee shall be deemed to have been sufficiently given or made, for all purposes, if given or made at the Corporate Trust Office.

Where this Indenture provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed by first-class mail, postage prepaid to such Holders as their names and addresses appear in the Security register within the time prescribed. Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. In any case where notice to Holders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed to any particular Holder shall affect the sufficiency of such notice with respect to other Holders, and any notice which is mailed in the manner herein provided shall be conclusively presumed to have been duly given.

In case, by reason of the suspension of or irregularities in regular mail service, it shall be impracticable to mail notice to the Company and Securityholders when such notice is required to be given pursuant to any provision of this Indenture, then any manner of giving such notice as shall be reasonably acceptable to the Trustee shall be deemed to be a sufficient giving of such notice.

SECTION 11.05. *Officers' Certificates and Opinions of Counsel; Statements to Be Contained Therein.* Upon any application or demand by the Company to the Trustee to take any action under any of the provisions 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 demand as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or demand, no additional certificate or opinion need be furnished.

Each certificate or opinion provided for in this Indenture and delivered to the Trustee with respect to compliance with a condition or covenant provided for in this Indenture shall include:

(a) a statement that the person making such certificate or opinion has read such covenant or condition;

(b) 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;

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

(d) a statement as to whether or not, in the opinion of such person, such condition or covenant has been complied with.

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

Any certificate, statement or opinion of an officer of the Company or of counsel may be based, insofar as it relates to accounting matters, upon a certificate or opinion of or representations by an accountant or firm of accountants in the employ of the Company, unless such officer or counsel, as the case may be, knows that the certificate or opinion or representations with respect to the accounting matters upon which his certificate, statement or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should know that the same are erroneous.

SECTION 11.06. *Payments Due on Saturdays, Sundays and Holidays.* Unless otherwise specified in a Security, if the date of maturity of interest on or principal of the Securities of any Series or the date fixed for redemption or repayment of any such Security shall not be a Business Day, payment of interest or principal need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date.

SECTION 11.07. *Conflict of Any Provision of Indenture with Trust Indenture Act.* If and to the extent that any provision of this Indenture limits, qualifies or conflicts with another provision included in this Indenture which is required by the Trust Indenture Act, such required provision shall control. If any provision of this Indenture modifies or excludes any provision of the Trust Indenture Act that may be so modified or excluded, the latter provision shall be deemed to apply to this Indenture as so modified or to be excluded, as the case may be.

SECTION 11.08. *New York Law to Govern.* This Indenture and each Security shall be deemed to be a contract under the internal laws of the State of New York (other than principles of law that would apply the law of another jurisdiction), and for all purposes shall be construed and enforced in accordance with and governed by the laws of said State.

SECTION 11.09. *Counterparts.* This Indenture may be executed in any number of counterparts, each of which shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 11.10. *Effect of Headings; Gender.* The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof. The use of the masculine, feminine or neuter gender herein shall not limit in any way the applicability of any term or provision hereof.

ARTICLE 12
REDEMPTION OF SECURITIES AND SINKING FUNDS

SECTION 12.01. *Applicability of Article.* The provisions of this Article 12 shall be applicable to the Securities of any Series which are redeemable before their maturity or to any sinking fund for the

retirement of Securities of a Series except as otherwise specified as contemplated by Section 2.03 for Securities of such Series.

SECTION 12.02. *Notice of Redemption; Partial Redemptions.* Notice of redemption to the Holders of Securities of any Series required to be redeemed or to be redeemed as a whole or in part at the option of the Company shall be given by giving notice of such redemption as provided in Section 11.04, at least 30 days and not more than 60 days prior to the date fixed for redemption to such Holders of Securities of such Series. Failure to give notice by mail, or any defect in the notice to the Holder of any Security of a Series designated for redemption as a whole or in part shall not affect the validity of the proceedings for the redemption of any other Security of such Series.

The notice of redemption to each such Holder shall specify the date fixed for redemption, the "CUSIP" number or numbers for such Securities, the redemption price, the Place or Places of Payment, that payment will be made upon presentation and surrender of such Securities, that such redemption is pursuant to the mandatory or optional sinking fund, or both, if such be the case, that interest accrued to the date fixed for redemption will be paid as specified in such notice, that on and after said date interest thereon or on the portions thereof to be redeemed will cease to accrue and, if applicable, that a Holder of Securities who desires to convert Securities for redemption must satisfy the requirements for conversion contained in such Securities, the then existing conversion price or rate and the date and time when the option to convert shall expire. If less than all of the Securities of any Series are to be redeemed, the notice of redemption shall specify the numbers of the Securities of such Series to be redeemed. In case any Security of a Series is to be redeemed in part, the notice of redemption shall state the portion of the principal amount thereof to be redeemed and shall state that on and after the date fixed for redemption, upon surrender of such Security, a new Security or Securities of such Series in principal amount equal to the unredeemed portion thereof will be issued.

The notice of redemption of Securities of any Series to be redeemed at the option 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. If such notice is to be given by the Trustee, the Company shall provide notice of such redemption to the Trustee at least 60 days prior to the date fixed for redemption (unless a shorter notice shall be satisfactory to the Trustee). If such notice is given by the Company, the Company shall provide a copy of such notice given to the Holders of such redemption to the Trustee at least three Business Days prior to the date such notice is given to such Holders, but in any event at least 30 days prior to the date fixed for redemption (unless a shorter notice shall be satisfactory to the Trustee).

Unless otherwise specified pursuant to Section 2.03, not later than the redemption date specified in the notice of redemption given as provided in this Section 12.02, the Company will have on deposit with the Trustee or with one or more Paying Agents (or, if the Company is acting as its own Paying Agent, set aside, segregate and hold in trust as provided in Section 3.03) funds available on such date (or other forms of property, if permitted by the terms of the Securities of such Series) sufficient to redeem on the redemption date all the Securities of such Series so called for redemption at the appropriate redemption price, together with accrued interest to the date fixed for redemption. If less than all the Outstanding Securities of a Series are to be redeemed, the Company will deliver to the Trustee at least 60 days prior to the date fixed for redemption an Officers' Certificate stating the aggregate principal amount of Securities to be redeemed (unless a shorter notice shall be satisfactory to the Trustee).

If less than all the Securities of a Series are to be redeemed, the Trustee shall select, in such manner as it shall deem appropriate and fair, Securities of such Series to be redeemed in whole or in part and the Trustee shall promptly notify the Company in writing of the Securities of such Series selected for redemption and, in the case of any Securities of such Series selected for partial redemption, the principal amount thereof to be redeemed. However, if less than all the Securities of

any Series with differing issue dates, interest rates and stated maturities are to be redeemed, the Company in its sole discretion shall select the particular securities to be redeemed and shall notify the Trustee in writing thereof at least 60 days prior to the relevant redemption date (unless a shorter notice shall be satisfactory to the Trustee). Securities may be redeemed in part in multiples equal to the minimum authorized denomination for Securities of such Series or any multiple thereof. For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities of any Series shall relate, in the case of any Security redeemed or to be redeemed only in part, to the portion of the principal amount of such Security which has been or is to be redeemed.

SECTION 12.03. *Payment of Securities Called for Redemption.* If notice of redemption has been given as above provided, the Securities or portions of Securities specified in such notice shall become due and payable on the date and at the place stated in such notice at the applicable redemption price, together with interest accrued to the date fixed for redemption, and on and after said date (unless the Company shall default in the payment of such Securities at the redemption price, together with interest accrued to said date) interest on the Securities or portions of Securities so called for redemption shall cease to accrue. Except as provided in Sections 6.01 and 10.04, such Securities shall cease from and after the date fixed for redemption to be entitled to any benefit or security under this Indenture, and the Holders thereof shall have no right in respect of such Securities except the right to receive the redemption price thereof and unpaid interest to the date fixed for redemption. On presentation and surrender of such Securities at a Place of Payment specified in said notice, said Securities or the specified portions thereof shall be paid and redeemed by the Company at the applicable redemption price, together with interest accrued thereon to the date fixed for redemption. If for any Securities the date fixed for redemption is a regular interest payment date, payment of interest becoming due on such date shall be payable to the Holders of such Securities registered as such on the relevant record date subject to the terms and provisions of Section 2.07.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid or duly provided for, bear interest from the date fixed for redemption at the rate of interest borne by the Security.

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

SECTION 12.04. *Exclusion of Certain Securities from Eligibility for Selection for Redemption.* Securities shall be excluded from eligibility for selection for redemption if they are identified by registration and certificate number in a written statement signed by an authorized officer of the Company and delivered to the Trustee at least 30 days prior to the last date on which notice of redemption may be given as being owned of record and beneficially by, and not pledged or hypothecated by, either (a) the Company or (b) an entity specifically identified in such written statement as directly or indirectly controlling or controlled by or under direct or indirect common control with the Company.

SECTION 12.05. *Mandatory and Optional Sinking Funds.* The minimum amount of any sinking fund payment provided for by the terms of Securities of any Series is 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 any Series is referred to as an "**optional sinking fund payment**". The date on which a sinking fund payment is to be made is referred to as the "**sinking fund payment date**".

In lieu of providing funds for all or any part of any mandatory sinking fund payment with respect to any Series of Securities, the Company at its option:

(a) may deliver to the Trustee securities of such Series theretofore purchased or otherwise acquired (except upon redemption pursuant to the mandatory sinking fund) by the Company or receive credit for Securities of such Series (not previously so credited) theretofore purchased or otherwise acquired (except as aforesaid) by the Company and delivered to the Trustee for cancellation pursuant to Section 2.10;

(b) may receive credit for optional sinking fund payments (not previously so credited) made pursuant to this Section 12.05; or

(c) may receive credit for Securities of such Series (not previously so credited) redeemed by the Company through any optional redemption provision contained in the terms of such Series.

Securities so delivered or credited shall be received or credited by the Trustee at the sinking fund redemption price specified in such Securities.

On or before the forty-fifth day next preceding each sinking fund payment date for any Series of Securities, the Company will deliver to the Trustee a written statement (which need not contain the statements required by Section 11.05) signed by an authorized officer of the Company which will:

(a) specify the portion of the mandatory sinking fund payment to be satisfied by delivery of funds, except as otherwise specified pursuant to Section 2.03 for the Securities of such Series, and the portion to be satisfied by delivery or credit of Securities of such Series;

(b) state that none of the Securities of such Series for which credit is sought has theretofore been so credited;

(c) state that no defaults in the payment of interest or Events of Default with respect to such Series have occurred (which have not been waived or cured) and are continuing;

(d) state whether or not the Company intends to exercise its right to make an optional sinking fund payment with respect to such Series and, if so, specifying the amount of such optional sinking fund payment which the Company intends to pay on or before the next succeeding sinking fund payment date; and

(e) specify such sinking fund payment date.

Any Securities of such Series to be credited and required to be delivered on the Trustee in order for the Company to be entitled to credit therefor that have not previously been delivered to the Trustee shall be delivered for cancellation pursuant to Section 2.10 to the Trustee with such written statement. Such written statement shall be irrevocable. Upon its receipt by the Trustee the Company shall become unconditionally obligated to make all the payments, if any, therein referred to on or before the next succeeding sinking fund payment date. Failure of the Company, on or before any such forty-fifth day, to deliver such written statement and Securities specified in this paragraph, if any, shall not constitute a default but shall constitute, on and as of such date, the irrevocable election of the Company (i) that the mandatory sinking fund payment for such Series due on the next succeeding sinking fund payment date shall be paid entirely in funds without the option to deliver or credit Securities of such Series in respect thereof and (ii) that the Company will make no optional sinking fund payment with respect to such Series as provided in this Section 12.05.

If the sinking fund payment or payments (mandatory or optional or both) to be made in funds on the next succeeding sinking fund payment date plus any unused balance of any preceding sinking fund payments made in funds shall exceed $100,000 (or a lesser amount if the Company shall so request) with respect to the Securities of any particular Series, such funds shall be applied on the next succeeding sinking fund payment date to the redemption of Securities of such Series at the sinking

fund redemption price together with accrued interest to the date fixed for redemption. If such amount shall be $100,000 or less and the Company makes no such request then it shall be carried over until an amount in excess of $100,000 is available. The Trustee shall select, in the manner provided in Section 12.02 and giving effect to any exclusions required pursuant to Section 12.04, for redemption on such sinking fund payment date a sufficient principal amount of Securities of such Series to absorb, as nearly as may be possible, such funds and shall inform the Company of the serial numbers of the Securities of such Series (or portions thereof) so selected. The Trustee, in the name and at the expense of the Company, shall cause notice of redemption of the Securities of such Series to be given in substantially the manner provided in Section 12.02 for the redemption of Securities of such Series. The amount of any sinking fund payments not so applied or allocated to the redemption of Securities of such Series shall be added to the next sinking fund payment for such Series and, together with such payment, shall be applied in accordance with the provisions of this Section 12.05. Any and all sinking fund amounts held on the stated maturity date of the Securities of any particular Series (or earlier, if such maturity is accelerated) that are not held for the payment or redemption of particular Securities of such Series shall be applied, together with other amounts, if necessary, sufficient for the purpose, to the payment of the principal of, and interest on, the Securities of such Series at maturity.

Unless otherwise specified pursuant to Section 2.03, not later than the sinking fund payment date, the Company shall have paid to the Trustee or shall otherwise provide funds available on such date for the payment of all principal and interest accrued to the date fixed for redemption on Securities to be redeemed on such sinking fund payment date.

The Trustee shall not redeem or cause to be redeemed any Securities of a Series with sinking fund amounts or mail or publish any notice of redemption of Securities for such Series by operation of the sinking fund during the continuance of a default in payment of interest on such Securities or of any Event of Default except that, where the mailing or publication of notice of redemption of Securities of any Series previously shall have been made, the Trustee shall redeem or cause to be redeemed such Securities; provided that it shall have received from the Company amounts sufficient for such redemption. Except as aforesaid, any amounts in the sinking fund for Securities of such Series at the time when any such default or Event of Default shall occur, and any amounts thereafter paid into the sinking fund, during the continuance of such default or Event of Default, shall be deemed to have been collected under Article 5 and held for the payment of all Securities of such Series. In case such Event of Default shall have been waived as provided in Section 5.09 or the default cured on or before the sixtieth day preceding the sinking fund payment date in any year, such amounts thereafter shall be applied on the next succeeding sinking fund payment date in accordance with this Section 12.05 to the redemption of such Securities.

SECTION 12.06. *Repayment at the Option of the Holders.* Securities of any Series that are repayable at the option of the Holders 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 10.01, 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.

SECTION 12.07. *Conversion Arrangement on Call for Redemption.* In connection with any redemption of Securities of any Series, the Company may arrange for the purchase and conversion of any Securities of any Series called for redemption by an agreement with one or more investment bankers or other purchasers to purchase such Securities by paying to the Trustee or the Paying Agent in trust for the Holders of such Securities, on or before 10:00 a.m. New York time on the redemption date, an amount not less than the redemption price, together with interest, if any, accrued to the

redemption date of such Securities, in immediately available funds. Notwithstanding anything to the contrary contained in this Article 12, the obligation of the Company to pay the redemption price of such Securities, including all accrued interest, if any, shall be deemed to be satisfied and discharged to the extent such amount is so paid by such purchasers. If such an agreement is entered into, any Securities not duly surrendered for conversion by the Holders thereof, at the option of the Company, may be deemed, to the fullest extent permitted by law, acquired by such purchasers from such Holders and surrendered by such purchasers for conversion, all as of immediately prior to the close of business on the last day on which such Securities called for redemption may be converted in accordance with this Indenture and the terms of such Securities, subject to payment to the Trustee or Paying Agent of the above-described amount. The Trustee or the Paying Agent shall hold and pay to the Holders whose Securities are selected for redemption any such amount paid to it in the same manner as it would pay funds deposited with it by the Company for the redemption of Securities of such Series. Without the Trustee's and the Paying Agent's prior written consent, no arrangement between the Company and such purchasers for the purchase and conversion of any Securities shall increase or otherwise affect any of the powers, duties, responsibilities or obligations of the Trustee and the Paying Agent as set forth in this Indenture. The Company agrees to indemnify the Trustee and the Paying Agent from, and hold them harmless against, any loss, liability or expense arising out of or in connection with any such arrangement for the purchase and conversion of Securities of any Series between the Company and such purchasers, including the reasonable costs and expenses incurred by the Trustee and the Paying Agent in the defense of any claim or liability arising out of or in connection with the exercise or performance of any of their powers, duties, responsibilities or obligations under this Indenture.

ARTICLE 13
CONVERSION OF SECURITIES

SECTION 13.01. *Applicability of Article.* Securities of any Series that are convertible into Common Shares at the option of the Holder of such Securities shall be convertible in accordance with their terms and, unless otherwise specified as contemplated by Section 2.03 for the Securities of any Series, in accordance with this Article 13. Each reference in this Article 13 to "a Security" or "the Securities" refers to the Securities of the particular Series that is convertible into Common Shares. If more than one Series of Securities with conversion privileges are Outstanding at any time, the provisions of this Article 13 shall be applied separately to each such Series.

SECTION 13.02. *Right of Holders to Convert Securities into Common Shares.* Subject to the provisions of Section 12.07 and this Article 13, at the option of the Holder thereof, any Security of any Series that is convertible into Common Shares, or any portion of the principal amount thereof which is $1,000 or any integral multiple of $1,000, may be converted into duly authorized, validly issued, fully paid and nonassessable Common Shares at any time during the period specified in the Securities of such Series, or in case such Security or portion thereof shall have been called for redemption, then in respect of such Security or portion thereof until (unless the Company shall default in payment due upon the redemption thereof) the close of business on the redemption date (except that in the case of repayment at the option of the Holder, if specified in the terms of the relevant Security, such right shall terminate upon the Company's receipt of written notice of the exercise of such option), as specified in such Security, at the conversion price or conversion rate for each $1,000 principal amount of Securities (such initial conversion rate reflecting an initial conversion price specified in such Security) in effect on the conversion date, or, in case an adjustment in the conversion price has taken place pursuant to the provisions of this Article 13, then at the applicable conversion price as so adjusted, upon surrender of the Security or Securities, the principal amount of which is so to be converted, to the Company at any time during usual business hours at the office or agency to be maintained by it in accordance with the provisions of Section 3.02, accompanied by a written notice of election to convert as provided in Section 13.03. If the Holder requests that the Common Shares be registered in a name other than that of the Holder, such notice also shall be accompanied by a written

instrument or instruments of transfer in form satisfactory to the Company and the Trustee, duly executed by the Holder thereof or his attorney duly authorized in writing. All Securities surrendered for conversion shall, if surrendered to the Company or any conversion agent, be delivered to the Trustee for cancellation and cancelled by it, or shall, if surrendered to the Trustee, be cancelled by it, as provided in Section 2.10.

The initial conversion price or conversion rate in respect of a Series of Securities shall be as specified in the Securities of such Series. The conversion price or conversion rate will be subject to adjustment on the terms set forth in Section 13.05 or such other or different terms, if any, as may be specified by Section 2.03 for Securities of such Series. Provisions of this Indenture that apply to conversion of all of a Security also apply to conversion of any portion of such Security.

SECTION 13.03. *Issuance of Common Shares on Conversions.* As promptly as practicable after the surrender, as herein provided, of any Security or Securities for conversion into Common Shares, the Company shall deliver or cause to be delivered at the office or agency to be maintained by it in accordance with the provisions of Section 3.02 to or upon the written order of the Holder of the Security or Securities so surrendered a certificate or certificates representing the number of duly authorized, validly issued, fully paid and nonassessable Common Shares into which such Security or Securities may be converted in accordance with the terms thereof and the provisions of this Article 13. Prior to delivery of such certificate or certificates, the Company shall require written notice at its said office or agency from the Holder of the Security or Securities so surrendered stating that the Holder irrevocably elects to convert such Security or Securities, or, if less than the entire principal amount thereof is to be converted, stating the portion thereof to be converted. Such notice shall also state the name or names (with address and social security or other taxpayer identification number) in which said certificate or certificates are to be issued. Such conversion shall be deemed to have been made at the time that such Security or Securities shall have been surrendered for conversion and such notice shall have been received by the Company or the Trustee and such conversion shall be at the conversion price in effect at such time. The rights of the Holder of such Security or Securities as a Holder shall cease at such time, and the Person or Persons entitled to receive the Common Shares upon conversion of such Security or Securities shall be treated for all purposes as having become either record holder or holders of such Common Shares at such time. In the case of any Security of any Series that is converted in part only, upon such conversion the Company shall execute and, upon the Company's request and at the Company's expense, the Trustee or an authenticating agent shall authenticate and deliver to the Holder thereof, as requested by such Holder, a new Security or Securities of such Series of authorized denominations in aggregate principal amount equal to the unconverted portion of such Security.

If the last day on which such Security may be converted is not a Business Day in a place where the conversion agent for that Security is located, such Security may be surrendered to that conversion agent on the next succeeding day that is a Business Day.

The Company shall not be required to deliver certificates for Common Shares upon conversion while its stock transfer books are closed for a meeting of shareholders or for the payment of dividends or for any other purpose, but certificates for Common Shares shall be delivered as soon as the stock transfer books shall again be opened.

SECTION 13.04. *No Payment or Adjustment for Interest or Dividends.* Unless otherwise specified as contemplated by Section 2.03 for Securities of such Series, Securities surrendered for conversion into Common Shares during the period from the close of business on any regular record date or special record date next preceding any interest payment date to the opening of business on such interest payment date (except Securities called for redemption on a redemption date within such period) when surrendered for conversion must be accompanied by payment, by certified or official bank check to the order of the Company payable in clearing house funds at the location where the Securities are surrendered, of an amount equal to the interest thereon which the Holder is entitled to receive on such interest payment date. Payment of interest shall be made, on such interest payment date or such other payment date (as set forth in Section 2.07), as the case may be, to the Holder of the Securities as of such regular record date or special record date, as applicable. Except where Securities surrendered for conversion must be accompanied by payment 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. Notwithstanding the foregoing, upon conversion of any Original Issue Discount Security, the fixed number of Common Shares into which such Security is convertible delivered by the Company to the Holder thereof shall be applied, first, to the portion attributable to the accrued original issue discount relating to the period from the date of issuance to the date of conversion of such Security, and, second, to the portion attributable to the balance of the principal amount of such Security.

SECTION 13.05. *Adjustment of Conversion Price.* Unless otherwise specified as contemplated by Section 2.03 for Securities of such Series, the conversion price for Securities convertible into Common Shares shall be adjusted from time to time as follows:

(a) If the Company shall (x) pay a dividend or make a distribution on Common Shares in Common Shares, (y) subdivide the outstanding Common Shares into a greater number of shares or (z) combine the outstanding Common Shares into a smaller number of shares, the conversion price for the Securities of such Series shall be adjusted so that the Holder of any such Security thereafter surrendered for conversion shall be entitled to receive the number of Common Shares that such Holder 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 record date in the case of a dividend or the effective date in the case of subdivision or combination. An adjustment made pursuant to this Section 13.05(a) shall become effective immediately after the record date in the case of a dividend, except as provided in Section 13.05(h), and shall become effective immediately after the effective date in the case of a subdivision or combination.

(b) If the Company shall issue rights or warrants to all holders of 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 share of Common Shares (as defined for purposes of this Section 13.05(b) in Section 13.05(e)), 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 such record date by a fraction, the numerator of which shall be the number of Common Shares outstanding on such record date plus the number of Common Shares which the aggregate offering price of the total number of Common Shares so offered would purchase at such current market price, and the denominator of which shall be the number of Common Shares outstanding on such record date plus the number of additional Common Shares receivable upon exercise of such rights or warrants.

Such adjustment shall be made successively whenever any such rights or warrants are issued, and shall become effective immediately, except as provided in Section 13.05(h), after such record date. In determining whether any rights or warrants entitle the Holders of the Securities of such Series 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 plus the exercise price thereof, the value of such consideration or exercise price, as the case may be, if other than cash, to be determined by the Board of Directors.

(c) If the Company shall distribute to all holders of Common Shares any shares of capital stock of the Company (other than Common Shares) or evidences of its indebtedness or assets (excluding cash dividends or distributions paid from retained earnings of the Company) or rights or warrants to subscribe for or purchase any of its securities (excluding those rights or warrants referred to in Section 13.05(b)) (any of the foregoing being herein in this Section 13.05(c) called the "**Special Securities**"), the conversion price shall be adjusted as provided in the next sentence unless the Company elects to reserve such Special Securities for distribution to the Holders of Securities of such Series upon the conversion so that any such Holder converting such Securities will receive upon such conversion, in addition to the Common Shares to which such Holder is entitled, the amount and kind of Special Securities which such Holder would have received if such Holder had, immediately prior to the record date for the distribution of the Special Securities, converted Securities into Common Shares. The conversion price, as adjusted, shall equal the price determined by multiplying the conversion price in effect immediately prior to such record date by a fraction the numerator of which shall be the current market price per share (as defined for purposes of this Section 13.05(c) in Section 13.05(e)) of Common Shares on the record date mentioned above less the then fair market value (as determined by the Board of Directors, whose determination shall, if made in good faith, be conclusive) of the portion of the Special Securities so distributed applicable to one Common Share, and the denominator of which shall be the current market price per Common Shares (as defined in Section 13.05(e)). In the event the then fair market value (as so determined) of the portion of the Special Securities so distributed applicable to one Common Share is equal to or greater than the current market price per Common Share (as defined in Section 13.05(e)) on the record date mentioned above, in lieu of the foregoing adjustment, adequate provision shall be made so that each Holder of Securities of such Series shall have the right to receive the amount and kind of Special Securities such holder would have received had he converted such Securities immediately prior to the record date for the distribution of the Special Securities. Such adjustment shall become effective immediately, except as provided in Section 13.05(h), after the record date for the determination of shareholders entitled to receive such distribution.

(d) If, pursuant to Section 13.05(b) or 13.05(c), the conversion price shall have been adjusted because the Company has declared a dividend, or made a distribution, on the outstanding Common Shares in the form of any right or warrant to purchase securities of the Company, or the Company has issued any such right or warrant, then, upon the expiration of any such unexercised right or unexercised warrant, the conversion price shall forthwith be adjusted to equal the conversion price that would have applied had such right or warrant never been declared, distributed or issued.

(e) For the purpose of any computation under Section 13.05(b), the current market price per Common Share on any date shall be deemed to be the average of the reported last sales prices for the 30 consecutive Trading Days (as defined below) commencing 45 Trading Days before the date in question. For the purpose of any computation under Section 13.05(c), the current market price per Common Share on any date shall be deemed to be the average of the reported last sales prices for the ten consecutive Trading Days before the date in question. The reported last sales price for

each day (whether for purposes of Section 13.05(b) or 13.05(c)) shall be the reported last sales price, regular way, or, in case no sale takes place on such day, the average of the reported closing bid and asked prices, regular way, in either case as reported on the New York Stock Exchange Composite Tape or, if the Common Shares are not listed or admitted to trading on the New York Stock Exchange, on the principal national securities exchange on which the Common Shares are listed or admitted to trading or, if not listed or admitted to trading on any national securities exchange, on the Nasdaq National Market or, if the Common Shares are not quoted on the Nasdaq National Market, the average of the closing bid and asked prices on such day in the over-the-counter market as furnished by any New York Stock Exchange member firm regularly making a market in the Common Shares selected for such purpose by the Board of Directors or, if no such quotations are available, the fair market value of the Common Shares as determined by a New York Stock Exchange member firm regularly making a market in the Common Shares selected for such purpose by the Board of Directors. As used herein, the term "**Trading Day**" with respect to the Common Shares means (x) if the Common Shares are listed or admitted for trading on the New York Stock Exchange or another national securities exchange, a day on which the New York Stock Exchange or such other national securities exchange is open for business, (y) if the Common Shares are quoted on the Nasdaq National Market, a day on which trades may be made on the Nasdaq National Market or (z) otherwise, any day other than a Saturday or Sunday or a day on which banking institutions in the State of New York are authorized or obligated by law or executive order to close.

(f) No adjustment in the conversion price shall be required unless such adjustment would require an increase or decrease of at least 1% in such price. Any adjustments that by reason of this Section 13.05(f) are not required to be made, however, shall be carried forward and taken into account in any subsequent adjustment. Any adjustment required to be made in accordance with the provisions of this Article 13 shall be made not later than such time as may be required in order to preserve the tax free nature of a distribution to the holders of Common Shares. All calculations under this Article 13 shall be made to the nearest cent or to the nearest one-one hundredth of a share, as the case may be, with one-half cent and one-two hundredth of a share, respectively, being rounded upward. The Company shall be entitled to make such reductions in the conversion price, in addition to those required by this Section 13.05, as it in its discretion shall determine to be advisable in order that any stock dividend, subdivision of shares, distribution of rights or warrants to purchase stock or securities or distribution of other assets (other than cash dividends) made by the Company to its shareholders shall not be taxable.

(g) Whenever the conversion price is adjusted, the Company shall file with the Trustee, at the Corporate Trust Office of the Trustee, and with the office or agency maintained by the Company for the conversion of Securities of such Series pursuant to Section 3.02, 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. Neither the Trustee nor any conversion agent shall be under any duty or responsibility with respect to any such certificate or any facts or computations set forth therein, except to exhibit said certificate from time to time to any Holder of a Security of such Series desiring to inspect the same. The Company shall promptly cause a notice setting forth the adjusted conversion price to be mailed to the Holders of Securities of such Series, as their names and addresses appear upon the Security register.

(h) In any case in which this Section 13.05 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 (y) issuing to the Holder of any Security of such Series 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 (z) paying to such holder any amount in cash in lieu of any fractional Common Shares pursuant to Section 13.06.

SECTION 13.06. *No Fractional Shares to Be Issued.* No fractional Common Shares shall be issued upon any conversion of Securities. If more than one Security of any Series shall be surrendered for conversion at one time by the same Holder, the number of full Common Shares which shall be issuable upon conversion thereof shall be computed on the basis of the aggregate principal amount of the Securities of such Series (or specified portions thereof to the extent permitted hereby) so surrendered. Instead of a fraction of a Common Share which would otherwise be issuable upon conversion of any Security or Securities (or specified portions thereof), the Company shall pay a cash adjustment (computed to the nearest cent, with one-half cent being rounded upward) in respect of such fraction of a share in an amount equal to the same fractional interest of the reported last sales price (as defined in Section 13.05(e)) of the Common Shares on the Trading Day (as defined in Section 13.05(e)) next preceding the day of conversion.

SECTION 13.07. *Preservation of Conversion Rights upon Consolidation, Merger, Sale or Conveyance.* In case of any consolidation of the Company with, or merger of the Company into, any other corporation (other than a consolidation or merger in which the Company is the surviving corporation), or in the case of any sale or transfer of all or substantially all of the assets of the Company, the corporation formed by such consolidation or the corporation into which the Company shall have been merged or the corporation which shall have acquired such assets, as the case may be, shall execute and deliver to the Trustee a supplemental indenture in accordance with the provisions of Articles 8 and 9 as they relate to supplemental indentures, providing that the Holder of each Outstanding Security that was convertible into Common Shares shall have the right thereafter to convert such Security into the kind and amount of shares of stock and other securities and property, including cash, receivable upon such consolidation, merger, sale or transfer by a holder of the number of Common Shares into which such Securities might have been converted immediately prior to such consolidation, merger, sale or transfer. Such supplemental indenture shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Article 13. Neither the Trustee nor any conversion agent shall have any liability or responsibility for determining the correctness of any provision contained in any such supplemental indenture relating either to the kind or amount of shares of stock or other securities or property receivable by Holders of the Securities upon the conversion of their Securities after any such consolidation, merger, sale or transfer, or to any adjustment to be made with respect thereto and, subject to the provisions of Section 313 of the Trust Indenture Act, may accept as conclusive evidence of the correctness of any such provisions, and shall be protected in relying upon, an Officers' Certificate with respect thereto and an Opinion of Counsel with respect to legal matters related thereto. If in the case of any such consolidation, merger, sale or transfer, the stock or other securities and property receivable by a Holder of the Securities includes stock or other securities and property of a corporation other than the successor or purchasing corporation, then such supplemental indenture shall also be executed by such other corporation and shall contain such additional provisions to protect the interests of the Holders of the Securities as the Board of Directors shall reasonably consider necessary. The above provisions of this Section 13.07 shall similarly apply to successive consolidations, mergers, sales or transfers.

SECTION 13.08. *Notice to Holders of the Securities of a Series Prior to Taking Certain Types of Action.* With respect to the Securities of any Series, in case:

(a) the Company shall authorize the issuance to all holders of Common Shares of rights or warrants to subscribe for or purchase shares of its capital stock or of any other right;

(b) the Company shall authorize the distribution to all holders of Common Shares of evidences of indebtedness or assets (except for cash dividends or distributions paid from retained earnings of the Company);

(c) of any subdivision or combination of Common Shares or of any consolidation or merger to which the Company is a party and for which approval by the shareholders of the Company is required, or of the sale or transfer of all or substantially all of the assets of the Company; or

(d) of the voluntary or involuntary dissolution, liquidation or winding up of the Company;

the Company shall cause to be filed with the Trustee and at the office or agency maintained for the purpose of conversion of Securities of such Series pursuant to Section 3.02, and shall cause to be mailed to the Holders of Securities of such Series at their last addresses as they shall appear on the Security register, at least ten days prior to the applicable record date hereinafter specified, a notice stating (i) the date as of which the holders of Common Shares to be entitled to receive any such rights, warrants or distribution are to be determined, or (ii) the date on which any such subdivision, combination, consolidation, merger, sale, transfer, dissolution, liquidation, winding up or other action is expected to become effective, and the date as of which it is expected that holders of record of Common Shares shall be entitled to exchange their Common Shares for securities or other property, if any, deliverable upon such subdivision, combination, consolidation, merger, sale, transfer, dissolution, liquidation, winding up or other action. The failure to give the notice required by this Section 13.08 or any defect therein shall not affect the legality or validity of any distribution, right, warrant, subdivision, combination, consolidation, merger, sale, transfer, dissolution, liquidation, winding up or other action, or the vote upon any of the foregoing.

SECTION 13.09. *Covenant to Reserve Shares for Issuance on Conversion of Securities.* The Company at all times will reserve and keep available out of each class of its authorized Common Shares, free from preemptive rights, solely for the purpose of issue upon conversion of Securities of any Series as herein provided, such number of Common Shares as shall then be issuable upon the conversion of all Outstanding Securities of such Series. The Company covenants that all Common Shares which shall be so issuable, when issued or delivered, shall be duly and validly issued Common Shares into which Securities of such Series are convertible, and shall be fully paid and nonassessable, free of all liens and charges and not subject to preemptive rights and that, upon conversion, the appropriate capital stock accounts of the Company will be duly credited.

SECTION 13.10. *Compliance with Governmental Requirements.* If any Common Shares required to be reserved for purposes of conversion of Securities hereunder require registration or listing with or approval of any governmental authority under any Federal or State law, pursuant to the Securities Act or the Securities Exchange Act or any national or regional securities exchange on which the Common Shares are listed at the time of delivery of any Common Shares, the Company will use its best efforts to cause such shares to be duly registered, listed or approved, as the case may be, before such shares may be issued upon conversion.

SECTION 13.11. *Payment of Taxes upon Certificates for Shares Issued upon Conversion.* The issuance of certificates for Common Shares upon the conversion of Securities shall be made without charge to the converting Holders for any tax (including documentary and stamp taxes) in respect of the issuance and delivery of such certificates, and such certificates shall be issued in the respective names of, or in such names as may be directed by, the Holders of the Securities converted. The Company, however, shall not be required to pay any tax that may be payable in respect of any transfer involved in the issuance and delivery of any such certificate in a name other than that of the Holder of the Security converted, and the Company shall not be required to issue or deliver such certificate unless or until the Person or Persons requesting the issuance thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid.

SECTION 13.12. *Trustee's Duties with Respect to Conversion Provisions.* The Trustee and any conversion agent shall have no duty to any Holder to determine whether any facts exist that may require any adjustment of the conversion rate, or with respect to the nature or extent of any such adjustment when made, or with respect to the method employed, in making the same. Neither the

Trustee nor any conversion agent shall be accountable with respect to the registration under securities laws, listing, validity or value (or the kind or amount) of any Common Shares, or of any other securities or property, that at any time may 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 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. The Trustee and any conversion agent, subject to the provisions of Section 313 of the Trust Indenture Act, shall not be responsible for any failure of the Company to comply with any of the covenants contained in this Article 13.

SECTION 13.13. *Conversion of Securities into Preferred Shares or Other Securities.* Notwithstanding anything to the contrary in this Article 13, the Company may issue Securities that are convertible into Preferred Shares or other securities of the Company, including Preferred Shares convertible into Common Shares, in which case all terms and conditions relating to the conversion of Securities into Preferred Shares or other securities, including any terms similar to those provided in Sections 13.01 through 13.12, shall be as provided in or pursuant to an appropriate resolution of the Board of Directors or in any indenture supplemental hereto or as otherwise contemplated by Section 2.03.

ARTICLE 14
SUBORDINATION OF SECURITIES

SECTION 14.01. *Securities Subordinated to Senior Indebtedness.* The Company covenants and agrees, and each Holder of Securities, by his acceptance thereof, likewise covenants and agrees, that the indebtedness represented by the Securities and the payment of any and all amounts payable in respect of each and all of the Securities is expressly subordinated, to the extent and in the manner hereinafter set forth, in right of payment to the prior payment in full of Senior Indebtedness, whether outstanding on the date of this Indenture or thereafter incurred, assumed or guaranteed.

In the event (x) of any distribution of assets of the Company upon any dissolution, winding up, liquidation or reorganization of the Company whether in a bankruptcy, insolvency, reorganization or receivership proceeding or upon an assignment for the benefit of creditors or any other marshalling of the assets and liabilities of the Company or otherwise, except a distribution in connection with a merger or consolidation or a conveyance or transfer of all or substantially all of the properties of the Company which complies with the requirements of Article 9, (y) that a default shall have occurred and be continuing with respect to the payment of any amount payable in respect of any Senior Indebtedness or (z) that the principal of the Securities of any Series shall have been declared due and payable pursuant to Section 5.01 and such declaration shall not have been rescinded and annulled as provided in Section 5.01, then:

(a) in a circumstance described in the foregoing clause (x) or (y) the holders of all Senior Indebtedness, and in the circumstance described in the foregoing clause (z) the holders of all Senior Indebtedness the principal of which shall have been so declared due and payable, shall first be entitled to receive payment of the full amount due thereon, or provision shall be made for such payment, before the Holders of any of the Securities are entitled to receive any payment in respect of the indebtedness evidenced by the Securities;

(b) any payment by, or distribution of assets of, the Company of any kind or character, whether in cash, property or securities (other than securities of the Company as reorganized or readjusted or securities of the Company or any other corporation provided for by a plan of reorganization or readjustment the payment of which is subordinate, at least to the extent provided in this Article 14 with respect to the Securities, to the payment of all Senior Indebtedness,

provided that the rights of the holders of the Senior Indebtedness are not altered by such reorganization or readjustment), to which the Holders of any of the Securities would be entitled except for the provisions of this Article 14 shall be paid or delivered by the person making such payment or distribution, whether a trustee in bankruptcy, a receiver or liquidating trustee or otherwise, directly to the holders of such 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 such Senior Indebtedness held or represented by each, to the extent necessary to make payment in full of all Senior Indebtedness remaining unpaid after giving effect to any concurrent payment or distribution (or provision therefor) to the holders of such Senior Indebtedness, before any payment or distribution is made to the Holders of the indebtedness evidenced by the Securities under this Indenture; and

(c) in the event that, notwithstanding the foregoing, any payment by, or distribution of assets of, the Company of any kind or character, whether in cash, property or securities (other than securities of the Company as reorganized or readjusted or securities of the Company or any other corporation provided for by a plan of reorganization or readjustment the payment of which is subordinate, at least to the extent provided in this Article 14 with respect to the Securities, to the payment of all Senior Indebtedness, provided that the rights of the holders of Senior Indebtedness are not altered by such reorganization or readjustment), shall be received by the Holders of any of the Securities before all Senior Indebtedness is paid in full, such payment or distribution shall be paid over to the holders of such 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, ratably as aforesaid, for application to the payment of all Senior Indebtedness remaining unpaid until all such Senior Indebtedness shall have been paid in full, after giving effect to any concurrent payment or distribution (or provision therefor) to the holders of such Senior Indebtedness.

SECTION 14.02. *Subrogation.* Subject to the payment in full of all Senior Indebtedness to which the indebtedness evidenced by the Securities is in the circumstances subordinated as provided in Section 14.01, the Holders of the Securities shall be subrogated to the rights of the holders of such Senior Indebtedness to receive payments or distributions of cash, property or securities of the Company applicable to such Senior Indebtedness until all amounts owing on the Securities shall be paid in full. As between the Company, its creditors other than holders of such Senior Indebtedness and the Holders of the Securities, no such payment or distribution made to the holders of such Senior Indebtedness by virtue of this Article 14 which otherwise would have been made to the Holders of the Securities shall be deemed to be a payment by the Company on account of such Senior Indebtedness, it being understood that the provisions of this Article 14 are and are intended solely for the purpose of defining the relative rights of the Holders of the Securities, on the one hand, and the holders of Senior Indebtedness.

SECTION 14.03. *Obligation of the Company Unconditional.* Nothing contained in this Article 14 or elsewhere in this Indenture or in the Securities is intended to or shall impair, as between the Company, its creditors other than the holders of Senior Indebtedness, and the Holders of the Securities, the obligation of the Company, which is absolute and unconditional, to pay to the Holders of the Securities the principal of and interest on and any additional amounts owing in respect of the Securities as and when the same shall become due and payable in accordance with their terms, or is intended to or shall affect the relative rights of the Holders of the Securities and creditors of the Company other than the holders of Senior Indebtedness nor shall anything herein or therein prevent the Trustee or the Holder of any Security from exercising all remedies otherwise permitted by applicable law upon default under this Indenture, subject to the rights, if any, under this Article 14 of the holders of Senior Indebtedness in respect of cash, property or securities of the Company received upon the exercise of any such remedy.

Upon any payment or distribution of assets of the Company referred to in this Article 14, the Trustee and the Holders of the Securities shall be entitled to rely upon any order or decree made by any court of competent jurisdiction in which any such dissolution, winding up, liquidation or reorganization proceeding affecting the affairs of the Company is pending or upon a certificate of the trustee in bankruptcy, receiver, assignee for the benefit of creditors, liquidating trustee or agent or other person making any payment or distribution, delivered to the Trustee or to the Holders of the Securities, for the purpose of ascertaining the persons entitled to participate in such payment or distribution, the holders of the Senior Indebtedness and other indebtedness of the Company, the amount thereof or payable thereon, the amount paid or distributed thereon and all other facts pertinent thereto or to this Article 14.

SECTION 14.04. *Payments on Securities Permitted.* Nothing contained in this Article 14 or elsewhere in this Indenture, or in any of the Securities, shall affect the obligation of the Company to make, or prevent the Company from making, payment of the principal of or interest on or any additional amounts owing in respect of the Securities in accordance with the provisions hereof and thereof, except as otherwise provided in this Article 14. No provision of this Article 14 shall prevent the occurrence of any default or Event of Default hereunder.

SECTION 14.05. *Effectuation of Subordination by Trustee.* Each Holder of Securities, by his acceptance thereof, authorizes and directs the Trustee in his behalf to take such action as may be necessary or appropriate to effectuate the subordination provided in this Article 14 and appoints the Trustee his attorney-in-fact for any and all such purposes.

SECTION 14.06. *Knowledge of Trustee.* Notwithstanding the provisions of this Article 14 or any other provisions of this Indenture, the Trustee shall not be deemed to owe any fiduciary duty to the holders of Senior Indebtedness and shall not be charged with knowledge of the existence of any facts which would prohibit the making of any payment to or by the Trustee, or the taking of any other action by the Trustee, unless and until the Trustee shall have received written notice thereof from the Company, any Holder of Securities, any paying or conversion agent of the Company or the holder or representative of any class of Senior Indebtedness. If the Trustee shall not have received the notice provided for in this Section 14.06 at least three Business Days prior to the date upon which, by the terms hereof, any amounts may become payable for any purpose (including the payment of the principal of or interest on, or additional amounts owing in respect of, any Security) then, anything herein contained to the contrary notwithstanding, the Trustee shall have all 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 during or after such three Business Day period.

SECTION 14.07. *Trustee May Hold Senior Indebtedness.* The Trustee in its individual capacity shall be entitled to all the rights set forth in this Article 14 with respect to any Senior Indebtedness at

the time held by it, to the same extent as any other holder of Senior Indebtedness, and nothing in Section 313 of the Trust Indenture Act or elsewhere in this Indenture shall deprive the Trustee of any of its rights as such holder.

Nothing in this Article 14 shall subordinate any claims of, or payments to, the Trustee pursuant to Section 6.07 to Senior Indebtedness.

SECTION 14.08. *Rights of Holders of Senior Indebtedness Not Impaired.* No right of any present or future holder of any Senior Indebtedness to enforce the subordination herein shall at any time or in any way be prejudiced or impaired by any act or failure to act on the part of the Company 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.

SECTION 14.09. *Default in Senior Indebtedness*.

(a) Subject to Section 14.09(b), upon the happening of any event of default with respect to any Senior Indebtedness, as such event of default is defined in the instrument under which the Senior Indebtedness is outstanding, the holders of the Senior Indebtedness, directly or indirectly, may demand by giving written notice to the Company and the Trustee that, until such event of default shall have been cured or waived or shall have ceased to exist, the Company be prohibited from:

(i) exercising any right of redemption with respect to the Securities of any Series pursuant to Article 12;

(ii) making any payments with respect to the redemption of the Securities of any Series that were called for redemption pursuant to Article 12 prior to the happening of an event of default with respect to any Senior Indebtedness;

(iii) making any payment with respect to the principal of and interest on the Securities of any Series or as a sinking fund payment pursuant to Article 12; and

(iv) making any payment with respect to the repayment of the Securities of any Series at the option of the Holders pursuant to Section 12.06.

(b) If the holders of the Senior Indebtedness, directly or indirectly, fail to demand the rights provided in Section 14.09(a) within 90 days of the happening of an event of default with respect to such Senior Indebtedness they shall be deemed to have waived such rights with respect to such event of default; provided, however, that such waiver shall not affect the ability of the holders of the Senior Indebtedness to demand such rights upon the happening of any other event of default.

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

PITNEY BOWES INC.

By: _____

Name:
Title:

[ ]

By: _____

Name:
Title:

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Exhibit 12

Computation of Ratio of Earnings to Fixed Charges and Ratio of Earnings to Fixed Charges and Preferred and Preference Stock Dividends (Dollars in thousands)

	Nine Months Ended September 30,	Years ended December 31,				
	2004	2003	2002	2001	2000	1999
Income from continuing operations before income taxes	$ 584,607	$ 721,091	$ 619,445	$ 766,384	$ 802,848	$ 823,942
Add:						
Interest expense	126,670	167,649	185,352	193,076	200,957	175,699
Portion of rents representative of the interest factor	38,224	45,978	43,032	36,032	34,512	33,042
Amortization of capitalized interest	1,105	1,473	1,348	973	973	973
Minority interest in the income of subsidiary with fixed charges	3,194	3,924	5,415	9,995	14,237	12,033
Income as adjusted	$ 753,800	$ 940,115	$ 854,592	$ 1,006,460	$ 1,053,527	$ 1,045,689
Fixed charges:(1)						
Interest expense	$ 126,670	$ 167,649	$ 185,352	$ 193,076	$ 200,957	$ 175,699
Capitalized interest	—	—	—	—	2,383	1,316
Portion of rents representative of the interest factor	38,224	45,978	43,032	36,032	34,512	33,042
Minority Interest excluding taxes in the income of subsidiary with fixed charges	4,694	5,718	7,663	14,893	20,298	17,610
Total fixed charges	$ 169,588	$ 219,345	$ 236,047	$ 244,001	$ 258,150	$ 227,667
Preferred and preference stock dividends	75	108	119	130	140	151
Total fixed charges and preferred and preference stock dividends	$ 169,663	$ 219,453	$ 236,166	$ 244,131	$ 258,290	$ 227,818
Ratio of earnings to fixed charges	4.44x	4.29x	3.62x	4.12x	4.08x	4.59x
Ratio of earnings to fixed charges and preferred and preference stock dividends	4.44x	4.28x	3.62x	4.12x	4.08x	4.59x

(1) Included in fixed charges is one-third of rental expense which management believes is the representative portion of interest.

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Computation of Ratio of Earnings to Fixed Charges and Ratio of Earnings to Fixed Charges and Preferred and Preference Stock Dividends (Dollars in thousands)

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Exhibit 23(a)

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated February 20, 2004 relating to the financial statements and financial statement schedule, which appears in the Pitney Bowes Inc. Annual Report on Form 10-K for the year ended December 31, 2003. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

PricewaterhouseCoopers LLP

Stamford, Connecticut
November 15, 2004

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CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

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Exhibit 25(a)

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) ____

CITIBANK, N.A.

(Exact name of trustee as specified in its charter)

13-5266470
(I.R.S. employer identification no.)

399 Park Avenue, New York, New York (Address of principal executive office)	**10043** (Zip Code)

PITNEY BOWES INC.

(Exact name of obligor as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**06-0495050** (I.R.S. employer identification no.)
1 Elmcroft Road **Stamford, CT** (Address of principal executive offices)	**06926-0700** (Zip Code)

Senior Debt Securities
(Title of the indenture securities)

Item 1. General Information.

Furnish the following information as to the trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Comptroller of the Currency	Washington, D.C.
Federal Reserve Bank of New York 33 Liberty Street New York, NY	New York, NY
Federal Deposit Insurance Corporation	Washington, D.C.

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

Yes.

Item 2. Affiliations with Obligor.

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

None.

Item 16. List of Exhibits.

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

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as exhibits hereto.

Exhibit 1—Copy of Articles of Association of the Trustee, as now in effect. (Exhibit 1 to T-1 to Registration Statement No. 2-79983)

Exhibit 2—Copy of certificate of authority of the Trustee to commence business. (Exhibit 2 to T-1 to Registration Statement No. 2-29577).

Exhibit 3—Copy of authorization of the Trustee to exercise corporate trust powers. (Exhibit 3 to T-1 to Registration Statement No. 2-55519)

Exhibit 4—Copy of existing By-Laws of the Trustee. (Exhibit 4 to T-1 to Registration Statement No. 33-34988)

Exhibit 5—Not applicable.

Exhibit 6—The consent of the Trustee required by Section 321(b) of the Trust Indenture Act of 1939. (Exhibit 6 to T-1 to Registration Statement No. 33-19227.)

Exhibit 7—Copy of the latest Report of Condition of Citibank, N.A. (as of June 30, 2004—attached)

Exhibit 8—Not applicable.

Exhibit 9—Not applicable.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, the Trustee, Citibank, N.A., a national banking association organized and existing under the laws of the United States of America, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York and State of New York, on the 8th day of November, 2004.

CITIBANK, N.A.

By: /s/ P. DE FELICE

Vice President

Charter No. 1461
Comptroller of the Currency
Northeastern District

REPORT OF CONDITION
CONSOLIDATING
DOMESTIC AND FOREIGN
SUBSIDIARIES OF

Citibank, N.A. of New York in the State of New York, at the close of business on June 30 2004, published in response to call made by Comptroller of the Currency, under Title 12, United States Code, Section 161. Charter Number 1461 Comptroller of the Currency Northeastern District.

		Thousands of dollars
ASSETS		
Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin	$	16,044,000
Interest-bearing balances		23,432,000
Held-to-maturity securities		47,000
Available-for-sale securities		103,279,000
Federal funds sold in domestic Offices		267,000
Federal funds sold and securities purchased under agreements to resell		12,356,000
Loans and leases held for sale		6,397,000
Loans and lease financing receivables:		
Loans and Leases, net of unearned income		359,136,000
LESS: Allowance for loan and lease losses		8,966,000
Loans and leases, net of unearned income, allowance, and reserve		350,170,000
Trading assets		79,265,000
Premises and fixed assets (including capitalized leases)		4, 074, 000
Other real estate owned		69,000
Investments in unconsolidated subsidiaries and associated companies		415,000
Customers' liability to this bank on acceptances outstanding		1,507,000
Intangible assets: Goodwill		8,787,000
Intangible assets: Other intangible assets		9,682,000
Other assets		32, 452, 000
TOTAL ASSETS	**$**	**684,243,000**
LIABILITIES		
Deposits: In domestic offices	$	119,505,000
Noninterest-bearing		22,893,000
Interest-bearing		96,612,000
In foreign offices, Edge and Agreement subsidiaries, and IBFs		307, 390, 000
Noninterest-bearing		22,639,000
Interest-bearing		284,751,000
Federal funds purchased in domestic Offices		11,524,000
Federal funds purchased and securities sold under agreements to repurchase		16,906,000
Demand notes issued to the U.S. Treasury		0
Trading liabilities		41,394,000
Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases): ss		56,542,000

Bank's liability on acceptances executed and outstanding		1,507,000
Subordinated notes and debentures		13,330,000
Other liabilities		29,378,000
TOTAL LIABILITIES	**$**	**597,476,000**
Minority interest in consolidated Subsidiaries		486,000
EQUITY CAPITAL		
Perpetual preferred stock and related surplus		1,950,000
Common stock		751,000
Surplus		25, 775, 000
Retained Earnings		23,787,000
Accumulated net gains (losses) on cash flow hedges		-1,982,000
Other equity capital components		0
TOTAL EQUITY CAPITAL	**$**	**50,281,000**
TOTAL LIABILITIES AND EQUITY CAPITAL	**$**	**648,243,000**

I, William Gonska, 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.

WILLIAM GONSKA, VICE PRESIDENT

We, the undersigned directors, attest to the correctness of this Report of Condition. 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.

ALAN S. MACDONALD
WILLIAM R. RHODES
ROBERT B. WILLUMSTAD
DIRECTORS

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Exhibit 25(b)

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)____

CITIBANK, N.A.

(Exact name of trustee as specified in its charter)

13-5266470
(I.R.S. employer identification no.)

399 Park Avenue, New York, New York	**10043**
(Address of principal executive office)	(Zip Code)

PITNEY BOWES INC.

(Exact name of obligor as specified in its charter)

Delaware	**06-0495050**
State or other jurisdiction of incorporation or organization)	I.R.S. employer identification no.)
1 Elmcroft Road **Stamford, CT**	**06926-0700**
(Address of principal executive offices)	(Zip Code)

Subordinated Debt Securities
(Title of the indenture securities)

Item 1. General Information.

Furnish the following information as to the trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Comptroller of the Currency	Washington, D.C.
Federal Reserve Bank of New York 33 Liberty Street New York, NY	New York, NY
Federal Deposit Insurance Corporation	Washington, D.C.

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

Yes.

Item 2. Affiliations with Obligor.

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

None.

Item 16. List of Exhibits.

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

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as exhibits hereto.

Exhibit 1—Copy of Articles of Association of the Trustee, as now in effect. (Exhibit 1 to T-1 to Registration Statement No. 2-79983)

Exhibit 2—Copy of certificate of authority of the Trustee to commence business. (Exhibit 2 to T-1 to Registration Statement No. 2-29577).

Exhibit 3—Copy of authorization of the Trustee to exercise corporate trust powers. (Exhibit 3 to T-1 to Registration Statement No. 2-55519)

Exhibit 4—Copy of existing By-Laws of the Trustee. (Exhibit 4 to T-1 to Registration Statement No. 33-34988)

Exhibit 5—Not applicable.

Exhibit 6—The consent of the Trustee required by Section 321(b) of the Trust Indenture Act of 1939. (Exhibit 6 to T-1 to Registration Statement No. 33-19227.)

Exhibit 7—Copy of the latest Report of Condition of Citibank, N.A. (as of June 30, 2004—attached)

Exhibit 8—Not applicable.

Exhibit 9—Not applicable.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, the Trustee, Citibank, N.A., a national banking association organized and existing under the laws of the United States of America,

has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York and State of New York, on the 8th day of November, 2004.

CITIBANK, N.A.

By /s/ **P. De Felice**

Vice President

Charter No. 1461
Comptroller of the Currency
Northeastern District

REPORT OF CONDITION
CONSOLIDATING
DOMESTIC AND FOREIGN
SUBSIDIARIES OF

Citibank, N.A. of New York in the State of New York, at the close of business on June 30, 2004, published in response to call made by Comptroller of the Currency, under Title 12, United States Code, Section 161. Charter Number 1461 Comptroller of the Currency Northeastern District.

		Thousands of dollars
ASSETS		
Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin	$	16,044,000
Interest-bearing balances		23,432,000
Held-to-maturity securities		47,000
Available-for-sale securities		103,279,000
Federal funds sold in domestic Offices		267,000
Federal funds sold and securities purchased under agreements to resell		12,356,000
Loans and leases held for sale		6,397,000
Loans and lease financing receivables:		
Loans and Leases, net of unearned income		359,136,000
LESS: Allowance for loan and lease losses		8,966,000
Loans and leases, net of unearned income, allowance, and reserve		350,170,000
Trading assets		79,265,000
Premises and fixed assets (including capitalized leases)		4,074,000
Other real estate owned		69,000
Investments in unconsolidated subsidiaries and associated companies		415,000
Customers' liability to this bank on acceptances outstanding		1,507,000
Intangible assets: Goodwill		8,787,000
Intangible assets: Other intangible assets		9,682,000
Other assets		32,452,000
TOTAL ASSETS	**$**	**684,243,000**
LIABILITIES		
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Interest-bearing		96,612,000
In foreign offices, Edge and Agreement subsidiaries, and IBFs		307,390,000
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Interest-bearing		284,751,000
Federal funds purchased in domestic Offices		11,524,000
Federal funds purchased and securities sold under agreements to repurchase		16,906,000
Demand notes issued to the U.S. Treasury		0
Trading liabilities		41,394,000
Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases): ss		56,542,000

Bank's liability on acceptances executed and outstanding		1,507,000
Subordinated notes and debentures		13,330,000
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TOTAL LIABILITIES	**$**	**597,476,000**
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Other equity capital components		0
TOTAL EQUITY CAPITAL	**$**	**50,281,000**
TOTAL LIABILITIES AND EQUITY CAPITAL	**$**	**648,243,000**

I, William Gonska, 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.

WILLIAM GONSKA, VICE PRESIDENT

We, the undersigned directors, attest to the correctness of this Report of Condition. 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.

ALAN S. MACDONALD
WILLIAM R. RHODES
ROBERT B. WILLUMSTAD
DIRECTORS

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