

CLOROX CO /DE/

FORM S-3

(Securities Registration Statement (simplified form))

Filed 4/1/1999

Address	THE CLOROX COMPANY 1221 BROADWAY OAKLAND, California 94612-1888
Telephone	510-271-7000
CIK	0000021076
Industry	Personal & Household Prods.
Sector	Consumer/Non-Cyclical
Fiscal Year	06/30

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-3

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

THE CLOROX COMPANY

(Exact name of registrant as specified in its charter)

Delaware 31-0595760
(State of incorporation) (I.R.S. Employer Identification Number)

1221 Broadway
Oakland, California 94612-1888
(510) 271-7000

(Address, Including Zip Code And Telephone Number, Including Area Code, Of
Registrant's Principal Executive Offices)

G. C. Sullivan
Chairman of the Board and Chief Executive Officer
The Clorox Company
1221 Broadway
Oakland, California 94612-1888
(510) 271-7000

(Name, Address, Including Zip Code, And Telephone Number, Including Area
Code, Of Agent For Service)

Copies to:

Peter D. Bewley, Esq.
The Clorox Company
1221 Broadway
Oakland, California 94612-1888
(510) 271-7000

John W. Campbell, III, Esq.
Kristian E. Wiggert, Esq.
S. David Goldenberg, Esq.
Morrison & Foerster LLP
425 Market Street
San Francisco, California 94105-2482
(415) 268-7000

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:

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

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:

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:

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

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount To Be Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price	Amount Of Registration Fee
Debt Securities	\$750,000,000(1)	100%	\$750,000,000(2)(3)	\$208,500(3)

(1) Or, if any debt securities are issued at original issue discount, a greater amount as may result in the initial offering prices for debt securities aggregating \$750,000,000. Any offering of debt securities denominated in any foreign currencies or foreign currency units will be treated as the equivalent in U.S. dollars based on the exchange rate applicable to the purchase of those debt securities from the Registrant.

(2) Estimated solely for purposes of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933.

(3) Of the \$750,000,000 of debt securities registered hereby, \$200,000,000 aggregate principal amount of such securities was registered pursuant to the Registrant's Registration Statement on Form S-3, No. 33-40843, and are unissued as of the date hereof. A registration fee of \$50,000 was previously paid with respect to such debt securities and, pursuant to Rule 429 under the Securities Act, the registration fee payable hereunder is offset by such previously paid amount.

Pursuant to Rule 429 under the Securities Act, the Prospectus filed as part of this registration statement relates to the securities registered hereby, including the remaining unsold \$200,000,000 principal amount of debt securities previously registered by the Registrant under its Registration Statement on Form S-3, No. 33-40843.

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 that specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

NOT YET EFFECTIVE, DATED APRIL 1, 1999

\$750,000,000
THE CLOROX COMPANY
DEBT SECURITIES

The Clorox Company may offer and sell from time to time debt securities consisting of debentures, notes and/or other unsecured evidences of indebtedness in one or more series at an aggregate initial offering price not to exceed \$750,000,000. We may offer these debt securities in separate series in amounts, at prices and on terms determined at the time of offering.

An accompanying prospectus supplement will show the principal amount, maturity, interest rate or rates, whether the interest rate or rates will be fixed or variable and/or any method of determining the interest rate or rates, the initial public offering price, trading symbol, markets and other terms of each series of debt securities.

We may sell debt securities to or through underwriters, dealers or agents or directly to other purchasers. See "Plan of Distribution." The names of any underwriters, dealers or agents and their compensation will be stated in the applicable prospectus supplement.

This investment involves risks. See the "Risk Factors" section beginning on page 2.

You should read this prospectus and any accompanying prospectus supplement carefully before you invest.

Neither the SEC nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The information in this prospectus is not complete and may be changed. Clorox may not sell these debt securities until the registration statement filed with the SEC is effective. This prospectus is not an offer to sell these debt securities and it is not soliciting an offer to buy these debt securities in any state where the offer or sale is not permitted.

The date of this Prospectus is , 1999.

You should rely only on the information provided in this prospectus or explicitly made part of this document by reference and the accompanying prospectus supplement. No person has been authorized by us to provide you with any other information. Clorox is not making an offer of any debt securities in any state where the offer is unlawful. You should not assume that the information in this prospectus and the accompanying prospectus supplement is correct as of any date after the date of this prospectus and the prospectus supplement.

THE CLOROX COMPANY

Clorox was organized as a Delaware corporation in 1986. We will refer to The Clorox Company and its subsidiaries together in this prospectus as Clorox. We build brand franchises for consumer products sold primarily in grocery stores and other retail outlets throughout the United States and in many parts of the world. Clorox's line of domestic retail products includes many of the country's best-known brands of laundry additives, home cleaning products, automotive additive and appearance products, cat litters, insecticides, charcoal briquettes, salad dressings, sauces, water filtration systems, plastic wrap, bags and containers, trash bags and home fireplace products. Internationally, Clorox markets laundry additives, home cleaning products, insecticides, plastic wrap, bags and containers, trash bags, and automotive additive and appearance products, primarily in developing countries. Overall, Clorox products are sold in more than 80 countries and are manufactured in more than 72 plants at locations in the United States and abroad.

We maintain our principal executive offices at 1221 Broadway, Oakland, California 94612-1888. Our telephone number is (510) 271-2150.

RISK FACTORS

In addition to the other information included in this prospectus, you should carefully consider the following risk factors in determining whether or not to purchase the debt securities. You should consider these matters in conjunction with the other information included or explicitly made part of this document by reference in this prospectus.

Changes in our credit rating or the credit markets could adversely affect the price of the debt securities

The interest rate, selling price, initial offering discount or any premium offered for the debt securities will be based on a number of factors, including Clorox's rating with major credit rating agencies, the prevailing interest rates being paid by other companies similar to Clorox, and the overall condition of the financial markets at the time of the initial distribution of any series of debt securities. The condition of the credit markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future. Fluctuations in these factors could have an adverse effect on the price of the debt securities. In addition, credit rating agencies continually revise their ratings for the companies that they follow. We cannot be sure that credit rating agencies will maintain Clorox's rating at any time after the issuance of any series of debt securities. A negative change in Clorox's rating could have an adverse effect on the price of the debt securities.

Available additional borrowing could increase default risks

Clorox is permitted to incur additional indebtedness, including secured indebtedness, in addition to its other current indebtedness and the debt securities described in this document. If we do incur new indebtedness, the risk of default on the debt securities could increase.

Your investment in the debt securities may be illiquid

Prior to the initial offering of any series of debt securities, there will be no market for the debt securities and the underwriters are under no obligation to make a market for the debt securities. As a result of these facts, you may not be able to sell any debt securities you purchase in the quantities and at the prices found for similar debt securities with more liquid trading markets.

Fluctuations in quarterly operating results could adversely affect the price of the debt securities

We cannot be sure that Clorox's quarter-to-quarter operating results will continue to improve, or that if any improvement is shown, the degree of improvement will meet expectations of investors or credit rating agencies. Failure to meet investor or credit rating agency expectations can result in declines in the price of the debt securities if such failure suggests that it is less likely that we will be able to pay interest on the debt securities or repay the principal balance of the debt securities.

Our international operations expose us to uncertain conditions in overseas markets

Clorox believes that its international sales, which were 18% of net sales in fiscal year 1998, are likely to increase as a percentage of its total sales, because of both internal expansion and the addition of First Brands Corporation's international operations from Clorox's acquisition of First Brands in January 1999. Foreign operations create risks that can have a material adverse effect on operations and our financial position, which could increase the risk of default on the debt securities and lead to decreases in the market price of the debt securities. The risks created by having foreign operations include:

* economic or political instability in its overseas markets; and

* fluctuations in foreign currency exchange rates that may make Clorox's products more expensive in its foreign markets or negatively impact

its sales or earnings.

All of these risks could have a significant impact on Clorox's ability to sell its products on a timely and competitive basis in foreign markets.

Failure to successfully make and integrate acquisitions could adversely affect our financial condition

One of our strategies is to increase our revenues and the markets we serve through the acquisition of other businesses in the United States and internationally. If we are not able to identify, acquire or profitably manage additional companies or operations or successfully integrate recent or future acquisitions, including First Brands Corporation, into our operations, the adverse effect on our future growth and financial condition could cause market price declines for the debt securities or adversely affect our ability to pay interest or repay the principal balance of the debt securities. There can be no assurance that companies or operations acquired will be profitable at the time of their acquisition or will achieve sales levels and profitability that justify the investment made, including the investment in First Brands Corporation.

Failure to make continuous and successful new product introductions could result in declines in financial performance

In most categories in which Clorox competes, there are frequent introductions of new products and line extensions. If we are not able to identify emerging consumer and technological trends and to maintain and improve the competitiveness of our products, we will lose market position and there will be an adverse effect on our financial performance. We cannot be sure that we will successfully achieve those goals. Continued product development and marketing efforts have all the risks inherent in the development of new products and line extensions, including development delays, the failure of new products and line extensions to achieve anticipated levels of market acceptance, and the cost of failed product introductions.

Failure to adequately address year 2000 compliance could disrupt our operations

Many financial information and operations systems used today may be unable to interpret dates after December 31, 1999, which could have adverse consequences on operations and the integrity of information processing. This potential problem is referred to as the "Year 2000" or "Y2K" issue.

If necessary modifications and conversions by Clorox, including modifications and conversions for First Brands, are not made on a timely basis, or if key third parties are not Y2K compliant, Y2K problems could have a material adverse effect on Clorox's operations. Clorox's most reasonably likely worst case scenario is a regional utility failure that would interrupt manufacturing operations and distribution centers in the affected region.

Government regulations could impose additional costs or materially impact operations

The manufacture, packaging, storage, distribution and labeling of Clorox's products and Clorox's business operations generally all must comply with extensive federal, state, and foreign laws and regulations. For example, in the United States, many of Clorox's products are regulated by the Environmental Protection Agency, the Food and Drug Administration, and the Consumer Product Safety Commission. Most states have agencies that regulate in parallel to these federal agencies. The failure to comply with applicable laws and regulations in these or other areas could subject Clorox to civil remedies, including fines, injunctions, recalls or seizures, as well as potential criminal sanctions, any of which could have a material adverse effect on Clorox. Changes in applicable laws and regulations in these or other areas, including taxes, could materially impact Clorox's operations or could have an adverse effect on the debt securities. Loss of or failure to obtain necessary permits and registrations could delay or prevent Clorox from introducing new products, building new facilities or acquiring new businesses and could adversely affect operating results.

Environmental matters create potential liability risks

Clorox must comply with various environmental laws and regulations in the jurisdictions in which it operates, including those relating to air emissions, water discharges, the handling and disposal of solid and hazardous wastes, and the remediation of contamination associated with the use and disposal of hazardous substances. Clorox has incurred, and will continue to incur, capital and operating expenditures and other costs in complying with those laws and regulations in the United States and internationally. Clorox is currently involved in or has potential liability with respect to the remediation of past contamination in the operation of some of its presently and formerly owned and leased facilities. In addition, some of Clorox's present and former facilities have been or had been in operation for many years, and over that time, some of these facilities may have used substances or generated and disposed of wastes that are or may be considered hazardous. It is possible that those sites, as well as disposal sites owned by third parties to which Clorox has sent waste, may in the future be identified and become the subject of remediation. It is possible that Clorox could become subject to additional environmental liabilities in the future that could result in a material adverse effect on Clorox's results of operations or financial condition.

Failure to protect our intellectual property could reduce our competitiveness

Clorox relies on trademark, trade secret, patent and copyright law to protect its intellectual property. We cannot be sure that these intellectual property rights can be successfully asserted in the future or will not be invalidated, circumvented or challenged. In addition, laws of some of the foreign countries in which Clorox's products are or may be sold do not protect Clorox's intellectual property rights to the same extent as the laws of the United States. The failure of Clorox to protect its proprietary information and any successful intellectual property challenges or

infringement proceedings against Clorox could make us less competitive and have a material adverse effect on Clorox's business, operating results and financial condition.

Forward-looking statements may prove inaccurate

The information in this prospectus and information we have explicitly made part of this prospectus by reference contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act about Clorox. Although Clorox believes that, in making these statements, its expectations are based on reasonable assumptions, any forward-looking statement may be influenced by factors that could cause actual outcomes and results to be materially different from those projected. When used in this prospectus, the words "anticipates," "believes," "expects," "intends," and similar expressions as they relate to Clorox or management members are intended to identify these forward-looking statements. These forward-looking statements are uncertain. Important factors that could cause actual results to differ materially from those in forward-looking statements, some of which may be beyond the control of Clorox, include:

- * the impact of general economic conditions in the United States and Canada and in other countries in which Clorox or its affiliates currently do business;
- * industry conditions, including competition and product and raw material prices;
- * fluctuations in exchange rates and currency values; capital expenditure requirements;
- * legislative or regulatory requirements, particularly concerning environmental matters;
- * interest rates;
- * access to capital markets;
- * the timing of and value received in connection with asset divestitures; and
- * obtaining required approvals of debtholders.

Our actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, therefore we cannot be sure that any of the events anticipated by the forward-looking statements will occur or transpire, or, if any of them do so, what impact they will have on our results of operations and financial condition.

USE OF PROCEEDS

Unless otherwise indicated in the applicable prospectus supplement, the net proceeds Clorox receives from the sale of the debt securities will be used for general corporate purposes. General corporate purposes may include refinancing existing debt and funding future acquisitions, capital expenditures and working capital requirements.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth Clorox's ratio of earnings to fixed charges for the periods indicated:

	Six Months Ended December 31, 1998	Years Ended June 30,				
		1998	1997	1996	1995	1994
Ratio of Earnings to Fixed Charges.	5.9	6.1	6.9	8.4	8.9	9.3

For purposes of computing the above ratios, earnings consist of income from continuing operations before income taxes, extraordinary items and cumulative effect of accounting changes, plus amortization of capitalized interest, minority interest in net income of subsidiaries, some other adjustments, and fixed charges; and fixed charges include interest expense, amortization of debt discount and expense, the portion of rents representative of an interest factor and capitalized interest.

DESCRIPTION OF DEBT SECURITIES

This prospectus describes the material general terms and provisions of the debt securities. When we offer a particular series of debt securities, we will describe the specific terms of the series in a supplement to this prospectus. We will also indicate in the supplement whether the general terms and provisions described in this prospectus apply to a particular series of debt securities.

We may offer under this prospectus up to \$750,000,000 aggregate principal amount of debt securities, or if debt securities are issued at a discount, or in a foreign currency or composite currency, a principal amount as may be sold for an initial public offering price of up to \$750,000,000. Unless otherwise specified in the applicable prospectus supplement, the debt securities will represent our direct, unsecured obligations and will rank equally with all of our other unsecured and unsubordinated indebtedness.

The debt securities we are offering in this prospectus will be issued under an indenture between us and Bank of New York, as trustee. We have summarized select portions of the indenture below. The summary is not complete. We have filed a copy of the indenture as an exhibit to the registration statement and you should read the indenture for provisions that may be important to you. In the summary below, we have included references to the section numbers of the indenture so that you can easily locate these provisions. Capitalized terms used in the summary below have the meanings specified in the indenture.

General terms

The terms of each series of debt securities will be established by or through a resolution of a Committee of our Board of Directors and shown or determined in the manner provided in an officers' certificate or by a supplemental indenture. (Section 2.2) The particular terms of each series of debt securities will be described in a prospectus supplement relating to that series.

We can issue an unlimited amount of debt securities under the indenture that may be in one or more series with the same or various maturities up to \$750,000,000 aggregate principal amount of debt securities, or if debt securities are issued at a discount, or in a foreign currency or composite currency, a principal amount as may be sold for an initial public offering price of up to \$750,000,000. In addition, we may sell these debt securities at a price equal to their face value, or at prices above or below this amount up to the \$750,000,000 limitation above. We will state in a prospectus supplement relating to any series of debt securities being offered, the initial offering price, the aggregate principal amount and the following terms of the debt securities:

- * the title of the debt securities;
- * the price or prices at which we will sell the debt securities, expressed as a percentage of the aggregate principal amount;
- * any limit on the aggregate principal amount of the debt securities;
- * the date or dates on which we will pay the principal on the debt securities;
- * the interest rate or rates per annum;
- * whether the interest rate or rates will be fixed or variable;

- * any special method used to determine the interest rate or rates, including any commodity, commodity index, stock exchange index or financial index that we will use;
- * the date or dates from which interest will accrue;
- * the date or dates on which interest will commence and be payable;
- * any regular record date for the interest payable on any interest payment date;
- * the place or places where principal of, interest and any additional redemption value for debt securities originally offered at a discount to their face value (the premium) on the debt securities will be payable;
- * the terms and conditions upon which we may redeem the debt securities;
- * any obligation we have to redeem or purchase the debt securities under any sinking fund or analogous provisions or at the option of a holder of debt securities;
- * the dates on which and the price or prices at which we will repurchase the debt securities at the option of the holders of debt securities and other detailed terms and provisions of these repurchase obligations;
- * the rights, if any, that we have to redeem and pay the holders for all or a portion of the debt securities before the stated maturity, and their related terms;
- * the denominations in which the debt securities will be issued, if other than denominations of \$1,000 or any integral multiple of \$1,000;
- * whether the debt securities will be issued in the form of certificated debt securities or global debt securities;
- * the portion of principal amount of the debt securities payable upon declaration of acceleration of the maturity date, if other than the principal amount;
- * the currency of denomination of the debt securities;
- * the designation of the currency, currencies or currency units in which payment of principal of, premium and interest on the debt securities will be made;
- * if payments of principal of, premium or interest on the debt securities will be made in one or more currencies or currency units other than that or those in which the debt securities are denominated, the manner in which the exchange rate with respect to these payments will be determined;
- * the manner in which the amounts of payment of principal of, premium or interest on the debt securities will be determined, if these amounts may be determined by reference to an index based on a currency or currencies or by reference to a commodity, commodity index, stock exchange index or financial index;
- * any provisions relating to any security provided for the debt securities;
- * any addition to or change in the Events of Default described in this prospectus or in the indenture with respect to the debt securities and any change in the acceleration provisions described in this prospectus or in the indenture with respect to the debt securities;
- * any addition to or change in the covenants described in this prospectus or in the indenture with respect to the debt securities;
- * any other terms of the debt securities, which may modify or delete any provision of the indenture as it applies to that series; and
- * any depositaries, interest rate calculation agents, exchange rate calculation agents or other agents with respect to the debt securities. (Section 2.2)

We may issue debt securities that provide for an amount less than their stated principal amount to be due and payable upon declaration of acceleration of their maturity under the terms of the indenture. We will provide you with information on the federal income tax considerations and other special considerations applicable to any of these debt securities in the applicable prospectus supplement.

If we denominate the purchase price of any of the debt securities in a foreign currency or currencies or a foreign currency unit or units, or if the principal of and any premium and interest on any series of debt securities is payable in a foreign currency or currencies or a foreign currency

unit or units, we will provide you with information on the restrictions, elections, general tax considerations, specific terms and other information with respect to that issue of debt securities and the foreign currency or currencies or foreign currency unit or units in the applicable prospectus supplement.

Payment of interest and exchange

We will pay interest in the amounts and at the times described in a particular series of debt securities. If we default on any interest payment, we will pay the defaulted interest plus interest on the defaulted interest on a subsequent special record date, and will notify you in advance of this date. (Section 2.13) Each debt security will be represented by either one or more global securities registered in the name of The Depository Trust Company, as Depository, or a nominee of the Depository, which we will refer to in this prospectus as a "book-entry debt security", or a certificate issued in definitive registered form, which we will refer to as a "certificated debt security"). We will state in the applicable prospectus supplement whether a debt security is a book-entry debt security or a certificated debt security. Except as shown under "Global debt securities and book-entry system" below, book-entry debt securities will not be issuable in certificated form.

Certificated debt securities. You may transfer or exchange certificated debt securities at the trustee's office or paying agencies according to the terms of the indenture. You will not need to pay a service charge to transfer or exchange certificated debt securities, but we may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with a transfer or exchange.

You may transfer certificated debt securities and the right to receive the principal of, premium and interest on them only by surrendering the old certificate representing those certificated debt securities and either reissuance by us or the trustee of the old certificate to the new holder or the issuance by us or the trustee of a new certificate to the new holder.

Global debt securities and book-entry system. Each global debt security representing book-entry debt securities will be deposited with, or on behalf of, the Depository, and registered in the name of the Depository or a nominee of the Depository.

The Depository has indicated it intends to follow the following procedures with respect to book-entry debt securities:

Participants are persons that have accounts with the Depository for the related global debt security. Ownership of beneficial interests in book-entry debt securities will be limited to participants or persons that may hold interests through participants. Upon the issuance of a global debt security, the Depository will credit, on its book-entry registration and transfer system, the participants' accounts with the respective principal amounts of the book-entry debt securities represented by this global debt security beneficially owned by the participants. The accounts to be credited will be designated by any dealers, underwriters or agents participating in the distribution of the book-entry debt securities. Ownership of book-entry debt securities will be shown on, and the transfer of ownership interests will be effected only through, records maintained by the Depository for the related global debt security, with respect to interests of participants, and on the records of participants with respect to interests of persons holding through participants. The laws of some states may require that some purchasers of debt securities take physical delivery of their debt securities in definitive form. These laws may impair the ability to own, transfer or pledge beneficial interests in book-entry debt securities.

So long as the Depository for a global debt security, or its nominee, is the registered owner of that global debt security, the Depository or its nominee, as the case may be, will be considered the sole owner or holder of the book-entry debt securities represented by that global debt security for all purposes under the indenture. Except as described below, beneficial owners of book-entry debt securities will not be entitled to have debt securities registered in their names, will not receive or be entitled to receive physical delivery of a certificate in definitive form representing debt securities and will not be considered the owners or holders of those debt securities under the indenture. Therefore, each person beneficially owning book-entry debt securities must rely on the procedures of the Depository for the related global debt security and, if that person is not a participant, on the procedures of the participant through which that person owns its interest, to exercise any rights of a holder under the indenture.

We understand, however, that under existing industry practice, the Depository will authorize the persons on whose behalf it holds a global debt security to exercise the rights of holders of debt securities, and the indenture provides that we, the trustee and our respective agents will treat as the holder of a debt security the persons specified in a written statement of the Depository with respect to that global debt security for purposes of obtaining any consents or directions required to be given by holders of the debt securities under the indenture. (Section 2.14.6)

We will make payments of principal of, and premium and interest on book-entry debt securities to the Depository or its nominee, as the case may be, as the registered holder of the related global debt security. (Section 2.14.5) Clorox, the trustee and any other agent of ours or agent of the trustee will not have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a global debt security or for maintaining, supervising or reviewing any records relating to these beneficial ownership interests.

We expect that the Depository, upon receipt of any payment of principal of, premium or interest on a global debt security, will immediately credit participants' accounts with payments in amounts proportionate to the respective amounts of book-entry debt securities held by each participant as shown on the records of the Depository. We also expect that payments by participants to owners of beneficial interests in book-entry debt securities held through those participants will be governed by standing customer instructions and customary practices, as is now the case with the debt securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of those participants.

We will issue certificated debt securities in exchange for each global debt security if the Depository is at any time unwilling or unable to continue as Depository or ceases to be a clearing agency registered under the Securities Exchange Act, and a successor Depository registered as a clearing agency under the Securities Exchange Act is not appointed by us within 90 days. In addition, we may at any time and in our sole discretion determine not to have any of the book-entry debt securities of any series represented by one or more global debt securities and, in that event, we will issue certificated debt securities in exchange for the global debt securities of that series. Global debt securities will also be exchangeable by the holders for certificated debt securities if an event of default with respect to the book-entry debt securities represented by those global debt securities has occurred and is continuing. Any certificated debt securities issued in exchange for a global debt security will be registered in the name or names designated by the Depository to the trustee. We expect that these instructions will be based upon directions received by the Depository from participants with respect to ownership of book-entry debt securities relating to the global debt security.

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

No protection if a change of control occurs

Unless we state otherwise in the applicable prospectus supplement, the debt securities will not contain any provisions that may afford holders of the debt securities protection if there is a change in control or if there is a major stock repurchase using Clorox debt, whether or not it results in a change in control.

Covenants

Unless we otherwise state in the applicable prospectus supplement and in a supplement to the indenture, a board resolution or an officers' certificate delivered under the indenture, the debt securities will not contain any restrictive covenants, including covenants restricting us or any of our subsidiaries from incurring, issuing, assuming or guarantying any indebtedness secured by a lien upon any of our or our subsidiaries' property or shares of our or any of our subsidiaries' capital stock, or restricting us or any of our subsidiaries from entering into any sale and leaseback transactions.

We agree to pay the principal and interest to the holders of the debt securities according to the debt securities and the indenture. (Section 4.1) We will provide the trustee with copies of any reports we file with the SEC, as well as an annual certificate stating that to our knowledge we have complied with the terms and covenants of the indenture. (Section 4.2, 4.3) We agree to maintain our corporate existence in its current form and to pay all material taxes. (Section 4.5, 4.6)

Consolidation, merger and sale of assets

We may not consolidate with or merge into, or convey, transfer or lease all or substantially all of our properties and assets to, any person and we may not permit any person to merge into, or convey, transfer or lease its properties and assets substantially as an entirety to, us, unless:

- * the person is a corporation, partnership, trust or other entity organized and validly existing under the laws of any U.S. domestic jurisdiction and expressly assumes our obligations on the debt securities and under the indenture;
- * immediately after giving effect to the transaction, no event of default, and no event that, after notice or lapse of time, or both, would become an event of default, shall have occurred and be continuing under the indenture; and
- * we provide an officer's certificate and opinion of counsel to the foregoing effect. (Section 5.1)

Events of default

"Event of default" means, with respect to any series of debt securities, any of the following:

- * default in the payment of any interest upon any debt security of that series when it becomes due and payable, and continuance of that default for a period of 30 days, unless the entire payment is deposited by us with the trustee or with a paying agent before the expiration of the 30-day period;
- * default in the payment of principal of or premium on any debt security of that series when due and payable;
- * default in the deposit of any sinking fund payment, when and as due in respect of any debt security of that series;
- * default in the performance or breach of any other covenant or warranty by us in the indenture applicable to that series, which default continues uncured for a period of 60 days after we receive written notice from the trustee or we and the trustee receive written notice from the holders of at least 25% in principal amount of the outstanding debt securities of that series as provided in the indenture;
- * the occurrence of an event of bankruptcy, insolvency or reorganization, as defined in the indenture; and
- * any other event of default provided with respect to debt securities of that series that is described in the applicable prospectus supplement

accompanying this prospectus.

Except as to events of bankruptcy, insolvency or reorganization as defined in the indenture, no event of default with respect to a particular series of debt securities necessarily constitutes an event of default with respect to any other series of debt securities. (Section 6.1) The occurrence of an event of default may constitute an event of default under our bank credit agreements in existence from time to time and under some of our guaranties of subsidiary indebtedness. In addition, the occurrence of events of default or an acceleration under the indenture may constitute an event of default under other present or future agreements relating to our other indebtedness outstanding from time to time.

If an event of default with respect to debt securities of any series at the time outstanding occurs and is continuing, then the trustee or the holders of not less than 25% in principal amount of the outstanding debt securities of that series may, by written notice to us, declare to be due and payable within 5 business days the principal or, if the debt securities of that series are discount debt securities, that portion of the principal amount as may be specified in the terms of that series, and premium of all debt securities of that series. If the notice is given by the holders, the written notice shall also be to the trustee. In the case of an event of default resulting from court orders under the bankruptcy law for relief in an involuntary case, an appointment of a custodian or an order for Clorox's liquidation, or future events of default that may be specified in the description of a future series or by board resolution, the principal or specified amount and premium of all outstanding debt securities will become and be immediately due and payable without any declaration or other act by the trustee or any holder of outstanding debt securities.

At any time after a declaration of acceleration with respect to debt securities of any series has been made, but before the trustee has obtained a judgment or decree for payment of the money due, the holders of greater than 25% in principal amount of the outstanding debt securities of that series or the trustee may rescind and annul the acceleration if:

* all events of default, other than the non-payment of accelerated principal and premium with respect to debt securities of that series, have been cured or waived as provided in the indenture; and

* we have cured all events of default and paid or deposited with the trustee a sum sufficient to pay the principal, overdue interest and interest on the overdue interest to the extent permitted that has become due other than by acceleration and all sums advanced or paid by the trustee and sums sufficient to reasonably compensate the trustee and any counsel. (Section 6.2)

For information as to waiver of defaults see the discussion under "Modification and waiver; rights of trustee" below. We refer you to the prospectus supplement relating to any series of debt securities that are discount debt securities for the particular provisions relating to acceleration of a portion of the principal amount of those discount debt securities upon the occurrence of an event of default and the continuation of an event of default.

The indenture provides that the trustee may demand that we cure any default as to payments of any interest, principal or sinking fund payment that is not cured within 30 days, and in its discretion may institute judicial proceedings for collection. (Section 6.3) The indenture provides that the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request of any holder of outstanding debt securities, unless the trustee receives indemnity satisfactory to it against any loss, liability or expense. (Section 7.1(e)) The holders of a majority in principal amount of the outstanding debt securities of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee with respect to the debt securities of that series, except where those directions could involve the trustee in personal liability. (Section 6.12)

No holder of any debt security of any series will have any right to institute any proceeding, judicial or otherwise, with respect to the indenture or for the appointment of a receiver or trustee, or for any remedy under the indenture, unless:

* that holder has previously given to the trustee written notice of a continuing event of default with respect to debt securities of that series; and

* the holders of at least a majority in principal amount of the outstanding debt securities of that series have made written request, and offered reasonable indemnity, to the trustee to institute a proceeding as trustee, and the trustee shall not have received from the holders of a majority in principal amount of the outstanding debt securities of that series a direction inconsistent with that request and has failed to institute the proceeding within 60 days. (Section 6.7)

Notwithstanding the foregoing, the holder of any debt security will have an absolute and unconditional right to receive payment of the principal of, premium and any interest on that debt security on or after the due dates expressed in that debt security and to institute suit for the enforcement of payment. (Section 6.8)

The indenture requires us, within 90 days after the end of our fiscal year, to furnish to the trustee a statement as to compliance with the indenture. (Section 4.3) The trustee is required to mail to the SEC and to all holders of debt securities a brief report, no later than June 29 of each year, as required by the Trust Indenture Act. The indenture provides that the trustee may withhold notice to the holders of debt securities of any series of any default or event of default, except in the case of defaults in payment of principal or interest on any debt securities of that series, if it in good faith determines that withholding notice is in the interest of the holders of those debt securities. (Section 7.5)

Modification and waiver; rights of trustee

We and the trustee may modify and amend the indenture with the consent of the holders of at least a majority in principal amount of the

outstanding debt securities of each series affected by the modifications or amendments. We and the trustee may not make any modification or amendment without the consent of the holder of each affected debt security evidencing then outstanding debt if that amendment will:

- * change the amount of debt securities whose holders must consent to an amendment or waiver;
- * reduce the rate of or extend the time for payment of interest, including default interest, on any debt security;
- * reduce the principal of or premium on or change the fixed maturity of any debt security or reduce the amount of, or postpone the date fixed for, the payment of any sinking fund or analogous obligation with respect to any series of debt securities;
- * reduce the principal amount of discount debt securities payable upon acceleration of maturity;
- * waive a default in the payment of the principal of, premium or interest on any debt security, except a rescission of acceleration of the debt securities of any series by the holders of at least a majority in aggregate principal amount of the then outstanding debt securities of that series and a waiver of the payment default that resulted from the acceleration;
- * make the principal of or premium or interest on any debt security payable in currency other than that stated in the debt security;
- * make any change to provisions of the indenture relating to, among other things, the right of holders of debt securities to receive payment of the principal of, premium and interest on those debt securities and to institute suit for the enforcement of any payment and to waivers or amendments; or
- * waive a redemption payment with respect to any debt security or change any of the provisions with respect to the redemption of any debt securities. (Section 9.3)

Except for changes to cure ambiguities or inconsistencies or other changes that do not adversely affect the rights of securityholders, and except for the prohibited modifications immediately above, the holders of at least a majority in principal amount of the outstanding debt securities of any series may on behalf of the holders of all debt securities of that series waive our compliance with provisions of the indenture. (Section 9.2) The holders of a majority in principal amount of the outstanding debt securities of any series may on behalf of the holders of all the debt securities of that series waive any past default under the indenture with respect to that series and its consequences, except a default in the payment of the principal of, premium or any interest on any debt security of that series; however, the holders of a majority in principal amount of the outstanding debt securities of any series or the trustee may waive any default under the indenture and rescind an acceleration and its consequences, including any related payment default that resulted from the acceleration. (Section 6.13)

The trustee may rely on any document believed by it to be genuine and need not investigate any fact or matter stated in the document. (Section 7.2) The trustee may act through agents and shall not be responsible for the misconduct or negligence of any agent appointed with due care. (Section 7.2) The trustee is not responsible for any act or omission of the Depositary. (Section 7.2) The trustee may become the owner or pledgee of debt securities, unless not permitted by the Trust Indenture Act. (Section 7.3)

Defeasance of debt securities and covenants

Legal defeasance. The indenture provides that, unless otherwise provided by the terms of the applicable series of debt securities, we may be discharged from any and all obligations in respect of the debt securities of any series. However, we may not be discharged from our obligations to register the transfer or exchange of debt securities of any series, to replace stolen, lost or mutilated debt securities of any series, and to maintain paying agencies and other provisions relating to the treatment of funds held by paying agents. We will be so discharged upon the deposit with the trustee, in trust, of money and/or U.S. government obligations or, in the case of debt securities denominated in a single currency other than U.S. dollars, foreign government obligations, that, through the payment of interest and principal according to their terms, will provide money in an amount sufficient in the opinion of a nationally recognized firm of independent public accountants to pay and discharge each installment of principal, premium and interest on and any mandatory sinking fund payments in respect of the debt securities of that series on the stated maturity of those payments according to the terms of the indenture and those debt securities.

This discharge may occur only if, among other things:

- * there is no event of default with respect to the debt securities;
- * the deposit will not cause us to breach any agreement to which we are a party; and
- * we have delivered to the trustee an officers' certificate and an opinion of counsel stating that we have received from, or there has been published by, the United States Internal Revenue Service a ruling or, since the date of execution of the indenture, there has been a change in the applicable United States federal income tax law, in either case which states that holders of the debt securities of that series will not recognize income, gain or loss for United States federal income tax purposes as a result of the deposit, defeasance and discharge and will need to pay United States federal income tax on the same amount and in the same manner and at the same times as would have been the case if the deposit, defeasance and discharge had not occurred. (Section 8.3)

Defeasance of covenants. The indenture provides that, unless otherwise provided by the terms of the applicable series of debt securities, upon compliance with conditions stated in the indenture:

* we may omit to comply with the restrictive covenants contained in Sections 4.2 through 4.7 and Section 5.1 of the indenture, as well as any additional covenants contained in a supplement to the indenture, a board resolution or an officers' certificate delivered under the indenture; and

* events of default under Section 6.1(e) of the indenture will not constitute a default or an event of default with respect to the debt securities of that series.

The conditions for defeasance conditions include:

* depositing with the trustee money and/or U.S. government obligations or, in the case of debt securities denominated in a single currency other than U.S. dollars, foreign government obligations, that, through the payment of interest and principal according to their terms, will provide money in an amount sufficient in the opinion of a nationally recognized firm of independent public accountants to pay principal, premium and interest on and any mandatory sinking fund payments in respect of the debt securities of that series on the stated maturity of those payments according to the terms of the indenture and those debt securities; and

* delivering to the trustee an opinion of counsel stating that the holders of the debt securities of that series will not recognize income, gain or loss for United States federal income tax purposes as a result of the deposit and related covenant defeasance and will need to pay United States federal income tax on the same amount and in the same manner and at the same times as would have been the case if the deposit and related covenant defeasance had not occurred. (Section 8.4)

Covenant defeasance and events of default. If we exercise our option not to comply with our covenants of the indenture with respect to any series of debt securities and the debt securities of that series are declared due and payable because of the occurrence of any event of default, the amount of money and/or U.S. government obligations or foreign government obligations on deposit with the trustee will be sufficient to pay amounts due on the debt securities of that series at the time of their stated maturity but may not be sufficient to pay amounts due on the debt securities of that series at the time of the acceleration resulting from the event of default. However, we will remain liable for those payments.

"Foreign government obligations" means, with respect to debt securities of any series that are denominated in a currency other than U.S. dollars:

* direct obligations of the government that issued or caused to be issued the currency for the payment of which obligations its full faith and credit is pledged, which are not callable or redeemable at the option of the issuer; or

* obligations of a person controlled or supervised by or acting as an agency or instrumentality of that government the timely payment of which is unconditionally guaranteed as a full faith and credit obligation by that government, which are not callable or redeemable at the option of the issuer.

Governing law

The indenture and the debt securities will be governed by, and construed according to, the internal laws of the State of New York. (Section 10.10)

PLAN OF DISTRIBUTION

We may sell debt securities through underwriters, dealers or agents or directly to purchasers. The applicable prospectus supplement will show the terms of the offering of any debt securities we offer.

We may distribute debt securities from time to time in one or more transactions at a fixed price or prices, which may be changed, at market prices prevailing at the time of sale, at prices related to those prevailing market prices or at negotiated prices. Underwriters may sell debt securities to or through dealers.

If we employ underwriters in the sale of debt securities, we will execute an underwriting agreement with those underwriters. The underwriting agreement will provide that the obligations of the underwriters depend upon conditions precedent and that the underwriters will be obligated to purchase all the debt securities then being offered if any are purchased. In connection with the sale of debt securities, underwriters may be deemed to have received compensation from us in the form of underwriting discounts or commissions and may also receive commissions from the purchasers for whom they may act as agent. Underwriters may sell debt securities to or through dealers. Those dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions from the purchasers for whom they may act as agent.

Any initial public offering price and any discounts or concessions allowed or reallocated or paid to dealers may be changed from time to time. If we employ underwriters in the sale of any debt securities, the applicable prospectus supplement will contain a statement regarding the intention, if any, of the underwriters to make a market in the debt securities we sell.

If we use a dealer directly, we will sell the debt securities to the dealer, as principal. The dealer may then resell the debt securities to the public at varying prices to be determined by the dealer at the time of resale.

Debt securities may also be offered and sold through agents designated by us from time to time. Unless otherwise indicated in the prospectus supplement, any agent will be acting on a reasonable efforts basis for the period of its appointment.

Underwriters, dealers or agents participating in the distribution of debt securities may be deemed to be underwriters, and any discounts and commissions received by them and any profit realized by them on resale of the debt securities may be deemed to be underwriting discounts and commissions under the Securities Act.

Under agreements that may be entered into by us, underwriters, dealers and agents who participate in the distribution of debt securities may be entitled to be indemnified by us against some types of liabilities, including liabilities under the Securities Act. Underwriters, dealers and agents may engage in transactions with, or perform services for, us and our subsidiaries in the ordinary course of business and receive compensation for these transactions and services.

We may solicit directly offers to purchase debt securities. Except as stated in the applicable prospectus supplement, none of our directors, officers, or employees will solicit or receive a commission in connection with direct sales of the debt securities by us. Those persons may respond to inquiries by potential purchasers and perform ministerial and clerical work in connection with direct sales.

We may authorize underwriters or other persons acting as our agents to solicit offers by institutions to purchase debt securities from us under contracts providing for payment and delivery on a future date. Institutions with which these contracts may be made include commercial and savings banks, insurance companies, pension funds, investment companies, educational and charitable institutions and other institutions we may approve. The obligations of any purchaser under any of those contracts will depend upon the condition that the purchase of the debt securities shall not at the time of delivery be prohibited under the laws of the jurisdiction to which the purchaser is subject. The underwriters and other agents will not have any responsibility in respect of the validity or performance of those contracts.

Each series of debt securities will be a new issue of securities with no established trading market. Unless otherwise specified in a prospectus supplement relating to a series of debt securities, the debt securities will not be listed on any securities exchange. Any underwriters to whom debt securities are sold by us for public offering and sale may make a market in those debt securities, but those underwriters will not be obligated to do so and may discontinue any market making at any time without notice. There is no guarantee that any underwriter will make a market in the debt securities of any series or as to the existence or liquidity of a trading market for the debt securities of any series.

VALIDITY OF DEBT SECURITIES

Unless otherwise indicated in an accompanying prospectus supplement relating to a series of debt securities, the validity of the debt securities will be passed upon for us by Peter D. Bewley, our Senior Vice President - General Counsel and Secretary, and for any underwriters or agents by Latham & Watkins, 505 Montgomery Street, Suite 1900, San Francisco, California 94111.

EXPERTS

The consolidated financial statements of Clorox incorporated in this prospectus by reference from Clorox's Annual Report on Form 10-K for the fiscal year ended June 30, 1998 have been audited by Deloitte & Touche LLP, independent auditors, as stated in their reports which are incorporated by reference herein, and have been so incorporated in reliance upon the reports of such firm, given upon their authority as experts in auditing and accounting.

The consolidated financial statements and schedule of First Brands Corporation as of June 30, 1998 and 1997, and for each of the years in the three-year period ended June 30, 1998, have been incorporated by reference herein and in the registration statement in reliance upon the report of KPMG LLP, independent certified public accountants, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing. With respect to the unaudited interim financial information for the periods ended September 30, 1998 and 1997, incorporated by reference herein, the independent certified public accountants have reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included in First Brands Corporation's quarterly report on Form 10-Q for the quarter ended September 30, 1998 and 1997, and incorporated by reference herein, states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. The accountants are not subject to the liability provisions of section 11 of the Securities Act of 1933 for their report on the unaudited interim financial information because that report is not a "report" or a "part of the registration statement prepared or certified by the accountants" within the meaning of sections 7 and 11 of the Securities Act.

WHERE YOU CAN FIND MORE INFORMATION

Clorox files annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy statements and other information with the SEC. You may read and copy any materials filed by us with the SEC to meet our requirements under the Securities Exchange Act of 1934 at the SEC's Public Reference Room at 450 Fifth Street, N.W., Washington, D.C. 20549. You may obtain information regarding the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330 (1-800-732-0330). The SEC also maintains an

Internet site. Our filings with the SEC are available at the following Internet address of the SEC: <http://www.sec.gov>.

Clorox has filed with the SEC a registration statement (of which this prospectus is a part) on Form S-3 relating to the debt securities under the Securities Act of 1933. This prospectus does not contain all of the information shown in the registration statement. For additional information, you should refer to the registration statement, which you may inspect at the SEC's Public Reference Room or at its Internet site.

The SEC allows us to "incorporate by reference" into this prospectus information included in documents Clorox files with it to meet our requirements under the Securities Exchange Act. The information incorporated by reference is considered a part of this prospectus, which means we can disclose important information to you by referring you to those documents. Information filed with the SEC in the future will update and supersede prior information. Any information modified or superseded by information in a document filed by Clorox with the SEC in the future shall not be a part of this prospectus. We are incorporating by reference the documents listed below and all future documents filed by Clorox with the SEC (File No. 1-07151) under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act until our offering of the debt securities is completed:

- (1) Our Annual Report on Form 10-K for the year ended June 30, 1998.
- (2) Our Quarterly Reports on Form 10-Q for the quarters ended September 30, 1998 and December 31, 1998.

You may request a copy of these filings, at no cost to you, by writing to us at the following address or calling us at the telephone number below:

The Clorox Company
1221 Broadway
Oakland, California 94612-1888
Tel: (510) 271-2150
Attention: Director of Investor Relations Please note that our website is: <http://www.clorox.com>

No person is authorized to give any information or to make any representations other than those contained in this prospectus, including any prospectus supplement in connection with the offer of the debt securities, and, if given or made, the information or representations must not be relied upon as having been authorized. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy these debt securities in any circumstance in which the offer or solicitation is unlawful. Neither the delivery of this prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this prospectus or that the information contained or explicitly made part of this prospectus by reference is correct as of any time subsequent to the date of this prospectus.

THE CLOROX COMPANY
PROSPECTUS

Debt Securities

, 1999

Table of Contents	Page
Risk Factors	2
Use of Proceeds	6
Description of debt securities	6
General terms	6
Payment of interest and exchange	8
No protection in the event of a change of control occurs	10
Covenants	10
Consolidation, Merger and Sale of Assets	10
Events of Default	10
Modification and waiver; rights of trustee	12
Defeasance of debt securities and covenants	13
Governing Law	14
Plan of Distribution	14
Validity of debt securities	16
Experts	16
Where You Can Find More Information	16

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution.

The following list sets forth the expenses other than underwriting discounts and commissions expected to be incurred in connection with the issuance and distribution of the debt securities being registered by this registration statement. All amounts are estimated except the SEC registration fee.

SEC Registration Fee	\$208,500
Printing and Engraving Costs	50,000*
Accounting Fees and Expenses	10,000*
Trustee Fees and Expenses	10,000*
Legal Fees and Expenses	30,000*
Rating Agencies' Fees	300,000*
Blue Sky Fees and Expenses	10,000*
Miscellaneous	11,500*

Total	\$630,000*
	=====

*Estimated

Item 15. Indemnification of Directors and Officers.

Section 145(a) of the Delaware General Corporation Law provides in relevant part that "a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation), by reason of the fact that he is or was a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful." With respect to derivative actions, Section 145(b) of the Delaware General Corporation Law provides in relevant part that "[a] corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor. . . .

[by reason of his service in one of the capacities specified in the preceding sentence] against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper."

Clorox's Restated Certificate of Incorporation provides that Clorox is required to indemnify to the full extent permitted by the Delaware General Corporation Law any person made, or threatened to be made, a party to an action or proceeding, whether criminal, civil, administrative or investigative, by reason of the fact that the person, or the testator or intestate of the person, is or was a director or officer of Clorox, or served any business as a director or officer at the request of The Clorox Company. Expenses incurred by a director of Clorox in defending a civil or criminal action, suit or proceeding by reason of the fact that the person was a director of Clorox (and not in any other capacity, including if the person was serving at Clorox's request as a director or officer of another enterprise or corporation) will be paid by Clorox in advance of the final disposition of the action, suit or proceeding upon receipt of an undertaking by or on behalf of the director to repay the amount if it shall ultimately be determined that the person is not entitled to be indemnified by Clorox as authorized by relevant sections of the Delaware General Corporation Law. Clorox will indemnify officers or directors in connection with a proceeding initiated by them only if the proceeding was authorized by Clorox's Board of Directors. Any person who is not paid based on the foregoing indemnification provisions 90 days after submitting a written claim to Clorox may sue to recover the unpaid amounts and, if successful, will be entitled to be paid the expense of prosecuting the claim (except for any of the claims as Clorox is not permitted by law to indemnify, although the burden of proving the defense will be on Clorox).

Clorox's Restated Certificate of Incorporation also provides that no director will be liable to Clorox for a breach of fiduciary duty, except (1) for any breach of the director's duty of loyalty to Clorox or its stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law, (3) under Section 174 of the Delaware General Corporation Law, or (4) for any transaction from which the director derived an improper personal benefit. Clorox may also maintain insurance at its expense, to protect itself and any director or officer of Clorox or of another corporation or other enterprise against any expense, liability or loss, whether or not Clorox would have the power to indemnify the person against the expense, liability or loss under the Delaware General Corporation Law.

Clorox has purchased and maintains insurance on behalf of any person who is or was a director or officer against loss arising from any claim asserted against him or her and incurred in his or her capacity. Some exclusions apply.

See also the undertakings set out in response to Item 17 herein.

Item 16. Exhibits.

Exhibit Item	Exhibit Number	Description
1	1.1*	Form of Underwriting Agreement.
4	4.1(A)	Restated Certificate of Incorporation (filed as Exhibit 4.1 to Registration Statement on Form S-8 No. 333-44678 dated January 22, 1998, incorporated herein by this reference).
	4.1(B)	Bylaws (restated) of Clorox (filed as Exhibit 3(ii) to the Annual Report on Form 10-K for the year ended June 30, 1998, incorporated herein by reference).
	4.2	Conformed copy of Indenture, dated as of March 15, 1999, between Clorox and Bank of New York as Trustee.
5	5.1	Opinion of Peter D. Bewley, Esq., Senior Vice President - General Counsel and Secretary of Clorox, as to the validity of the debt securities being offered.
12	12.1	Computation of Ratios of Earnings to Fixed Charges.
23	23.1	The consent of Deloitte & Touche LLP, independent public accountants.
	23.2	The consent of KPMG LLP, independent public accountants
	23.3	The consent of Peter D. Bewley, Esq., Senior Vice President - General Counsel and Secretary of Clorox, is included in his opinion filed as Exhibit 5.1 to this Registration Statement.
24	24.1	Power of Attorney (See Page II-4 of this registration statement).
25	25.1	Statement of Eligibility of The Bank of New York on Form T-1.

*To be filed by amendment or by a report on Form 8-K pursuant to Regulation S-K, Item 601(b).

Item 17. Undertakings.

A. Clorox hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

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

(ii) to reflect in the prospectus any facts or events arising after the effective date of this registration statement or the most recent post-effective amendment of this registration statement, which, individually or in the aggregate, represent a fundamental change in the information shown in this registration statement. Notwithstanding the above, any increase or decrease in the volume of debt securities offered (below the total registered dollar value of debt securities) and any change from the low or high end of the estimated maximum offering range may be reflected in the form of Prospectus filed with the SEC if, in the aggregate, the change in volume and price represent no more than a 20 percent change in the maximum aggregate offering price shown in the "Calculation of Registration Fee" table shown in the effective registration statement; and

(iii) to include any material information with respect to the plan of distribution not previously disclosed in this registration statement or any material change to the information in this registration statement, including any addition or deletion of a managing underwriter;

provided, however, that paragraphs (A)(1)(i) and (A)(1)(ii) do not apply if the registration statement is on Form S-3 or Form S-8, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by Clorox that are incorporated by reference in the registration statement.

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

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

B. Clorox hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of Clorox's annual report and, where applicable, each filing of an employee benefit plan's annual report that is incorporated by reference in this registration statement shall be deemed to be a new registration statement relating to the debt securities offered herein, and the offering of the debt securities at that time shall be deemed to be the initial bona fide offering of the debt securities.

C. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of Clorox, Clorox has been advised that in the opinion of the SEC this indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. If a claim for indemnification against these liabilities is asserted by such director, officer or controlling person in connection with the debt securities being registered, Clorox will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act. Clorox will be governed by the final adjudication of such issue. This does not apply to claims for indemnification against expenses incurred or paid by a director, officer or controlling person of Clorox in the successful defense of any action, suit or proceeding.

D. Clorox hereby undertakes that:

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

(2) For the purpose 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 debt securities offered therein, and the offering of the debt securities at that time shall be deemed to be the initial bona fide offering of the debt securities.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, The Clorox Company has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of San Francisco, State of California, on this 1st day of April, 1999.

THE CLOROX COMPANY

BY: /S/ G.C. SULLIVAN
G.C. Sullivan
Chairman of the Board and
Chief Executive Officer

Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints, severally and not jointly, G. Craig Sullivan, Peter D. Bewley, Karen M. Rose and Henry J. Salvo, Jr., with full power to act alone, his true and lawful attorneys-in-fact, with the power of substitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the SEC, granting unto said attorneys-in-fact full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact may lawfully do or cause to be done by virtue hereof.

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

<i>Signature</i>	<i>Title</i>	<i>Date</i>
/S/ G.C. SULLIVAN G.C. Sullivan	Chairman of the Board, Chief Executive Officer and Director	January 20, 1999
/S/ D. BOGGAN, JR.	Director	January 20, 1999
/S/ J. W. COLLINS J. W. Collins	Director	January 20, 1999
/S/ U. FAIRCHILD U. Fairchild	Director	January 20, 1999

<i>/S/ T. M. FRIEDMAN T. M. Friedman</i>	<i>Director</i>	<i>January 20, 1999</i>
<i>J. Manchot</i>	<i>Director</i>	<i>January 20, 1999</i>
<i>/S/ D. O. MORTON D. O. Morton</i>	<i>Director</i>	<i>January 20, 1999</i>
<i>/S/ K. MORWIND K. Morwind</i>	<i>Director</i>	<i>January 20, 1999</i>
<i>/S/ E. L. SCARFF E. L. Scarff</i>	<i>Director</i>	<i>January 20, 1999</i>
<i>/S/ L. R. SCOTT L. R. Scott</i>	<i>Director</i>	<i>January 20, 1999</i>
<i>/S/ C. A. WOLFE C. A. Wolfe</i>	<i>Director</i>	<i>January 20, 1999</i>
<i>/S/ K. M. ROSE K. M. Rose</i>	<i>Group Vice President- Finance and Chief Financial Officer (Principal Financial Officer)</i>	<i>January 20, 1999</i>
<i>/S/ H. J. SALVO, JR. H. J. Salvo, Jr.</i>	<i>Vice President- Controller (Principal Accounting Officer)</i>	<i>January 20, 1999</i>

Exhibit Item	Exhibit Number	Description
1	1.1*	Form of Underwriting Agreement.
4	4.1(A)	Restated Certificate of Incorporation (filed as Exhibit 4.1 to Registration Statement on Form S-8 No. 333-44678 dated January 22, 1998, incorporated herein by this reference).
	4.1(B)	Bylaws (restated) of Clorox (filed as Exhibit 3(ii) to the Annual Report on Form 10-K for the year ended June 30, 1998, incorporated herein by reference).
	4.2	Conformed copy of Indenture, dated as of March 15, 1999, between Clorox and Bank of New York as Trustee.
5	5.1	Opinion of Peter D. Bewley, Esq., Senior Vice President - General Counsel and Secretary of Clorox, as to the validity of the debt securities being offered.
12	12.1	Computation of Ratios of Earnings to Fixed Charges.
23	23.1	The consent of Deloitte & Touche LLP, independent public accountants.
	23.2	The consent of KPMG LLP, independent public accountants
	23.3	The consent of Peter D. Bewley, Esq., Senior Vice President - General Counsel and Secretary of Clorox, is included in his opinion filed as Exhibit 5.1 to this Registration Statement.
24	24.1	Power of Attorney (See Page II-4 of this registration statement).
25	25.1	Statement of Eligibility of The Bank of New York on Form T-1.

*To be filed by amendment or by a report on Form 8-K pursuant to Regulation S-K, Item 601(b).

INDENTURE

Dated as of March 15, 1999

The Bank of New York
Trustee

ARTICLE I. DEFINITIONS AND INCORPORATION BY REFERENCE 1

Section 1.1.	Definitions.	1
Section 1.2.	Other Definitions.	6
Section 1.3.	Incorporation by Reference of Trust Indenture Act.	6
Section 1.4.	Rules of Construction.	7
ARTICLE II.	THE SECURITIES	7
Section 2.1.	Issuable in Series.	7
Section 2.2.	Establishment of Terms of Series of Securities.	7
Section 2.3.	Execution and Authentication.	10
Section 2.4.	Registrar and Paying Agent.	11
Section 2.5.	Paying Agent to Hold Money in Trust.	12
Section 2.6.	Securityholder Lists.	12
Section 2.7.	Transfer and Exchange.	13
Section 2.8.	Mutilated, Destroyed, Lost and Stolen Securities.	13
Section 2.9.	Outstanding Securities.	14
Section 2.10.	Treasury Securities.	15
Section 2.11.	Temporary Securities.	15
Section 2.12.	Cancellation.	15
Section 2.13.	Defaulted Interest.	15
Section 2.14.	Global Securities.	15
Section 2.15.	CUSIP Numbers.	17

ARTICLE III. REDEMPTION 17

Section 3.1.	Notice to Trustee.	17
Section 3.2.	Selection of Securities to be Redeemed.	17
Section 3.3.	Notice of Redemption.	18
Section 3.4.	Effect of Notice of Redemption.	19
Section 3.5.	Deposit of Redemption Price.	19
Section 3.6.	Securities Redeemed in Part.	19
ARTICLE IV. COVENANTS 19		
Section 4.1.	Payment of Principal and Interest.	19
Section 4.2.	SEC Reports.	19
Section 4.3.	Compliance Certificate.	20
Section 4.4.	Stay, Extension and Usury Laws.	20
Section 4.5.	Corporate Existence.	20
Section 4.6.	Taxes.	21
Section 4.7.	Calculations of Original Issue Discount.	21

ARTICLE V. SUCCESSORS 21

Section 5.1. When Company May Merge, Etc. 21

ARTICLE VI. DEFAULTS AND REMEDIES 22

Section 6.1.	Events of Default.	22
Section 6.2.	Acceleration of Maturity; Rescission and Annulment.	23
Section 6.3.	Collection of Indebtedness and Suits for Enforcement by Trustee.	24
Section 6.4.	Trustee May File Proofs of Claim.	25
Section 6.5.	Trustee May Enforce Claims Without Possession of Securities.	26
Section 6.6.	Application of Money Collected.	26
Section 6.7.	Limitation on Suits.	27
Section 6.8.	Unconditional Right of Holders to Receive Principal and Interest.	28
Section 6.9.	Restoration of Rights and Remedies.	28
Section 6.10.	Rights and Remedies Cumulative.	28
Section 6.11.	Delay or Omission Not Waiver.	28
Section 6.12.	Control by Holders.	28
Section 6.13.	Waiver of Past Defaults.	29
Section 6.14.	Undertaking for Costs.	29
ARTICLE VII. TRUSTEE 30		
Section 7.1.	Duties of Trustee.	30
Section 7.2.	Rights of Trustee.	31

Section 7.3.	Individual Rights of Trustee.	32
Section 7.4.	Trustee's Disclaimer.	32
Section 7.5.	Notice of Defaults.	33
Section 7.6.	Reports by Trustee to Holders.	33
Section 7.7.	Compensation and Indemnity.	33
Section 7.8.	Replacement of Trustee.	34
Section 7.9.	Successor Trustee by Merger, etc.	35
Section 7.10.	Eligibility; Disqualification.	35
Section 7.11.	Preferential Collection of Claims Against Company.	36
Section 7.12.	Trustee's Application for Instructions.	36

ARTICLE VIII. SATISFACTION AND DISCHARGE; DEFEASANCE 36

Section 8.1.	Satisfaction and Discharge of Indenture.	36
Section 8.2.	Application of Trust Funds; Indemnification.	37
Section 8.3.	Legal Defeasance of Securities of any Series.	38
Section 8.4.	Covenant Defeasance.	40
Section 8.5.	Repayment to Company.	41
ARTICLE IX. AMENDMENTS AND WAIVERS 41		
Section 9.1.	Without Consent of Holders.	41
Section 9.2.	With Consent of Holders.	42
Section 9.3.	Limitations.	42
Section 9.4.	Compliance with Trust Indenture Act.	43
Section 9.5.	Revocation and Effect of Consents.	43
Section 9.6.	Notation on or Exchange of Securities.	44
Section 9.7.	Trustee Protected.	44
ARTICLE X. MISCELLANEOUS 44		
Section 10.1	Trust Indenture Act Controls.	44
Section 10.2	Notices.	44
Section 10.3.	Communication by Holders with Other Holders.	45

Section 10.4	Certificate and Opinion as to Conditions Precedent.	45
Section 10.5	Statements Required in Certificate or Opinion.	46
Section 10.6	Rules by Trustee and Agents.	46
Section 10.7	Legal Holidays.	46
Section 10.8	No Recourse Against Others.	46
Section 10.9	Counterparts.	47
Section 10.10.	Governing Laws.	47
Section 10.11.	No Adverse Interpretation of Other Agreements.	47
Section 10.12.	Successors.	47
Section 10.13.	Severability.	47
Section 10.14.	Table of Contents, Headings, Etc.	47

Section 10.15.	Securities in a Foreign Currency or in Euros.	47
Section 10.16.	Judgment Currency.	48
ARTICLE XI. SINKING FUNDS 49		

Section 11.1	Applicability of Article.	49
Section 11.2.	Satisfaction of Sinking Fund Payments with Securities.	49
Section 11.3.	Redemption of Securities for Sinking Fund.	50

THE CLOROX COMPANY

Reconciliation and tie between Trust Indenture Act of 1939 and Indenture, dated as of March 15, 1999

Sec. 310(a)(1)	7.10
(a)(2)	7.10
(a)(3)	Not Applicable
(a)(4)	Not Applicable
(a)(5)	7.10
(b)	7.10
sec. 311(a)	7.11
(b)	7.11
(c)	Not Applicable
sec. 312(a)	2.6
(b)	10.3
(c)	10.3
sec. 313(a)	7.6
(b)(1)	7.6
(b)(2)	7.6
(c)(1)	7.6
(d)	7.6
sec. 314(a)	4.2, 10.5

(b)	Not Applicable
(c)(1)	10.4
(c)(2)	10.4
(c)(3)	Not Applicable
(d)	Not Applicable
(e)	10.5
(f)	Not Applicable
sec. 315(a)	7.1
(b)	7.5
(c)	7.1
(d)	7.1
(e)	6.14
sec. 316(a)	6.12
(a)(1)(A)	6.12
(a)(1)(B)	6.13
(b)	6.8
sec. 317(a)(1)	6.3
(a)(2)	6.4
(b)	2.5
sec. 318(a)	10.1

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

Indenture dated as of March 15, 1999 between The Clorox Company, a Delaware corporation ("Company"), and The Bank of New York, a New York banking corporation ("Trustee").

Each party agrees as follows for the benefit of the other party and for the equal and ratable benefit of the Holders of the Securities issued under this Indenture.

ARTICLE I

DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.1. Definitions.

"Additional Amounts" means any additional amounts which are required hereby or by any Security, under circumstances specified herein or therein, to be paid by the Company in respect of certain taxes imposed on Holders specified therein and which are owing to such Holders.

"Affiliate" of any specified person means any other person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified person. For the purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with"), as used with respect to any person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person, whether through the ownership of voting securities or by agreement or otherwise.

"Agent" means any Registrar, Paying Agent or Service Agent.

"Authorized Newspaper" means a newspaper in an official language of the country of publication customarily published at least once a day for at least five days in each calendar week and of general circulation in any countries on whose exchange the Securities are listed. If it shall be impractical in the opinion of the Trustee to make any publication of any notice required hereby in an Authorized Newspaper, any publication or other notice in lieu thereof that is made or given by the Trustee shall constitute a sufficient publication of such notice.

"Bearer" means anyone in possession from time to time of a Bearer Security.

"Bearer Security" means any Security, including any interest coupon appertaining thereto, that does not provide for the identification of the Holder thereof.

"Board of Directors" means the Board of Directors of the Company or any duly authorized committee thereof.

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

"Business Day" means, unless otherwise provided by Board Resolution, Officers' Certificate or supplemental indenture hereto for a particular Series, any day except a Saturday, Sunday or a legal holiday in The city of New York on which banking institutions are authorized or required by law, regulation or executive order to close.

"Company" means the party named as such above until a successor replaces it and thereafter means the successor.

"Company Order" means a written order signed in the name of the Company by two Officers, one of whom must be the Company's principal executive officer, principal financial officer or principal accounting officer.

"Company Request" means a written request signed in the name of the Company by its Chairman of the Board, a President or a Vice President, and by its Treasurer, an Assistant Treasurer, its Secretary or an Assistant Secretary, and delivered to the Trustee.

"Corporate Trust Office" means the office of the Trustee at which at any particular time its corporate trust business shall be principally administered, which office at the date hereof is located at 101 Barclay Street, Floor 21W, New York, New York, 10286, Attention: Corporate Trust Administration.

"Debt" of any person as of any date means, without duplication, all indebtedness of such person in respect of borrowed money, including all interest, fees and expenses owed in respect thereto (whether or not the recourse of the lender is to the whole of the assets of such person or only to a portion thereof), or evidenced by bonds, notes, debentures or similar instruments.

"Default" means any event which is, or after notice or passage of time would be, an Event of Default.

"Depository" means, with respect to the Securities of any Series issuable or issued in whole or in part in the form of one or more Global

Securities, the person designated as Depositary for such Series by the Company, which Depositary shall be a clearing agency registered under the Exchange Act; and if at any time there is more than one such person, "Depositary" as used with respect to the Securities of any Series shall mean the Depositary with respect to the Securities of such Series.

"Discount Security" means any Security that provides for an amount less than the stated principal amount thereof to be due and payable upon declaration of acceleration of the maturity thereof pursuant to Section 6.2.

"Dollars" means the currency of The United States of America.

"Euro" means the Currency Unit used by the European member states as determined by the European Central Bank.

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

"Foreign Currency" means any currency or currency unit issued by a government other than the government of The United States of America.

"Foreign Government Obligations" means with respect to Securities of any Series that are denominated in a Foreign Currency, (i) direct obligations of the government that issued or caused to be issued such currency for the payment of which obligations its full faith and credit is pledged or (ii) obligations of a person controlled or supervised by or acting as an agency or instrumentality of such government the timely payment of which is unconditionally guaranteed as a full faith and credit obligation by such government, which, in either case under clauses (i) or (ii), are not callable or redeemable at the option of the issuer thereof.

"Global Security" or "Global Securities" means a Security or Securities, as the case may be, in the form established pursuant to Section 2.2 evidencing all or part of a Series of Securities, issued to the Depositary for such Series or its nominee, and registered in the name of such Depositary or nominee.

"Holder" or "Securityholder" means a person in whose name a Security is registered or the holder of a Bearer Security.

"Indenture" means this Indenture as amended from time to time and shall include the form and terms of particular Series of Securities established as contemplated hereunder. "interest" with respect to any Discount Security which by its terms bears interest only after Maturity, means interest payable after Maturity.

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

"Officer" means the Chairman of the Board, any President, any Vice-President, the Treasurer, the Secretary, any Assistant Treasurer or any Assistant Secretary of the Company.

"Officers' Certificate" means a certificate signed by two Officers, one of whom must be the Company's principal executive officer, principal financial officer or principal accounting officer.

"Opinion of Counsel" means a written opinion of legal counsel. The counsel may be an employee of or counsel to the Company.

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

"principal" of a Security means the principal of the Security plus, when appropriate, the premium, if any, on, and any Additional Amounts in respect of, the Security.

"Responsible Officer" shall mean, when used with respect to the Trustee, any officer within the corporate trust department of the Trustee, including any vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by these persons or any person who is referred any corporate trust matter because of such person's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Indenture.

"SEC" means the Securities and Exchange Commission.

"Securities" means the debentures, notes or other debt instruments of the Company of any Series authenticated and delivered under this Indenture.

"Series" or "Series of Securities" means each series of debentures, notes or other debt instruments of the Company created pursuant to Sections 2.1 and 2.2 hereof.

"Significant Subsidiary" means (i) any direct or indirect Subsidiary of the Company that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act of 1933, as amended, as such regulation is in effect on the date hereof, or (ii) any group of direct or indirect Subsidiaries of the Company that, taken together as a group, would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act of 1933, as amended, as such regulation is in effect on the date hereof.

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

"Subsidiary" of any specified person means any corporation of which at least a majority of the outstanding stock having by the terms thereof ordinary voting power for the election of directors of such corporation (irrespective of whether or not at the time stock of any other class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned by such person, or by one or more other Subsidiaries, or by such person and one or more other Subsidiaries.

"TIA" means the Trust Indenture Act of 1939 (15 U.S. Code sections 77aaa-77bbb) as in effect on the date of this Indenture; provided, however, that in the event the Trust Indenture Act of 1939 is amended after such date, "TIA" means, to the extent required by any such amendment, the Trust Indenture Act as so amended.

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

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

Section 1.2 Other Definitions.

TERM -----	DEFINED IN SECTION -----
"Bankruptcy Law"	6.1
"Custodian"	6.1
"Event of Default"	6.1
"Journal"	10.15
"Judgment Currency"	10.16
"Legal Holiday"	10.7
"mandatory sinking fund payment"	11.1
"Market Exchange Rate"	10.15
"New York Banking Day"	10.16
"optional sinking fund payment"	11.1
"Paying Agent"	2.4
"Registrar"	2.4
"Required Currency"	10.16
"Service Agent"	2.4
"successor person"	5.1

Section 1.3 Incorporation by Reference of Trust Indenture Act.

Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference in and made a part of this Indenture. The following TIA terms used in this Indenture have the following meanings:

"Commission" means the SEC.

"indenture securities" means the Securities.

"indenture security holder" means a Securityholder.

"indenture to be qualified" means this Indenture.

"indenture trustee" or "institutional trustee" means the Trustee.

"obligor" on the indenture securities means the Company and any successor obligor upon the Securities.

All other terms used in this Indenture that are defined by the TIA, defined by TIA reference to another statute or defined by SEC rule under the TIA and not otherwise defined herein are used herein as so defined.

Section 1.4 Rules of Construction.

Unless the context otherwise requires:

- (a) a term has the meaning assigned to it;
- (b) an accounting term not otherwise defined has the meaning assigned to it in accordance with generally accepted accounting principles;
- (c) references to "generally accepted accounting principles" shall mean generally accepted accounting principles in effect as of the time when and for the period as to which such accounting principles are to be applied;
- (d) "or" is not exclusive;
- (e) words in the singular include the plural, and in the plural include the singular; and
- (f) provisions apply to successive events and transactions.

ARTICLE II

THE SECURITIES

Section 2.1 Issuable in Series.

The aggregate principal amount of Securities that may be authenticated and delivered under this Indenture is unlimited. The Securities may be issued in one or more Series. All Securities of a Series shall be identical except as may be set forth in a Board Resolution, a supplemental indenture or an Officers' Certificate detailing the adoption of the terms thereof pursuant to the authority granted under a Board Resolution. In the case of Securities of a Series to be issued from time to time, the Board Resolution, Officers' Certificate or supplemental indenture may provide for the method by which specified terms (such as interest rate, maturity date, record date or date from which interest shall accrue) are to be determined. Securities may differ between Series in respect of any matters, provided that all Series of Securities shall be equally and ratably entitled to the benefits of the Indenture.

Section 2.2 Establishment of Terms of Series of Securities.

At or prior to the issuance of any Securities within a Series, the following shall be established (as to the Series generally, in the case of Subsection 2.2.1, and either as to such Securities within the Series or as to the Series generally, in the case of Subsections 2.2.2 through 2.2.21) by a Board Resolution, a supplemental indenture or an Officers' Certificate pursuant to authority granted under a Board Resolution:

- 2.2.1. the title of the Series, including CUSIP numbers (which shall distinguish the Securities of that particular Series from the Securities of any other Series);
- 2.2.2. the price or prices (expressed as a percentage of the principal amount thereof) at which the Securities of the Series will be issued;
- 2.2.3. any limit upon the aggregate principal amount of the Securities of the Series which 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 2.7, 2.8, 2.11, 3.6 or 9.6);
- 2.2.4. the date or dates on which the principal of the Securities of the Series is payable;
- 2.2.5. the rate or rates (which may be fixed or variable) per annum or, if applicable, the method used to determine such rate or rates (including, but not limited to, any commodity, commodity index, stock exchange index or financial index) at which the Securities of the Series shall bear interest, if any, the date or dates from which such interest, if any, shall accrue, the date or dates on which such interest, if any, shall commence and be payable and any regular record date for the interest payable on any interest payment date;
- 2.2.6. the place or places where the principal of premium, and interest, if any, on the Securities of the Series shall be payable, or the method of such payment, if by wire transfer, mail or other means;
- 2.2.7. if applicable, the period or periods within which, the price or prices at which and the terms and conditions upon which the Securities of

the Series may be redeemed, in whole or in part, at the option of the Company;

2.2.8. the obligation, if any, of the Company to redeem or purchase the Securities of the Series pursuant to any sinking fund or analogous provisions or at the option of a Holder thereof and the period or periods within which, the price or prices at which and the terms and conditions upon which Securities of the Series shall be redeemed or purchased, in whole or in part, pursuant to such obligation or the right, if any, of the Company to redeem and pay the Holders for a portion or all of the face amount and accrued but unpaid interest of any Securities in a Series held by them prior to the Stated Maturity thereof and the period or periods within which, the price or prices at which and the terms and conditions upon which Securities of the Series shall be redeemed, in whole or in part, pursuant to such right;

2.2.9. the dates, if any, on which and the price or prices at which the Securities of the Series will be repurchased by the Company at the option of the Holders thereof and other detailed terms and provisions of such repurchase obligations;

2.2.10. if other than denominations of \$1,000 and any integral multiple thereof, the denominations in which the Securities of the Series shall be issuable;

2.2.11. the forms of the Securities of the Series in bearer or fully registered form (and, if in fully registered form, whether the Securities will be issuable as Global Securities);

2.2.12. if other than the principal amount thereof, the portion of the principal amount of the Securities of the Series that shall be payable upon declaration of acceleration of the maturity thereof pursuant to Section 6.2;

2.2.13. the currency of denomination of the Securities of the Series, which may be Dollars or any Foreign Currency, including, but not limited to, the Euro, and if such currency of denomination is a composite currency other than the Euro, the agency or organization, if any, responsible for overseeing such composite currency;

2.2.14. the designation of the currency, currencies or currency units in which payment of the principal of, premium and interest, if any, on the Securities of the Series will be made;

2.2.15. if payments of principal of premium or interest, if any, on the Securities of the Series are to be made in one or more currencies or currency units other than that or those in which such Securities are denominated, the manner in which the exchange rate with respect to such payments will be determined;

2.2.16. the manner in which the amounts of payment of principal of or interest, if any, on the Securities of the Series will be determined, if such amounts may be determined by reference to an index based on a currency or currencies or by reference to a commodity, commodity index, stock exchange index or financial index;

2.2.17. the provisions, if any, relating to any security provided for the Securities of the Series;

2.2.18. any addition to or change in the Events of Default which applies to any Securities of the Series and any change in the right of the Trustee or the requisite Holders of such Securities to declare the principal amount thereof due and payable pursuant to Section 6.2;

2.2.19. any addition to or change in the covenants set forth in Article IV or V which applies to Securities of the Series;

2.2.20. any other terms of the Securities of the Series (which terms shall not be inconsistent with the provisions of this Indenture, except as permitted by Section 9.1, but which may modify or delete any provision of this Indenture insofar as it applies to such Series); and

2.2.21. any depositories, interest rate calculation agents, exchange rate calculation agents or other agents with respect to Securities of such Series if other than those appointed herein.

All Securities of any one Series need not be issued at the same time and may be issued from time to time, consistent with the terms of this Indenture, if so provided by or pursuant to the Board Resolution, supplemental indenture or Officers' Certificate referred to above, and the authorized principal amount of any Series may not be increased to provide for issuances of additional Securities of such Series, unless otherwise provided in such Board Resolution, supplemental indenture or Officers' Certificate.

Section 2.3. Execution and Authentication.

Two Officers shall sign the Securities for the Company by manual or facsimile signature.

If an Officer whose signature is on a Security no longer holds that office at the time the Security is authenticated, the Security shall nevertheless be valid.

A Security shall not be valid until authenticated by the manual signature of the Trustee or an authenticating agent. The signature shall be conclusive evidence that the Security has been authenticated under this Indenture.

The Trustee shall at any time, and from time to time, authenticate Securities for original issue in the principal amount provided in the Board Resolution, supplemental indenture hereto or Officers' Certificate, upon receipt by the Trustee of a Company Order. Such Company Order may authorize authentication and delivery pursuant to electronic instructions from the Company or its duly authorized agent or agents. Each Security shall be dated the date of its authentication unless otherwise provided by a Board Resolution, a supplemental indenture hereto or an Officers' Certificate.

The aggregate principal amount of Securities of any Series outstanding at any time may not exceed any limit upon the maximum principal amount for such Series set forth in the Board Resolution, supplemental indenture hereto or Officers' Certificate delivered pursuant to Section 2.2, except as provided in Section 2.9.

Prior to the issuance of Securities of any Series, the Trustee shall have received and (subject to Section 7.2) shall be fully protected in relying on: (a) the Board Resolution, supplemental indenture hereto or Officers' Certificate establishing the form of the Securities of that Series or of Securities within that Series and the terms of the Securities of that Series or of Securities within that Series, (b) an Officers' Certificate complying with Section 10.4, and (c) an Opinion of Counsel complying with Section 10.4.

The Trustee shall have the right to decline to authenticate and deliver any Securities of such Series: (a) if the Trustee, being advised by counsel, determines that such action may not lawfully be taken; or (b) if the Trustee in good faith by a trust committee of Responsible Officers shall determine that such action would expose the Trustee to personal liability to Holders of any then outstanding Series of Securities.

The Trustee may appoint an authenticating agent acceptable to the Company to authenticate Securities. An authenticating agent may authenticate Securities whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with the Company or an Affiliate.

Section 2.4. Registrar and Paying Agent.

The Company shall maintain, with respect to each Series of Securities, at the place or places specified with respect to such Series pursuant to Section 2.2, an office or agency where Securities of such Series may be presented or surrendered for payment ("Paying Agent"), where Securities of such Series may be surrendered for registration of transfer or exchange ("Registrar") and where notices and demands to or upon the Company in respect of the Securities of such Series and this Indenture may be served ("Service Agent"). The Registrar shall keep a register with respect to each Series of Securities and to their transfer and exchange. The Company will give prompt written notice to the Trustee of the name and address, and any change in the name or address, of each Registrar, Paying Agent or Service Agent. If at any time the Company shall fail to maintain any such required Registrar, Paying Agent or Service Agent or shall fail to furnish the Trustee with the name and address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Company hereby appoints the Trustee as its agent to receive all such presentations, surrenders, notices and demands.

The Company may also from time to time designate one or more co-registrars, additional paying agents or additional service agents and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligations to maintain a Registrar, Paying Agent and Service Agent in each place so specified pursuant to Section 2.2 for Securities of any Series for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the name or address of any such co-registrar, additional paying agent or additional service agent. The term "Registrar" includes any co-registrar; the term "Paying Agent" includes any additional paying agent; and the term "Service Agent" includes any additional service agent.

The Company hereby appoints the Trustee the initial Registrar, Paying Agent and Service Agent for each Series unless another Registrar, Paying Agent or Service Agent, as the case may be, is appointed prior to the time Securities of that Series are first issued.

Section 2.5. Paying Agent to Hold Money in Trust.

The Company shall require each Paying Agent other than the Trustee to agree in writing that the Paying Agent will hold in trust, for the benefit of Securityholders of any Series of Securities, or the Trustee, all money held by the Paying Agent for the payment of principal of or interest on the Series of Securities, and will notify the Trustee of any default by the Company in making any such payment. While any such default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Company at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Company or a Subsidiary) shall have no further liability for the money. If the Company or a Subsidiary acts as Paying Agent, it shall segregate and hold in a separate trust fund for the benefit of Securityholders of any Series of Securities all money held by it as Paying Agent.

Section 2.6. Securityholder Lists.

The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of Securityholders of each Series of Securities and shall otherwise comply with TIA sec. 312(a). If the Trustee is not the Registrar, the Company shall furnish to the Trustee within 15 days of the Record Date a list of the Holders as of the Record Date and at such other times as the Trustee may request in writing (but in no event less often than every six months), a list, in such form and as of such date as the Trustee may reasonably require, of the names and addresses of Securityholders of each Series of Securities.

Section 2.7. Transfer and Exchange.

Where Securities of a Series are presented to the Registrar or a co-registrar with a request to register a transfer or to exchange them for an equal principal amount of Securities of the same Series, the Registrar shall register the transfer or make the exchange if its requirements for such transactions are met. To permit registrations of transfers and exchanges, the Trustee shall authenticate Securities at the Registrar's request. No service charge shall be made for any registration of transfer or exchange (except as otherwise expressly permitted herein), but the Company may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than any such transfer tax or similar governmental charge payable upon exchanges pursuant to Section 2.11, 3.6 or 9.6).

Neither the Company nor the Registrar shall be required (a) to issue, register the transfer of, or exchange Securities of any Series for the period beginning at the opening of business fifteen days immediately preceding the mailing of a notice of redemption of Securities of that Series selected for redemption and ending at the close of business on the day of such mailing, or (b) to register the transfer of or exchange Securities of any Series selected, called or being called for redemption as a whole or the portion being redeemed of any such Securities selected, called or being called for redemption in part.

Section 2.8. Mutilated, Destroyed, Lost and Stolen Securities. If any mutilated Security is surrendered to the Trustee, the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a new Security of the same Series and of like tenor and principal amount and bearing a number not contemporaneously outstanding.

If there shall be delivered to the Company and the Trustee

(i) evidence to their satisfaction of the destruction, loss or theft of any Security and (ii) such security or indemnity as may be required by them to save each of them and any agent of either of them harmless, then, in the absence of notice to the Company or the Trustee that such Security has been acquired by a bona fide purchaser, the Company shall execute and upon a Company Request the Trustee shall authenticate and make available for delivery, in lieu of any such destroyed, lost or stolen Security, a new Security of the same Series and of like tenor and principal amount and bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Security has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Security, pay such Security.

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

Every new Security of any Series issued pursuant to this Section in lieu of any destroyed, lost or stolen Security shall constitute an original additional contractual obligation of the Company, whether or not the destroyed, lost or stolen Security shall be at any time enforceable by anyone acting in good faith, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of that Series duly issued hereunder.

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

Section 2.9. Outstanding Securities.

The Securities outstanding at any time are all the Securities authenticated by the Trustee except for those canceled by it, those delivered to it for cancellation, those reductions in the interest on a Global Security effected by the Trustee in accordance with the provisions hereof and those described in this Section as not outstanding.

If a Security is replaced pursuant to Section 2.8, it ceases to be outstanding until the Trustee receives proof satisfactory to it that the replaced Security is held by a bona fide purchaser.

If the Paying Agent (other than the Company, a Subsidiary or an Affiliate of any thereof) holds on the Maturity of Securities of a Series money sufficient to pay such Securities payable on that date, then on and after that date such Securities of the Series cease to be outstanding and interest on them ceases to accrue.

A Security does not cease to be outstanding because the Company or an Affiliate holds the Security.

In determining whether the Holders of the requisite principal amount of outstanding Securities have given any request, demand, authorization, direction, notice, consent or waiver hereunder, the principal amount of a Discount Security that shall be deemed to be outstanding for such purposes shall be the amount of the principal thereof that would be due and payable as of the date of such determination upon a declaration of acceleration of the Maturity thereof pursuant to Section 6.2.

Section 2.10. Treasury Securities.

In determining whether the Holders of the required principal amount of Securities of a Series have concurred in any request, demand, authorization, direction, notice, consent or waiver Securities of a Series owned by the Company or an Affiliate shall be disregarded, except that

for the purposes of determining whether the Trustee shall be protected in relying on any such request, demand, authorization, direction, notice, consent or waiver only Securities of a Series that a Responsible Officer of the Trustee actually knows are so owned shall be so disregarded.

Section 2.11. Temporary Securities.

Until definitive Securities are ready for delivery, the Company may prepare and the Trustee shall authenticate temporary Securities upon a Company Order. Temporary Securities shall be substantially in the form of definitive Securities but may have variations that the Company considers appropriate for temporary Securities. Without unreasonable delay, the Company shall prepare and the Trustee upon request shall authenticate definitive Securities of the same Series and date of maturity in exchange for temporary Securities. Until so exchanged, temporary securities shall have the same rights under this Indenture as the definitive Securities.

Section 2.12. Cancellation.

The Company at any time may deliver Securities to the Trustee for cancellation. The Registrar and the Paying Agent shall forward to the Trustee any Securities surrendered to them for registration of transfer, exchange or payment. The Trustee shall cancel all Securities surrendered for transfer, exchange, payment, replacement or cancellation and shall dispose of such canceled Securities in its customary manner.

Section 2.13. Defaulted Interest.

If the Company defaults in a payment of interest on a Series of Securities, it shall pay the defaulted interest, plus, to the extent permitted by law, any interest payable on the defaulted interest (at the rate stated in the description of the applicable Series), to the persons who are Securityholders of the Series on a subsequent special record date. The Company shall fix the record date and payment date. At least 10 days before the record date, the Company shall mail to the Trustee and to each Securityholder of the Series a notice that states the record date, the payment date and the amount of interest to be paid. The Company may pay defaulted interest in any other lawful manner.

Section 2.14. Global Securities.

Terms of Securities. A Board Resolution, a supplemental indenture hereto or an Officers' Certificate shall establish whether the Securities of a Series shall be issued in whole or in part in the form of one or more Global Securities and the Depositary for such Global Security or Securities.

Transfer and Exchange. Notwithstanding any provisions to the contrary contained in Section 2.7 and in addition thereto, any Global Security shall be exchangeable pursuant to Section 2.7 for Securities registered in the names of Holders other than the Depositary for such Security or its nominee only if (i) such Depositary notifies the Company that it is unwilling or unable to continue as Depositary for such Global Security or if at any time such Depositary ceases to be a clearing agency registered under the Exchange Act, and, in either case, the Company fails to appoint a successor Depositary within 90 days of such event, (ii) the Company executes and delivers to the Trustee an Officers' Certificate to the effect that such Global Security shall be so exchangeable or (iii) an Event of Default with respect to the Securities represented by such Global Security shall have happened and be continuing. Any Global Security that is exchangeable pursuant to the preceding sentence shall be exchangeable for Securities registered in such names as the Depositary shall direct in writing in an aggregate principal amount equal to the principal amount of the Global Security with like tenor and terms.

Except as provided in this Section 2.14.2, a Global Security may not be transferred except as a whole by the Depositary with respect to such Global Security to a nominee of such Depositary, by a nominee of such Depositary to such Depositary or another nominee of such Depositary or by the Depositary or any such nominee to a successor Depositary or a nominee of such a successor Depositary.

Legend. Any Global Security issued hereunder shall bear a legend in substantially the following form:

"This Security is a Global Security within the meaning of the Indenture hereinafter referred to and is registered in the name of the Depositary or a nominee of the Depositary. This Security is exchangeable for Securities registered in the name of a person other than the Depositary or its nominee only in the limited circumstances described in the Indenture, and may not be transferred except as a whole by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or another nominee of the Depositary or by the Depositary or any such nominee to a successor Depositary or a nominee of such a successor Depositary."

Acts of Holders. The Depositary, as a Holder, may appoint agents and otherwise authorize participants to give or take any request, demand, authorization, direction, notice, consent, waiver or other action which a Holder is entitled to give or take under the Indenture.

Payments. Notwithstanding the other provisions of this Indenture, unless otherwise specified as contemplated by Section 2.2, payment of the principal of and interest, if any, on any Global Security shall be made to the Holder thereof.

Consents, Declaration and Directions. Except as provided in

Section 2.14.5, the Company, the Trustee and any Agent shall treat a person as the Holder of such principal amount of outstanding Securities of such Series represented by a Global Security as shall be specified in a written statement of the Depositary with respect to such Global Security, for purposes of obtaining any consents, declarations, waivers or directions required to be given by the Holders pursuant to this Indenture.

Section 2.15. CUSIP Numbers.

The Company in issuing the Securities shall apply for, obtain and 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; provided that 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 elements of identification printed on the Securities, and any such redemption shall not be affected by any defect in or omission of such numbers. The Company shall promptly notify the Trustee of any change in the CUSIP Numbers.

ARTICLE III

REDEMPTION

Section 3.1. Notice to Trustee.

The Company may, with respect to any Series of Securities, reserve the right to redeem and pay the Series of Securities or may covenant to redeem and pay the Series of Securities or any part thereof prior to the Stated Maturity thereof at such time and on such terms as provided for in such Securities. If a Series of Securities is redeemable and the Company wants or is obligated to redeem prior to the Stated Maturity thereof all or part of the Series of Securities pursuant to the terms of such Securities, it shall notify the Trustee of the redemption date and the principal amount of Series of Securities to be redeemed. The Company shall give the notice at least 45 days before the redemption date (or such shorter notice as may be acceptable to the Trustee).

Section 3.2. Selection of Securities to be Redeemed.

Unless otherwise indicated for a particular Series by a Board Resolution, a supplemental indenture or an Officers' Certificate, if less than all the Securities of a Series are to be redeemed, the Trustee shall select the Securities of the Series to be redeemed in any manner that the Trustee deems appropriate. The Trustee shall make the selection (which may be pro rata or by lot) from Securities of the Series outstanding not previously called for redemption. The Trustee may select for redemption portions of the principal of Securities of the Series that have denominations larger than \$1,000. Securities of the Series and portions of them it selects shall be in amounts of \$1,000 or whole multiples of \$1,000 or, with respect to Securities of any Series issuable in other denominations pursuant to Section 2.2.10, the minimum principal denomination for each Series and integral multiples thereof. Provisions of this Indenture that apply to Securities of a Series called for redemption also apply to portions of Securities of that Series called for redemption.

Section 3.3. Notice of Redemption.

Unless otherwise indicated for a particular Series by Board Resolution, a supplemental indenture hereto or an Officers' Certificate, at least 30 days but not more than 60 days before a redemption date, the Company shall mail a notice of redemption by first-class mail to each Holder whose Securities are to be redeemed and if any Bearer Securities are outstanding, publish on one occasion a notice in an Authorized Newspaper.

The notice shall identify the Securities of the Series to be redeemed and shall state:

- (a) the redemption date;
- (b) the redemption price;
- (c) the name and address of the Paying Agent;
- (d) that Securities of the Series called for redemption must be surrendered to the Paying Agent to collect the redemption price;
- (e) that interest on Securities of the Series called for redemption ceases to accrue on and after the redemption date;
- (f) the CUSIP number, if any; and
- (g) any other information as may be required by the terms of the particular Series or the Securities of a Series being redeemed.

At a Company Request, the Trustee shall give the notice of redemption in the Company's name and at its expense.

Section 3.4. Effect of Notice of Redemption.

Once notice of redemption is mailed or published as provided in Section 3.3, Securities of a Series called for redemption become due and payable on the redemption date and at the redemption price. A notice of redemption may not be conditional. Upon surrender to the Paying Agent, such Securities shall be paid at the redemption price plus accrued interest to the redemption date.

Section 3.5. Deposit of Redemption Price.

On or before the redemption date, the Company shall deposit with the Paying Agent immediately available funds sufficient to pay the redemption price of and accrued interest, if any, on all Securities to be redeemed on that date. Such funds shall not be eligible for investment.

Section 3.6. Securities Redeemed in Part.

Upon surrender of a Security that is redeemed in part, the Trustee shall authenticate for the Holder a new Security of the same Series and the same maturity equal in principal amount to the unredeemed portion of the Security surrendered.

ARTICLE IV.

COVENANTS

Section 4.1. Payment of Principal and Interest.

The Company covenants and agrees for the benefit of the Holders of each Series of Securities that it will duly and punctually pay the principal of, premium, if any, and interest, if any, on the Securities of that Series in accordance with the terms of such Securities and this Indenture.

Section 4.2. SEC Reports.

The Company shall deliver to the Trustee within 15 days after it files them with the SEC 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 SEC may by rules and regulations prescribe) which the Company is required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act. The Company also shall comply with the other provisions of TIA sec. 314(a). Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on an Officers' Certificate).

Section 4.3. Compliance Certificate.

The Company shall deliver to the Trustee, within 90 days after the end of each fiscal year of the Company, an Officers' Certificate stating that a review of the activities of the Company and its Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officers with a view to determining whether the Company has kept, observed, performed and fulfilled its obligations under this Indenture, and further stating, as to each such Officer signing such certificate, that to the best of his knowledge the Company has kept, observed, performed and fulfilled each and every covenant contained in this Indenture and is not in default in the performance or observance of any of the terms, provisions and conditions hereof (or, if a Default or Event of Default shall have occurred, describing all such Defaults or Events of Default of which he may have knowledge).

The Company will, so long as any of the Securities are outstanding, deliver to the Trustee, forthwith (and in any event within five Business Days) upon becoming aware of any Default or Event of Default, an Officers' Certificate specifying such Default or Event of Default and what action the Company is taking or proposes to take with respect thereto.

Section 4.4. Stay, Extension and Usury Laws.

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

Section 4.5. Corporate Existence.

Subject to Article V, the Company will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence in accordance with the rights (charter and statutory), licenses and franchises of the Company.

Section 4.6. Taxes.

The Company shall, and shall cause each of its Significant Subsidiaries to, pay prior to delinquency all material taxes, assessments and governmental levies, except as contested in good faith and by appropriate proceedings.

Section 4.7. Calculation of Original Issue Discount.

The Company shall provide to the Trustee on a timely basis such information as the Trustee requires to enable the Trustee to prepare and file any form required to be submitted by the Company with the Internal Revenue Service and the Securityholders relating to original issue discount, including, without limitation, form 1099-OID or any successor form.

ARTICLE V.

SUCCESSORS

Section 5.1. When Company May Merge, Etc.

The Company shall not consolidate with or merge into, or convey, transfer or lease all or substantially all of its properties and assets to, any person (a "successor person"), and may not permit any person to merge into, or convey, transfer or lease its properties and assets substantially as an entirety to, the Company, unless:

(a) the successor person (if any) is a corporation, partnership, trust or other entity organized and validly existing under the laws of any U.S. domestic jurisdiction and expressly assumes the Company's obligations on the Securities and under this Indenture; and

(b) immediately after giving effect to the transaction, no Default or Event of Default, shall have occurred and be continuing.

The Company shall deliver to the Trustee prior to the consummation of the proposed transaction an Officers' Certificate to the foregoing effect and an Opinion of Counsel stating that the proposed transaction complies with this Indenture and, if applicable, any supplemental indenture entered into by such successor person.

Section 5.2. Successor Corporation Substituted.

Upon any consolidation or merger, or any sale, lease, conveyance or other disposition of all or substantially all of the assets of the Company in accordance with Section 5.1, the successor corporation formed by such consolidation or into or with which the Company is merged or to which such sale, lease, conveyance or other disposition is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with the same effect as if such successor person has been named as the Company herein; provided, however, that the predecessor Company in the case of a sale, lease, conveyance or other disposition shall not be released from the obligation to pay the principal of and interest, if any, on the Securities.

ARTICLE VI

DEFAULTS AND REMEDIES

Section 6.1. Events of Default.

"Event of Default," wherever used herein with respect to Securities of any Series, means any one of the following events, unless in the establishing Board Resolution, supplemental indenture or Officers' Certificate, it is provided that such Series shall not have the benefit of said Event of Default:

(a) default in the payment of any interest on any Security of that Series when it becomes due and payable, and continuance of such default for a period of 30 days (unless the entire amount of such payment is deposited by the Company with the Trustee or with a Paying Agent prior to the expiration of such period of 30 days); or

(b) default in the payment of the principal of any Security of that Series at its Maturity; or

(c) default in the deposit of any sinking fund payment, when and as due in respect of any Security of that Series; or

(d) default in the performance or breach of any covenant or warranty of the Company in this Indenture (other than a covenant or warranty that has been included in this Indenture solely for the benefit of Series of Securities other than that Series), which default continues uncured for a period of 60 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; or

(e) the Company or any of its Significant Subsidiaries pursuant to or within the meaning of any Bankruptcy Law:

(i) commences a voluntary case,

(ii) consents to the entry of an order for relief against it in an involuntary case,

(iii) consents to the appointment of a Custodian of it or for all or substantially all of its property,

(iv) makes a general assignment for the benefit of its creditors, or
(v) generally is unable to pay its debts as the same become due; or

(f) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(i) is for relief against the Company or any of its Significant Subsidiaries in an involuntary case,

(ii) appoints a Custodian of the Company or any of its Significant Subsidiaries or for all or substantially all of its property, or

(iii) orders the liquidation of the Company or any of its Significant Subsidiaries,

and the order or decree remains unstayed and in effect for 60 days; or

(g) any other Event of Default provided with respect to Securities of that Series, which is specified in a Board Resolution, a supplemental indenture hereto or an Officers' Certificate, in accordance with Section 2.2.18.

The term "Bankruptcy Law" means title 11, U.S. Code or any similar Federal or State law for the relief of debtors. The term "Custodian" means any receiver, trustee, assignee, liquidator or similar official under any Bankruptcy Law.

Section 6.2. Acceleration of Maturity; Rescission and Annulment.

If an Event of Default with respect to Securities of any Series at the time outstanding occurs and is continuing (other than an Event of Default referred to in Section 6.1(f) or (g)), then in every such case the Trustee or the Holders of not less than 25% in principal amount of the outstanding Securities of that Series may declare the principal amount (or, if any Securities of that Series are Discount Securities, such portion of the principal amount as may be specified in the terms of such Securities) of and accrued and unpaid interest, if any, on all of the Securities of that Series to be due and payable within five (5) Business Days, by a notice in writing to the Company (and to the Trustee if given by Holders), and upon any such declaration such principal amount (or specified amount) and accrued and unpaid interest, if any, shall become due and payable within such five (5) Business Day period. If an Event of Default specified in Section 6.1(f) or (g) shall occur, the principal amount (or specified amount) of and accrued and unpaid interest, if any, on all outstanding Securities shall ipso facto become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.

At any time after such a declaration of acceleration with respect to any Series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Trustee or the Holders of not less than 25% in principal amount of the outstanding Securities of that Series, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if:

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

(i) all overdue interest, if any, on all Securities of that Series,

(ii) the principal of any Securities of that Series which have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates prescribed therefor in such Securities,

(iii) to the extent that payment of such interest is lawful, interest upon any overdue principal and overdue interest at the rate or rates prescribed therefor in such Securities, and

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

(b) all Events of Default with respect to Securities of that Series, other than the non-payment of the principal of Securities of that Series which have become due solely by such declaration of acceleration, have been cured or waived as provided in Section 6.13.

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

Section 6.3. Collection of Indebtedness and Suits for Enforcement by Trustee.

The Company covenants that if

(a) default is made in the payment of any interest on any Security when such interest becomes due and payable and such default continues for a period of 30 days; or

(b) default is made in the payment of principal of any Security at the Maturity thereof; or

(c) default is made in the deposit of any sinking fund payment when and as due by the terms of a Security;

then, the Company will, upon demand of the Trustee, pay to it within five (5) Business Days, for the benefit of the Holders of such Securities, the whole amount then due and payable on such Securities for principal and interest and, to the extent that payment of such interest shall be legally enforceable, interest on any overdue principal or any overdue interest, at the rate or rates prescribed therefor in such Securities, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

If the Company fails to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, may prosecute such proceeding to judgment or final decree and may enforce the same against the Company or any other obligor upon such Securities and collect the moneys adjudged or deemed to be payable in the manner provided by law out of the property of the Company or any other obligor upon such Securities, wherever situated.

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

Section 6.4. Trustee May File Proofs of Claim.

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

(a) to file and prove a claim for the whole amount of principal and interest owing and unpaid in respect of the Securities and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and of the Holders allowed in such judicial proceeding; and

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

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.7.

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

Section 6.5. Trustee May Enforce Claims Without Possession of Securities.

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

Section 6.6. Application of Money Collected.

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

First: To the payment of all amounts due the Trustee under Section 7.7; and

Second: To the payment of the amounts then due and unpaid for principal of and interest on the Securities in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on such

Securities for principal and interest, respectively; and

Third: To the Company.

Section 6.7. Limitation on Suits.

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

- (a) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Securities of that Series;
- (b) the Holders of not less than a majority in principal amount of the outstanding Securities of that Series shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;
- (c) such Holder or Holders have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;
- (d) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and
- (e) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the outstanding Securities of that Series;

it being understood and intended that no one or more of such Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other of such Holders, or to obtain or to seek to obtain priority or preference over any other of such Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all such Holders.

Section 6.8. Unconditional Right of Holders to Receive Principal and Interest.

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

Section 6.9. Restoration of Rights and Remedies.

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

Section 6.10. Rights and Remedies Cumulative.

Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities in Section 2.8, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 6.11. Delay or Omission Not Waiver.

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

Section 6.12. Control by Holders.

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

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

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

(c) subject to the provisions of Section 6.1, the Trustee shall have the right to decline to follow any such direction if the Trustee in good faith shall, by a Responsible Officer of the Trustee, determine that the proceeding so directed would involve the Trustee in personal liability.

Section 6.13. Waiver of Past Defaults.

The Holders of not less than a majority in principal amount of the outstanding Securities of any Series may on behalf of the Holders of all the Securities of such Series waive any past Default hereunder with respect to such Series and its consequences, except a Default in the payment of the principal of or interest on any Security of such Series (provided, however, that the Holders of a majority in principal amount of the outstanding Securities of any Series may rescind an acceleration and its consequences, including any related payment default that resulted from such acceleration). Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 6.14. Undertaking for Costs.

All parties to this Indenture agree, and each Holder of any Security by his acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees 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; but the provisions of this Section shall not apply to any suit instituted by the Company, to any suit instituted by the Trustee, to any suit instituted by any Holder, or group of Holders, holding in the aggregate more than 10% in principal amount of the outstanding Securities of any Series, or to any suit instituted by any Holder for the enforcement of the payment of the principal of or interest on any Security on or after the Stated Maturity or Stated Maturities expressed in such Security (or, in the case of redemption, on the redemption date).

ARTICLE VII.

TRUSTEE

Section 7.1. Duties of Trustee.

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

(b) Except during the continuance of an Event of Default:

(i) The Trustee need perform only those duties that are specifically set forth in this Indenture and no implied duties, 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 Officers' Certificates or Opinions of Counsel furnished to the Trustee and conforming to the requirements of this Indenture; however, in the case of any such Officers' Certificates or Opinions of Counsel which by any provisions hereof are specifically required to be furnished to the Trustee, the Trustee shall examine such Officers' Certificates and Opinions of Counsel to determine whether or not they conform to the requirements of this Indenture (but need not confirm or investigate the accuracy of any mathematical calculations or other facts stated therein);

(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 does not limit the effect of paragraph (b) of this Section;

(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 taken, suffered or omitted to be taken by it with respect to Securities of any Series in good faith in accordance with the direction of the Holders of a majority in principal amount of the outstanding Securities of such Series relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture with respect to the Securities of such Series;

(d) Every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b) and (c) of this Section;

(e) The Trustee may refuse to perform any duty or exercise any right or power unless and until it receives indemnity satisfactory to it against any loss, liability, claim, damage or expense;

(f) The Trustee shall not be liable for interest on any money received by it. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law;

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

(h) The Paying Agent, the Registrar and any authenticating agent shall be entitled to the protections, immunities and standard of care as are set forth in paragraphs (a), (b) and (c) of this Section with respect to the Trustee.

Section 7.2. Rights of Trustee.

The Trustee may conclusively rely on and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, other evidence of indebtedness or other paper or document (whether in its original or facsimile form) believed in good faith 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 or both. 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) The Trustee may act through agents and shall not be responsible for the misconduct or negligence of any agent appointed with due care. No Depository shall be deemed an agent of the Trustee and the Trustee shall not be responsible for any act or omission by any Depository;

(d) 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;

(e) The Trustee may consult with counsel of its own 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;

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

(g) The Trustee shall not be deemed to have notice of any Default or Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof or unless written notice of any event which is in fact such a default is received by the Trustee at the Corporate Trust Office of the Trustee, and such notice references the Securities and this Indenture; and

(h) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and to each agent, custodian and other person employed to act hereunder.

Section 7.3. 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 an Affiliate with the same rights it would have if it were not Trustee. Any Agent may do the same with like rights. The Trustee is also subject to Sections 7.10 and 7.11.

Section 7.4. Trustee's Disclaimer.

The Trustee makes no representation as to the validity or adequacy of this Indenture or the Securities, it shall not be accountable for the Company's use of the proceeds from the Securities, and it shall not be responsible for any statement in the Securities other than its authentication.

Section 7.5. Notice of Defaults.

If a Default or Event of Default occurs and is continuing with respect to the Securities of any Series and if it is actually known to a Responsible Officer of the Trustee, the Trustee shall mail to each Securityholder of the Securities of that Series and, if any Bearer Securities are outstanding, publish on one occasion in an Authorized Newspaper, notice of a Default or Event of Default within 90 days after it occurs or, if later, after a

Responsible Officer of the Trustee has knowledge of such Default or Event of Default. Except in the case of a Default or Event of Default in payment of principal of or interest on any Security of any Series, the Trustee may withhold the notice if and so long as its corporate trust committee or a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of Securityholders of that Series.

Section 7.6. Reports by Trustee to Holders.

Within 60 days after May 1 in each year, the Trustee shall transmit by mail to all Securityholders, as their names and addresses appear on the register kept by the Registrar and, if any Bearer Securities are outstanding, publish in an Authorized Newspaper, a brief report dated as of such May 1, in accordance with, and to the extent required under, TIA sec. 313.

A copy of each report at the time of its mailing to Securityholders of any Series shall be filed with the SEC and each stock exchange on which the Securities of that Series are listed. The Company shall promptly notify the Trustee when Securities of any Series are listed on any stock exchange or delisted therefrom.

Section 7.7. Compensation and Indemnity.

The Company shall pay to the Trustee from time to time such compensation for its services, as shall be agreed upon from time to time in writing. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Company shall reimburse the Trustee upon request for all out-of-pocket expenses incurred by it. Such expenses shall include the reasonable compensation and expenses of the Trustee's agents and counsel.

The Company shall fully indemnify the Trustee and any predecessor Trustee (including the cost of defending itself) against any and all loss, liability, claim, damage or expense (including taxes other than taxes based on the income of the Trustee) incurred by it except as set forth in the next paragraph in the acceptance and performance of its duties under this Indenture as Trustee or Agent. The Trustee shall notify the Company promptly of any claim for which it may seek indemnity. The Company shall defend the claim and the Trustee shall cooperate in the defense. The Trustee may have separate counsel and the Company shall pay the reasonable fees and expenses of such counsel. The Company need not pay for any settlement made without its consent, which consent shall not be unreasonably withheld. This indemnification shall apply to officers, directors, employees, shareholders and agents of the Trustee.

The Company need not reimburse any expense or indemnify against any loss or liability incurred by the Trustee through its own negligence, bad faith or willful misconduct.

To secure the Company's payment obligations in this Section, the Trustee shall have a lien prior to the Securities of any Series on all money or property held or collected by the Trustee, except that held in trust to pay principal and interest on particular Securities of that Series.

When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.1(f) or (g) occurs, the expenses and the compensation for the services are intended to constitute expenses of administration under any Bankruptcy Law.

Section 7.8. Replacement of Trustee.

A resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment as provided in this Section.

The Trustee may resign with respect to the Securities of one or more Series by so notifying the Company. The Holders of a majority in principal amount of the Securities of any Series may remove the Trustee with respect to that Series by so notifying the Trustee and the Company. The Company may remove the Trustee with respect to Securities of one or more Series if:

- (a) the Trustee fails to comply with Section 7.10;
- (b) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;
- (c) a Custodian or public officer takes charge of the Trustee or its property; or
- (d) the Trustee becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Company shall promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in principal amount of the then outstanding Securities may appoint a successor Trustee to replace the successor Trustee appointed by the Company.

If a successor Trustee with respect to the Securities of any one or more Series does not take office within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Company or the Holders of at least 10% in principal amount of the Securities of the applicable Series may petition at the expense of the Company, any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee with respect to the Securities of any one or more Series fails to comply with Section 7.10, any Securityholder of the applicable Series may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Promptly thereafter, the retiring Trustee shall transfer all property held by it as Trustee to the successor Trustee subject to the lien provided for in Section 7.7, 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 with respect to each Series of Securities for which it is acting as Trustee under this Indenture. A successor Trustee shall mail a notice of its succession to each Securityholder of each such Series and, if any Bearer Securities are outstanding, publish such notice on one occasion in an Authorized Newspaper. Notwithstanding replacement of the Trustee pursuant to this Section 7.8, the Company's obligations under Section 7.7 hereof shall continue for the benefit of the retiring trustee with respect to expenses and liabilities incurred by it prior to such replacement.

Section 7.9. Successor Trustee by Merger, etc.

If the Trustee consolidates with, merges or converts into, sells or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act shall be the successor Trustee.

Section 7.10. Eligibility; Disqualification.

This Indenture shall always have a Trustee who satisfies the requirements of TIA sec. 310(a)(1), (2) and (5). The Trustee shall always have a combined capital and surplus of at least \$25,000,000 as set forth in its most recent published annual report of condition. The Trustee shall comply with TIA sec. 310(b).

Section 7.11. Preferential Collection of Claims Against Company.

The Trustee is subject to TIA sec. 311(a), excluding any creditor relationship listed in TIA sec. 311(b). A Trustee who has resigned or been removed shall be subject to TIA sec. 311(a) to the extent indicated.

Section 7.12. Trustee's Application for Instructions from the Company.

Any application by the Trustee for written instructions from the Company may, at the option of the Trustee, set forth in writing any action proposed to be taken or omitted by the Trustee under this Indenture and the date on and/or after which such action shall be taken or such omission shall be effective. The Trustee shall not be liable for any action taken by, or omission of, the Trustee in accordance with a proposal included in such application on or after the date specified in such application (which date shall not be less than three Business Days after the date any officer of the Company actually receives such application, unless any such officer shall have consented in writing to any earlier date) unless prior to taking any such action (or the effective date in the case of an omission), the Trustee shall have received written instructions in response to such application specifying the action to be taken or omitted.

ARTICLE VIII

SATISFACTION AND DISCHARGE; DEFEASANCE

Section 8.1. Satisfaction and Discharge of Indenture.

This Indenture shall upon Company Order cease to be of further effect (except as hereinafter provided in this Section 8.1), and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when

(a) either

(i) all Securities theretofore authenticated and delivered (other than Securities that have been destroyed, lost or stolen and that have been replaced or paid) have been delivered to the Trustee for cancellation; or

(ii) all such Securities not theretofore delivered to the Trustee for cancellation

(1) have become due and payable, or\

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

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

(4) are deemed paid and discharged pursuant to Section 8.3, as applicable;

and the Company, in the case of (1), (2) or (3) above, has deposited or caused to be deposited with the Trustee as trust funds in trust an amount sufficient for the purpose of paying and discharging the entire indebtedness on such Securities not theretofore delivered to the Trustee for cancellation, for principal and interest to the date of such deposit (in the case of Securities which have become due and payable on or prior to the date of such deposit) or to the Stated Maturity or redemption date, as the case may be;

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

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

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee under Section 7.7, and, if money shall have been deposited with the Trustee pursuant to clause (a) of this Section, the provisions of Sections 2.4, 2.7, 2.8, 8.1, 8.2 and 8.5 shall survive such satisfaction and discharge.

Section 8.2. Application of Trust Funds; Indemnification.

(a) Subject to the provisions of Section 8.5, all money deposited with the Trustee pursuant to Section 8.1, all money and U.S. Government Obligations or Foreign Government Obligations deposited with the Trustee pursuant to Section 8.3 or 8.4 and all money received by the Trustee in respect of U.S. Government Obligations or Foreign Government Obligations deposited with the Trustee pursuant to Section 8.3 or 8.4, shall be held in trust and applied by it, in accordance with the provisions of the Securities and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the persons entitled thereto, of the principal and interest for whose payment such money has been deposited with or received by the Trustee or to make mandatory sinking fund payments or analogous payments as contemplated by Section 8.3 or 8.4;

(b) The Company shall pay and shall fully indemnify the Trustee against any tax, fee or other charge imposed on or assessed against U.S. Government Obligations or Foreign Government Obligations deposited pursuant to Section 8.3 or 8.4 or the interest and principal received in respect of such obligations other than any payable by or on behalf of Holders; and

(c) The Trustee shall deliver or pay to the Company from time to time upon Company Request any U.S. Government Obligations or Foreign Government Obligations or money held by it as provided in Section 8.3 or 8.4 which, in the opinion of a nationally recognized firm of independent certified public accountants expressed in a written certification thereof delivered to the Trustee, are then in excess of the amount thereof which then would have been required to be deposited for the purpose for which such U.S. Government Obligations or Foreign Government Obligations or money were deposited or received. This provision shall not authorize the sale by the Trustee of any U.S. Government Obligations or Foreign Government Obligations held under this Indenture.

Section 8.3. Legal Defeasance of Securities of any Series.

Unless this Section 8.3 is otherwise specified, pursuant to Section 2.2.20, to be inapplicable to Securities of any Series, the Company shall be deemed to have paid and discharged the entire indebtedness on all the outstanding Securities of such Series on the 91st day after the date of the deposit referred to in subparagraph (d) hereof, and the provisions of this Indenture, as it relates to such outstanding Securities of such Series, shall no longer be in effect (and the Trustee, at the expense of the Company, shall, at Company Request, execute proper instruments acknowledging the same), except as to:

(a) the rights of Holders of Securities of such Series to receive, from the trust funds described in subparagraph (d) hereof, (i) payment of the principal of and each installment of principal of and interest on the outstanding Securities of such Series on the Stated Maturity of such principal or installment of principal or interest and (ii) the benefit of any mandatory sinking fund payments applicable to the Securities of such Series on the day on which such payments are due and payable in accordance with the terms of this Indenture and the Securities of such Series;

(b) the provisions of Sections 2.4, 2.7, 2.8, 7.7, 8.2, 8.3 and 8.5; and

(c) the rights, powers, trust and immunities of the Trustee hereunder;

provided that, the following conditions shall have been satisfied:

(d) the Company shall have deposited or caused to be deposited irrevocably with the Trustee as trust funds in trust for the purpose of making the following payments, specifically pledged as security for and dedicated solely to the benefit of the Holders of such Securities (i) in the case of Securities of such Series denominated in Dollars, cash in Dollars (or such other money or currencies as shall then be legal tender in the United States) and/or U.S. Government Obligations, or (ii) in the case of Securities of such Series denominated in a Foreign Currency (other than a composite currency), money and/or Foreign Government Obligations, which through the payment of interest and principal in respect thereof, in accordance with their terms, will provide (and without reinvestment and assuming no tax liability will be imposed on such Trustee), not later than one day before the due date of any payment of money, an amount in cash, 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 each installment of principal (including mandatory sinking fund or analogous payments) of and interest, if any, on all the Securities of such Series on the dates such installments of interest or principal are due;

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

(f) no Default or Event of Default with respect to the Securities of such Series shall have occurred and be continuing on the date of such deposit or during the period ending on the 91st day after such date;

(g) the Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel to the effect that (i) the Company has received from, or there has been published by, the Internal Revenue Service a ruling, or (ii) since the date of execution of this Indenture, there has been a change in the applicable Federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the Holders of the Securities of such Series will not recognize income, gain or loss for Federal income tax purposes as a result of such deposit, defeasance and discharge and will be subject to Federal income tax on the same amount and in the same manner and at the same times as would have been the case if such deposit, defeasance and discharge had not occurred;

(h) the Company shall have delivered to the Trustee an Officers' Certificate stating that the deposit was not made by the Company with the intent of preferring the Holders of the Securities of such Series over any other creditors of the company or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Company;

(i) such deposit shall not result in the trust arising from such deposit constituting an investment company (as defined in the Investment Company Act of 1940, as amended), or such trust shall be qualified under such Act or exempt from regulation thereunder; and

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

Section 8.4. Covenant Defeasance.

Unless this Section 8.4 is otherwise specified pursuant to

Section 2.2.20 to be inapplicable to Securities of any Series, on and after the 91st day after the date of the deposit referred to in subparagraph (a) hereof, the Company may omit to comply with any term, provision or condition set forth under Sections 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, and 5.1 as well as any additional covenants contained in a supplemental indenture hereto for a particular Series of Securities or a Board Resolution or an Officers' Certificate delivered pursuant to Section 2.2.20 (and the failure to comply with any such covenants shall not constitute a Default or Event of Default under Section 6.1) and the occurrence of any event described in clause (e) of Section 6.1 shall not constitute a Default or Event of Default hereunder, with respect to the Securities of such Series, provided that the following conditions shall have been satisfied:

(a) With reference to this Section 8.4, the Company has deposited or caused to be irrevocably deposited (except as provided in Section 8.2(c)) with the Trustee as trust funds in trust, specifically pledged as security for, and dedicated solely to, the benefit of the Holders of such Securities (i) in the case of Securities of such Series denominated in Dollars, cash in Dollars (or such other money or currencies as shall then be legal tender in the United States) and/or U.S. Government Obligations, or (ii) in the case of Securities of such Series denominated in a Foreign Currency (other than a composite currency), money and/or Foreign Government Obligations, which through the payment of interest and principal in respect thereof, in accordance with their terms, will provide (and without reinvestment and assuming no tax liability will be imposed on such Trustee), not later than one day before the due date of any payment of money, an amount in cash, sufficient, in the opinion of a nationally recognized firm of independent certified public accountants expressed in a written certification thereof delivered to the Trustee, to pay principal and interest, if any, on and any mandatory sinking fund in respect of the Securities of such Series on the dates such installments of interest or principal are due;

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

(c) No Default or Event of Default with respect to the Securities of such Series shall have occurred and be continuing on the date of such deposit or during the period ending on the 91st day after such date;

(d) the Company shall have delivered to the Trustee an Opinion of Counsel confirming that Holders of the Securities of such Series will not recognize income, gain or loss for federal income tax purposes as a result of such deposit and defeasance and will be subject to federal income tax on the same amount, in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred;

(e) the Company shall have delivered to the Trustee an Officers' Certificate stating the deposit was not made by the Company with the intent of preferring the Holders of the Securities of such Series over any other creditors of the Company or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Company; and

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

Section 8.5. Repayment to Company.

The Trustee and the Paying Agent shall pay to the Company upon request any money held by them for the payment of principal and interest that remains unclaimed for two years. After that, Securityholders entitled to the money must look to the Company for payment as general creditors unless an applicable abandoned property law designates another person.

ARTICLE IX.

AMENDMENTS AND WAIVERS

Section 9.1. Without Consent of Holders.

The Company and the Trustee may amend or supplement this Indenture or the Securities of one or more Series without the consent of any Securityholder:

- (a) to cure any ambiguity, defect or inconsistency;
- (b) to comply with Article V;
- (c) to provide for uncertificated Securities in addition to or in place of certificated Securities;
- (d) to make any change that does not adversely affect the rights of any Securityholder;
- (e) to provide for the issuance of and establish the form and terms and conditions of Securities of any Series as permitted by this Indenture;
- (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 one Trustee; or
- (g) to comply with requirements of the SEC in order to effect or maintain the qualification of this Indenture under the TIA.

Section 9.2. With Consent of Holders.

The Company and the Trustee may enter into a supplemental indenture with the written consent of the Holders of at least a majority in principal amount of the outstanding Securities of each Series affected by such supplemental indenture (including consents obtained in connection with a tender offer or exchange offer for the Securities of such Series), 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 Securityholders of each such Series. Except as provided in Section 6.13, the Holders of at least a majority in principal amount of the outstanding Securities of each Series affected by such waiver by notice to the Trustee (including consents obtained in connection with a tender offer or exchange offer for the Securities of such Series) may waive compliance by the Company with any provision of this Indenture or the Securities with respect to such Series.

It shall not be necessary for the consent of the Holders of Securities under this Section 9.2 to approve the particular form of any proposed supplemental indenture or waiver, but it shall be sufficient if such consent approves the substance thereof. After a supplemental indenture or waiver under this section becomes effective, the Company shall mail to the Holders of Securities affected thereby and, if any Bearer Securities affected thereby are outstanding, publish on one occasion in an Authorized Newspaper, a notice briefly describing the supplemental indenture or waiver. Any failure by the Company to mail or publish such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplemental indenture or waiver.

Section 9.3. Limitations.

Without the consent of each Securityholder affected, an amendment or waiver may not:

- (a) change the amount of Securities whose Holders must consent to an amendment, supplement or waiver;
- (b) reduce the rate of or extend the time for payment of interest (including default interest) on any Security;
- (c) reduce the principal or change the Stated Maturity of any Security or reduce the amount of, or postpone the date fixed for, the payment of any sinking fund or analogous obligation;
- (d) reduce the principal amount of Discount Securities payable upon acceleration of the maturity thereof;
- (e) waive a Default or Event of Default in the payment of the principal of or interest, if any, on any Security (except a rescission of acceleration of the Securities of any Series by the Holders of at least a majority in principal amount of the outstanding Securities of such Series and a waiver

of the payment default that resulted from such acceleration);

(f) make the principal of or interest, if any, on any Security payable in any currency other than that stated in the Security;

(g) make any change in Section 6.8, 6.13, 9.3 (this sentence), 10.15 or 10.16; or

(h) waive a redemption payment with respect to any Security or change any of the provisions with respect to the redemption of any Securities.

Section 9.4. Compliance with Trust Indenture Act.

Every amendment to this Indenture or the Securities of one or more Series shall be set forth in a supplemental indenture hereto that complies with the TIA as then in effect.

Section 9.5. Revocation and Effect of Consents.

Until an amendment or waiver becomes effective, a consent to it by a Holder of a Security is a continuing consent by the Holder and every subsequent Holder of a Security or portion of a Security that evidences the same debt as the consenting Holder's Security, even if notation of the consent is not made on any Security. However, any such Holder or subsequent Holder may revoke the consent as to his Security or portion of a Security if the Trustee receives the notice of revocation before the date the amendment or waiver becomes effective.

Any amendment or waiver once effective shall bind every Securityholder of each Series affected by such amendment or waiver unless it is of the type described in any of clauses

(a) through (h) of Section 9.3. In that case, the amendment or waiver shall bind each Holder of a Security who has consented to it and every subsequent Holder of a Security or portion of a Security that evidences the same debt as the consenting Holder's Security.

Section 9.6. Notation on or Exchange of Securities.

The Trustee may place an appropriate notation about an amendment or waiver on any Security of any Series thereafter authenticated. The Company in exchange for Securities of that Series may issue and the Trustee shall authenticate upon request new Securities of that Series that reflect the amendment or waiver.

Section 9.7. Trustee Protected.

In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modifications thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and (subject to Section 7.1) shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee shall sign all supplemental indentures, except that the Trustee need not sign any supplemental indenture that affects its own rights, duties or immunities.

ARTICLE X.

MISCELLANEOUS

Section 10.1. Trust Indenture Act Controls.

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

Section 10.2. Notices.

Any notice or communication by the Company or the Trustee to the other is duly given if in writing (which may be by facsimile) and delivered in person or mailed by first-class mail:

if to the Company:

The Clorox Company
1221 Broadway
Oakland, California 94612-1888
Facsimile: (510) 271-1696
Telephone: (510) 271-7000
Attention: Secretary

if to the Trustee:

The Bank of New York
101 Barclay Street
New York, NY 10286
Facsimile: (212) 815-5915
Telephone: (212) 815-5084
Attention: Corporate Trust Administration

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

Any notice or communication to a Securityholder shall be mailed by first-class mail to his address shown on the register kept by the Registrar and, if any Bearer Securities are outstanding, published in an Authorized Newspaper. Failure to mail a notice or communication to a Securityholder of any Series or any defect in it shall not affect its sufficiency with respect to other Securityholders of that or any other Series.

If a notice or communication is mailed or published in the manner provided above, within the time prescribed, it is duly given, whether or not the Securityholder receives it.

If the Company mails a notice or communication to Securityholders, it shall mail a copy to the Trustee and each Agent at the same time.

Section 10.3. Communication by Holders with Other Holders.

Securityholders of any Series may communicate pursuant to TIA sec. 312(b) with other Securityholders of that Series or any other Series with respect to their rights under this Indenture or the Securities of that Series or all Series. The Company, the Trustee, the Registrar and anyone else shall have the protection of TIA sec. 312(c).

Section 10.4. Certificate and Opinion as to Conditions Precedent. Upon any request or application by the Company to the Trustee to take any action under this Indenture, the Company shall furnish to the Trustee:

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

Section 10.5. Statements Required in Certificate or Opinion.

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (other than a certificate provided pursuant to TIA sec. 314(a)(4)) shall comply with the provisions of TIA sec. 314(e) and 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 has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and
- (d) a statement as to whether or not, in the opinion of such person, such condition or covenant has been complied with.

Section 10.6. Rules by Trustee and Agents.

The Trustee may make reasonable rules for action by or a meeting of Securityholders of one or more Series. Any Agent may make reasonable rules and set reasonable requirements for its functions.

Section 10.7. Legal Holidays.

Unless otherwise provided by Board Resolution, Officers' Certificate or supplemental indenture for a particular Series, a "Legal Holiday" is any day that is not a Business Day. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue for the intervening period.

Section 10.8. No Recourse Against Others.

A director, officer, employee or stockholder, as such, of the Company shall not have any liability for any obligations of the Company under the Securities or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. Each Securityholder by accepting a Security waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Securities.

Section 10.9. Counterparts.

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

Section 10.10. Governing Laws.

THIS INDENTURE AND THE SECURITIES SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED IN SUCH STATE, WITHOUT REGARD TO THE CONFLICT OF LAWS PROVISIONS THEREOF.

Section 10.11. No Adverse Interpretation of Other Agreements.

This Indenture may not be used to interpret another indenture, loan or debt agreement of the Company or a Subsidiary. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 10.12. Successors.

All agreements of the Company in this Indenture and the Securities shall bind its successor. All agreements of the Trustee in this Indenture shall bind its successor.

Section 10.13. Severability.

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

Section 10.14. Table of Contents, Headings, Etc.

The Table of Contents, Cross-Reference Table, and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part hereof, and shall in no way modify or restrict any of the terms or provisions hereof.

Section 10.15. Securities in a Foreign Currency or in Euros.

Unless otherwise specified in a Board Resolution, a supplemental indenture hereto or an Officers' Certificate delivered pursuant to Section 2.2 of this Indenture with respect to a particular Series of Securities, whenever for purposes of this Indenture any action may be taken by the Holders of a specified percentage in aggregate principal amount of Securities of all Series or all Series affected by a particular action at the time outstanding and, at such time, there are outstanding Securities of any Series which are denominated in a coin or currency other than Dollars (including Euros), then the principal amount of Securities of such Series which shall be deemed to be outstanding for the purpose of taking such action shall be that amount of Dollars that could be obtained for such amount at the Market Exchange Rate at such time. For purposes of this Section 10.15, "Market Exchange Rate" shall mean the noon Dollar buying rate in New York City for cable transfers of that currency as published by the Federal Reserve Bank of New York; provided, however, in the case of Euros, Market Exchange Rate shall mean the rate of exchange determined by the European Central Bank (or any successor thereto) as published in the Official Journal of the European Union (such publication or any successor publication, the "Journal"). If such Market Exchange Rate is not available for any reason with respect to such currency, the Trustee shall use, in its sole discretion and without liability on its part, such quotation of the Federal Reserve Bank of New York or, in the case of Euros, the rate of exchange as published in the Journal, as of the most recent available date, or quotations or, in the case of Euros, rates of exchange from one or more major banks in The City of New York or in the country of issue of the currency in question or, in the case of Euros, in Luxembourg or such other quotations or, in the case of Euros, rates of exchange as the Trustee, upon consultation with the Company, shall deem appropriate. The provisions of this paragraph shall apply in determining the equivalent principal amount in respect of Securities of a Series denominated in currency other than Dollars in connection with any action taken by Holders of Securities pursuant to the terms of this Indenture.

All decisions and determinations of the Trustee regarding the Market Exchange Rate or any alternative determination provided for in the preceding paragraph shall be in its sole discretion and shall, in the absence of manifest error, be conclusive to the extent permitted by law for all purposes and irrevocably binding upon the Company and all Holders.

Section 10.16. Judgment Currency.

The Company agrees, to the fullest extent that it may effectively do so under applicable law, that (a) if for the purpose of obtaining judgment in any court it is necessary to convert the sum due in respect of the principal of or interest or other amount on the Securities of any Series (the

"Required Currency") into a currency in which a judgment will be rendered (the "Judgment Currency"), the rate of exchange used shall be the rate at which in accordance with normal banking procedures the Trustee could purchase in The City of New York the Required Currency with the Judgment Currency on the day on which final unappealable judgment is entered, unless such day is not a New York Banking Day, then, the rate of exchange used shall be the rate at which in accordance with normal banking procedures the Trustee could purchase in The City of New York the Required Currency with the Judgment Currency on the New York Banking Day preceding the day on which final unappealable judgment is entered and (b) its obligations under this Indenture to make payments in the Required Currency (i) shall not be discharged or satisfied by any tender, any recovery pursuant to any judgment (whether or not entered in accordance with subsection (a)), in any currency other than the Required Currency, except to the extent that such tender or recovery shall result in the actual receipt, by the payee, of the full amount of the Required Currency expressed to be payable in respect of such payments, (ii) shall be enforceable as an alternative or additional cause of action for the purpose of recovering in the Required Currency the amount, if any, by which such actual receipt shall fall short of the full amount of the Required Currency so expressed to be payable, and (iii) shall not be affected by judgment being obtained for any other sum due under this Indenture. For purposes of the foregoing, "New York Banking Day" means any day except a Saturday, Sunday or a legal holiday in The City of New York on which banking institutions are authorized or required by law, regulation or executive order to close.

ARTICLE XI.

SINKING FUNDS

Section 11.1. Applicability of Article.

The provisions of this Article shall be applicable to any sinking fund for the retirement of the Securities of a Series, except as otherwise permitted or required by any form of Security of such Series issued pursuant to this Indenture.

The minimum amount of any sinking fund payment provided for by the terms of the Securities of any Series is herein referred to as a "mandatory sinking fund payment" and any other amount provided for by the terms of Securities of such Series is herein referred to as an "optional sinking fund payment." If provided for by the terms of Securities of any Series, the cash amount of any sinking fund payment may be subject to reduction as provided in Section 11.2. Each sinking fund payment shall be applied to the redemption of Securities of any Series as provided for by the terms of the Securities of such Series.

Section 11.2. Satisfaction of Sinking Fund Payments with Securities.

The Company may, in satisfaction of all or any part of any sinking fund payment with respect to the Securities of any Series to be made pursuant to the terms of such Securities (1) deliver outstanding Securities of such Series to which such sinking fund payment is applicable (other than any of such Securities previously called for mandatory sinking fund redemption) and (2) apply as credit Securities of such Series to which such sinking fund payment is applicable and which have been redeemed either at the election of the Company pursuant to the terms of such Series of Securities (except pursuant to any mandatory sinking fund) or through the application of permitted optional sinking fund payments or other optional redemptions pursuant to the terms of such Securities, provided that such Securities have not been previously so credited. Such Securities shall be received by the Trustee, together with an Officers' Certificate with respect thereto, not later than 15 days prior to the date on which the Trustee begins the process of selecting Securities for redemption, and shall be credited for such purpose by the Trustee at their face amount or accreted value, whichever is lowest, for redemption through operation of the sinking fund and the amount of such sinking fund payment shall be reduced accordingly. If as a result of the delivery or credit of Securities in lieu of cash payments pursuant to this Section 11.2, the principal amount of Securities of such Series to be redeemed in order to exhaust the aforesaid cash payment shall be less than \$100,000, the Trustee need not call Securities of such Series for redemption, except upon receipt of a Company Order that such action be taken, and such cash payment shall be held by the Trustee or a Paying Agent and applied to the next succeeding sinking fund payment, provided, however, that the Trustee or such Paying Agent shall from time to time upon receipt of a Company Order pay over and deliver to the Company any cash payment so being held by the Trustee or such Paying Agent upon delivery by the Company to the Trustee of Securities of that Series purchased by the Company having an unpaid principal amount equal to the cash payment required to be released to the Company.

Section Redemption of Securities for Sinking Fund.

Not less than 45 days (unless otherwise indicated in the Board Resolution, supplemental indenture hereto or Officers' Certificate in respect of a particular Series of Securities) prior to each sinking fund payment date for any Series of Securities, the Company will deliver to the Trustee an Officers' Certificate specifying the amount of the next ensuing mandatory sinking fund payment for that Series pursuant to the terms of that Series, the portion thereof, if any, which is to be satisfied by payment of cash and the portion thereof, if any, which is to be satisfied by delivering and crediting of Securities of that Series pursuant to Section 11.2, and the optional amount, if any, to be added in cash to the next ensuing mandatory sinking fund payment, and the Company shall thereupon be obligated to pay the amount therein specified. Not less than 30 days (unless otherwise indicated in the Board Resolution, Officers' Certificate or supplemental indenture in respect of a particular Series of Securities) before each such sinking fund payment date the Trustee shall select the Securities to be redeemed upon such sinking fund payment date in the manner specified in

Section 3.2 and cause notice of the redemption thereof to be given in the name of and at the expense of the Company in the manner provided in Section 3.3. Such notice having been duly given, the redemption of such Securities shall be made upon the terms and in the manner stated in Sections 3.4, 3.5 and 3.6.

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

The Clorox Company

By: /s/ PETER D. BEWLEY
Name: PETER D. BEWLEY
Its: SENIOR VICE PRESIDENT - GENERAL COUNSEL AND SECRETARY

The Bank of New York

By: /s/ THOMAS C. KNIGHT
Name: THOMAS C. KNIGHT
Its: ASSISTANT VICE PRESIDENT

April 1, 1999

The Clorox Company
1221 Broadway
Oakland, California 94612-1888

Re: Registration Statement on Form S-3; \$750,000,000 Aggregate Principal Amount of Debt Securities

Ladies and Gentlemen:

I am Senior Vice President - General Counsel and Secretary of The Clorox Company, a Delaware corporation (the "Company"), and, in such capacity, have acted as counsel to the Company in connection with the registration pursuant to the Securities Act of 1933 (the "Securities Act"), of up to \$750,000,000 aggregate principal amount of debt securities (the "Securities") pursuant to a Registration Statement on Form S-3 (the "Registration Statement"), to which Registration Statement this opinion shall be filed as an exhibit. The Securities would be issued pursuant to that certain Indenture, dated as of March 15, 1999 (the "Indenture") entered into between the Company and The Bank of New York, as Trustee (the "Trustee").

I have examined (i) the Restated Certificate of Incorporation and the Bylaws (restated) of the Company, (ii) the originals, or copies certified or otherwise identified, of the Company's corporate records, including minute books, resolutions (including, without limitation, the proceedings of the Board of Directors with respect to the proposed offering of the Securities), (iii) the Registration Statement and schedules and exhibits thereto, (iv) the Indenture and (v) such other documents and instruments as are in my judgment necessary or appropriate as a basis for the opinions expressed below.

I have also made, or caused to be made, such investigations of law as are in my judgment necessary or appropriate as a basis for the opinions expressed below.

In rendering the following opinions, I have assumed that the actions relating to the authorization, registration, offer and issuance of the Securities taken by the Company's Board of Directors prior to the date of this opinion will not be revoked by any action of the Company's Board of Directors.

Based upon the foregoing, I am of the opinion that:

1. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware.
2. The Indenture has been duly authorized, executed and delivered by the Company and constitutes a valid and binding instrument of the Company.
3. Upon (a) the Registration Statement becoming effective under the Securities Act, (b) the authorization by the Company of a supplement to the Indenture and/or the issuance, sale and delivery of the Securities pursuant to a resolution of the Board of Directors defining the terms thereof, (c) the authorization by resolutions of the Board of Directors of the Company, or the proper officers of the Company duly authorized, and receipt by the Company of sufficient consideration for the issuance, sale and delivery of such Securities and (d) the execution of the Securities by the proper officers of the Company and the authentication thereof by the Trustee, the Securities will be duly authorized and issued and will constitute the legal, valid and binding obligations of the Company entitled to the benefits of the Indenture and any supplements thereto.

My opinions set forth in paragraphs (2) and (3) above with respect to the binding effect of the Indenture and the Securities issued pursuant to the Indenture are subject to (i) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other laws now or hereafter in effect relating to, affecting or limiting creditors' rights and (ii) general principles of equity (whether considered in a proceeding at law or in equity) and the discretion of the court before which any proceeding may be brought.

I hereby consent to the filing of this opinion as Exhibit 5.1 to the Registration Statement and to the reference to me under the caption "Validity of Debt Securities" in the Prospectus constituting a part of the Registration Statement.

Very truly yours,

/s/ Peter D. Bewley

*Peter D. Bewley
Senior Vice President - General Counsel and Secretary*

Exhibit 23.1

CONSENT OF DELOITTE & TOUCHE LLP INDEPENDENT PUBLIC ACCOUNTANTS

We consent to the incorporation by reference in this Registration Statement of The Clorox Company on Form S-3 of our report dated July 30, 1998, appearing in and incorporated by reference in the Annual Report on Form 10-K of The Clorox Company for the year ended June 30, 1998 and to the reference to us under the heading "Experts" in the Prospectus, which is part of this Registration Statement.

*/s/ DELOITTE & TOUCHE LLP
INDEPENDENT PUBLIC ACCOUNTANTS*

*Oakland, California
March 31, 1999*

Exhibit 23.2

INDEPENDENT AUDITORS' CONSENT

The Board of Directors
The Clorox Company

We consent to the incorporation by reference in this Registration Statement on Form S-3 of The Clorox Company of our audit reports dated August 6, 1998, relating to the consolidated balance sheets of First Brands Corporation and subsidiaries as of June 30, 1998 and 1997, and the related consolidated statements of income, stockholders' equity and cash flows for each of the years in the three year period ended June 30, 1998, and the related schedule, which audit reports appear in the June 30, 1998 annual report on Form 10-K of First Brands Corporation, in the Quarterly Report on Form 10-Q of The Clorox Company for the fiscal quarter ended December 31, 1998, and to the reference to our firm under the heading "Experts" in Form S-3.

Also with respect to such Quarterly Report, we acknowledge our awareness of the use therein of our report dated October 23, 1998 related to our review of the First Brands Corporation interim financial information as of and for the three months ended September 30, 1998.

Pursuant to Rule 436(c) under the Securities Act of 1933, such report is not considered part of a registration statement prepared or certified by an accountant or a report prepared or certified by an accountant within the meaning of sections 7 and 11 of the Act.

/s/ KPMG LLP

*New York, New York
March 31, 1999*

FORM T1
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

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

THE BANK OF NEW YORK
(Exact name of trustee as specified in its charter)

New York 13-5160382
(State of incorporation (I.R.S. employer identification no.)
if not a U.S. national bank)

One Wall Street, New York, N.Y. 10286
(Address of principal executive offices) (Zip code)
=====

THE CLOROX COMPANY

(Exact name of obligor as specified in its charter)
Delaware 31-0595760
(State or other jurisdiction of (I.R.S. employer identification no.)
incorporation or organization)

1221 Broadway 94612-1888
Oakland, California (Zip code)
(Address of principal executive offices)
=====

Debt Securities
(Title of the indenture securities)

=====

1. General information. Furnish the following information as to the Trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Superintendent of Banks of the State of New York	2 Rector Street, New York, N.Y. 10006, and Albany, N.Y. 12203
Federal Reserve Bank of New York	33 Liberty Plaza, New York, N.Y. 10045
Federal Deposit Insurance Corporation	Washington, D.C. 20429
New York Clearing House Association	New York, New York 10005

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

Yes.

2. Affiliations with Obligor.

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

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a29 under the Trust Indenture Act of 1939 (the "Act") and 17 C.F.R. 229.10(d).

1. A copy of the Organization Certificate of The Bank of New York (formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T1 filed with Registration Statement No. 336215, Exhibits 1a and 1b to Form T1 filed with Registration Statement No. 33-21672 and Exhibit 1 to Form T1 filed with Registration Statement No. 3329637.)
4. A copy of the existing Bylaws of the Trustee. (Exhibit 4 to Form T1 filed with Registration Statement No. 3331019.)
6. The consent of the Trustee required by Section 321(b) of the Act. (Exhibit 6 to Form T1 filed with Registration Statement No. 3344051.)
7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York, and State of New York, on the 4th day of March, 1999.

THE BANK OF NEW YORK

By: /s/ MARY LAGUMINA
Name: MARY LAGUMINA
Title: ASSISTANT VICE PRESIDENT

EXHIBIT 7

**Consolidated Report of Condition of
THE BANK OF NEW YORK**
of One Wall Street, New York, N.Y. 10286

And Foreign and Domestic Subsidiaries a member of the Federal Reserve System. at the close of business December 31, 1998. published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

ASSETS	Dollar Amounts in Thousands
Cash and balances due from depository institutions:	
Non-interest bearing balances and currency and coin	\$ 3,951,273
Interest-bearing balances	\$ 4,134,162
Securities:	
Held-to-maturity securities	\$ 932,468
Available-for-sale securities	4,279,246
Federal funds sold and Securities purchased under agreements to resell	3,161,626
Loans and lease financing receivables:	
Loans and leases, net of unearned income: 37,861,802	
LESS Allowance for loan and lease losses 619,791	
LESS Allocated transfer risk reserve 3,572	
Loans and leases, net of unearned income, allowance and reserve	37,238,439

Trading Assets	1,551,556
Premises and fixed assets (including capitalized leases)	684,181
Other real estate owned	10,404
Investments in unconsolidated subsidiaries and associated companies	196,032
Customers liability to this bank on acceptances outstanding	895,160
Intangible assets	1,127,375
Other assets	1,915,742

Total assets	\$60,077,664
LIABILITIES	
Deposits:	
In domestic offices	\$27,020,578
Non-interest bearing	11,271,304
Interest-bearing	15,749,274
In foreign offices. Edge and Agreement subsidiaries and IBFs	\$17,197,743
Non-interest bearing	103,007
Interest-bearing	17,094,736
Federal funds purchased and Securities sold under agreements to re-purchase	1,761,170
Demand notes issued to the U.S. Treasury	125,423
Trading liabilities	1,625,632
Other borrowed money:	
With remaining maturity of one year or less	1,903,700
With remaining maturity of more than one year through three years	0
With remaining maturity of more than three years	31,639
Bank's liability on acceptances executed and outstanding	900,390
Subordinated notes and debentures	1,308,000
Other liabilities	2,708,852

Total liabilities	54,583,127
EQUITY CAPITAL	
Common stock	1,135,284
Surplus	764,443
Undivided profits and capital reserves	3,542,168
Net unrealized holding gains (losses) on available-for-sale-securities	82,367
Cumulative foreign currency translation adjustments	(29,725)
Total equity capital	5,494,537

Total liabilities and equity capital	60,077,664

I, Thomas J. Mastro, Senior Vice President and Comptroller of the above-named bank do hereby declare that this Report of Condition has been prepared in conformance with the instructions issued by the Board of Governors of the Federal Reserve System and is true to the best of my knowledge and belief.

Thomas J. Mastro

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

Thomas A. Renyi
Gerald L. Hassell Directors Alan R. Griffith

End of Filing

Powered By **EDGAR**
Online

© 2005 | **EDGAR Online, Inc.**