

**IBP INC**  
Filed by  
**TYSON FOODS INC**

**FORM SC TO-T/A**  
(Amended tender offer statement by Third Party)

Filed 07/30/01

Address	800 STEVENS PORT DR DAKOTA DUNES, SD 57049
Telephone	4024942061
CIK	0000052477
SIC Code	2011 - Meat Packing Plants
Industry	Food Processing
Sector	Consumer/Non-Cyclical
Fiscal Year	12/26

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**SCHEDULE TO  
(RULE 14d-100)**

Tender Offer Statement Pursuant to Section 14(d)(1) and 13(e)(1) of  
the Securities Exchange Act of 1934

(AMENDMENT NO. 3)

**IBP, INC.**

(Name of Subject Company)

**LASSO ACQUISITION CORPORATION  
TYSON FOODS, INC.**

(Name of Filing Persons-Offerrer)

**COMMON STOCK, PAR VALUE \$0.05 PER SHARE**  
(Title of Class of Securities)

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449223106

(Cusip Number of Class of Securities)

**LES R. BALEDGE  
TYSON FOODS, INC.**

2210 West Oaklawn Drive  
Springdale, Arkansas 72762-6999  
Telephone: (501) 290-4000

(Name, Address and Telephone Number of Person Authorized to Receive Notices  
and Communications on Behalf of Filing Persons)

Copies to:

Mel M. Immergut

Lawrence Lederman

Milbank, Tweed, Hadley & McCloy LLP

One Chase Manhattan Plaza

New York, New York 10005

Telephone: (212) 530-5732

**CALCULATION OF FILING FEE**

Transaction valuation\* Amount of filing fee  
\$1,579,978,050 \$315,995.61

\* Estimated for purposes of calculating the amount of the filing fee only.

The amount assumes the purchase of a total of 52,665,935 shares of the outstanding common stock, par value \$0.05 per share (the "Shares"), of IBP, inc., a Delaware corporation (the "Company"), at a price per Share of \$30.00 in cash. Such number of Shares, together with the 574,200 Shares owned by Tyson Foods, Inc., a Delaware corporation ("Tyson"), represents approximately 50.1% of the 106,267,735 Shares outstanding as of June 29, 2001 (as disclosed by the Company in its Solicitation/Recommendation Statement on Schedule 14D-9 filed July 3, 2001.)

Check box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: \$315,995.61 Filing Party: Tyson Foods, Inc. (Offeror Parent)  
and Lasso Acquisition Corporation

Form or Registration No.: Schedule TO Date Filed: December 12, 2000,  
December 29, 2000,  
January 2, 2001 and  
July 3, 2001

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

third-party tender offer subject to Rule 14d-1.

issuer tender offer subject to Rule 13e-4.

going-private transaction subject to Rule 13e-3.

amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer.

### **AMENDMENT NO. 3 TO TENDER OFFER STATEMENT**

This Amendment No. 3 to the Tender Offer Statement on Schedule TO (as amended hereby, the "Schedule TO") relates to the offer by Lasso Acquisition Corporation, a Delaware corporation ("Purchaser") and a wholly-owned subsidiary of Tyson to purchase up to the number of Shares, which, together with the Shares owned by Tyson, constitutes 50.1% of the outstanding Shares at \$30.00 per Share, net to the seller in cash, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated July 3, 2001 (as amended, the "Offer to Purchase"), and in the related Letter of Transmittal (which, together with the Offer to Purchase and any amendments or supplements thereto, collectively constitute the "Offer"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Offer to Purchase. The item numbers and responses thereto below are in accordance with the requirements of Schedule TO.

The Offer, proration period and withdrawal rights will expire at 12:00 Midnight, New York city time, on Friday, August 3, 2001, unless the Offer is extended.

Except as amended below, the information set forth in the Offer to Purchase and the related Letter of Transmittal is incorporated herein by reference with respect to Items 1 through 11 of this Schedule TO.

## Item 7. Source and Amount of Funds or Other Consideration

Section 11 of the Offer to Purchase is hereby amended and restated in its entirety as follows:

"11. Source and Amount of Funds. We will need approximately \$1.7 billion to purchase the number of Shares representing, together with Shares owned by Tyson, 50.1% of the outstanding Shares pursuant to the Offer and to pay related fees and expenses. In addition, we will need approximately \$1.1 billion to repay certain indebtedness of the Company. We intend to obtain such funds from the following credit facilities, which will support aggregate borrowings of up to \$2.85 billion.

o On July 27, 2001 we entered into a commitment letter with The JPMorgan Chase Manhattan Bank ("Chase"), J.P. Morgan Securities Inc. ("JPMorgan"), Merrill Lynch Capital Corporation ("MLCC"), SunTrust Bank ("SunTrust") and SunTrust Capital Markets, Inc. with respect to a senior unsecured bridge credit facility in an aggregate principal amount of \$2.5 billion (the "Bridge Facility"). The commitments will expire and outstanding loans under the Bridge Facility will mature on the date that is 180 days after the date of execution of definitive documentation for the Bridge Facility. In addition to certain fees, we will pay interest on borrowings under the Bridge Facility which will vary based on the type of borrowing. The initial interest rate for borrowings of Eurodollar loans under the Bridge Facility will be equal to an adjusted LIBOR rate plus 1.10% per annum. The initial interest rate for borrowings of base rate loans under the Bridge Facility will be at an "Alternate Base Rate" (which is the higher of Chase's prime rate or the federal funds effective rate plus 0.5%) plus 0.10%. The interest rate on the Bridge Facility is subject to further adjustment if the facility remains outstanding for more than 120 days or our credit ratings change. The effectiveness of the Bridge Facility is conditioned on the completion of the Offer, completion of definitive documentation, effectiveness of the Receivables Facility Bridge Facility (as defined below) and other customary conditions.

o On July 27, 2001 we entered into a commitment letter with Chase and JPMorgan with respect to a senior unsecured receivables bridge credit facility in an aggregate principal amount of \$350 million (the "Receivables Bridge Facility"). The commitment will expire and outstanding loans will mature under the Receivables Bridge Facility on the date that is 90 days after the date of execution of definitive documentation for the Receivables Bridge Facility. In addition to certain fees, we will pay interest on borrowings at the rates described above for the Bridge Facility. The effectiveness of the Receivables Bridge Facility is conditioned on the completion of the Offer, completion of definitive documentation, effectiveness of the Bridge Facility and other customary conditions.

If we are unable to consummate the foregoing financing arrangements, we will seek alternative financing arrangements. Following the closing of the transactions, Tyson will seek to refinance the Bridge Facility through the issuance of up to \$2.5 billion of senior unsecured notes of the Company and will seek to refinance the Receivables Bridge Facility with an approximately \$750 million asset backed receivables facility. However, the decision whether or not to affect any refinancing and the timing and nature of such refinancing will depend on a number of factors, including, market conditions, interest rates and interest rate spreads and the availability of alternative financing.

In addition, on July 27, 2001 we entered into a commitment letter with Chase, JPMorgan, MLCC, Merrill Lynch Bank USA and SunTrust with respect to a 364-day senior unsecured credit facility in an aggregate principal amount of \$500 million (the "364-Day Facility") and a five-year senior unsecured credit facility in an aggregate principal amount of \$500 million (the "Five-Year Facility"). The proceeds from the 364-Day Facility and the Five-Year Facility will be used to refinance our outstanding senior credit facility in the

aggregate principal amount of \$1 billion, for working capital and, if necessary, to complete the Merger, including the payment of certain fees and expenses incurred in connection with the Offer and the Merger. The 364-Day Facility will expire and the borrowings thereunder will mature on the date that is 364 days after the date of the execution of definitive documentation for the facility. The Five-Year Facility will expire and the borrowings thereunder will mature on the fifth anniversary of the execution of definitive documentation for the facility. In addition to certain fees, we will pay interest on borrowings under the 364-Day Facility and the Five-Year Facility which will vary based on the type of borrowing. The interest rate for Eurodollar loans will be equal to an adjusted LIBOR rate plus a spread to be determined based upon our credit ratings, which spread initially will be 0.850% per annum for the 364-Day Facility and 0.825% per annum for the Five-Year Facility. The interest rate for base rate loans will be the Alternate Base Rate plus a spread to be determined based on our credit ratings."

The commitment letters with respect to the Bridge Facility and the Receivables Bridge Facility are filed as Exhibits (b)(1) and (b)(2), respectively, to this Schedule TO and incorporated herein by reference.

## **Item 12. Exhibits.**

(a)(1) Offer to Purchase dated July 3, 2001 (also see Exhibit (a)(9) below).\*

(a)(2) Letter of Transmittal (including Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9) (also see Exhibit (a)(10) below).\*

(a)(3) Notice of Guaranteed Delivery (also see Exhibit (a)(11) below).\*

(a)(4) Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees (also see Exhibit (a)(12) below).\*

(a)(5) Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees (also see Exhibit (a)(13) below).\*

(a)(6) Form of summary advertisement dated July 3, 2001.\*

(a)(7) Joint Press Release issued by Tyson and the Company dated June 27, 2001.\*

(a)(8) Joint Press Release issued by Tyson and the Company dated June 28, 2001.\*

(a)(9) Offer to Purchase dated July 3, 2001 (as amended).\*

(a)(10) Letter of Transmittal (including Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9) (as amended).\*

(a)(11) Notice of Guaranteed Delivery (as amended).\*

(a)(12) Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees (as amended).\*

(a)(13) Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees (as amended).\*

(a)(14) Press Release issued by Tyson dated July 5, 2001.\*

(b)(1) Bridge Facility between Tyson, Chase, JPMorgan, MLCC, SunTrust and SunTrust Capital Markets, Inc. with respect to a senior unsecured bridge credit facility in an aggregate principal amount of \$2.5 billion dated July 27, 2001.

(b)(2) Receivables Bridge Facility between Tyson, Chase and JPMorgan with respect to a senior unsecured receivables bridge credit facility in an aggregate principal amount of \$350 million dated July 27, 2001.

(d)(1) Confidentiality Agreement between Tyson and the Company dated December 4, 2000 (incorporated by reference to Exhibit (d)(1) to the Schedule TO of Purchaser and Tyson filed on December 12, 2000).\*

(d)(2) Confidentiality Agreement between Tyson and the Company dated December 18, 2000 (incorporated by reference to Exhibit (d)(6) to Amendment No. 9 to the Schedule TO of Purchaser and Tyson filed on January 5, 2001).\*

(d)(3) Agreement and Plan of Merger among the Company, Tyson and Purchaser dated as of January 1, 2001 (incorporated by reference to Exhibit

(d)(4) to Amendment No. 9 to the Schedule TO of Purchaser and Tyson filed on January 5, 2001).\*

(d)(4) Voting Agreement by and between Tyson Limited Partnership and the Company dated as of January 1, 2001 (incorporated by reference to Exhibit (d)(5) to Amendment No. 9 to the Schedule TO of Purchaser and Tyson filed on January 5, 2001).\*

(d)(5) Stipulation and Order dated June 27, 2001, IBP, inc. v. Tyson Foods, Inc., C.A. No. 18373, Court of Chancery of the State of Delaware.\*

(d)(6) Letter of Tyson Limited Partnership dated June 27, 2001.\*

\* Previously filed.

### SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

### TYSON FOODS, INC.

*/s/ Les R. Baledge*

-----  
(Signature)

Les R. Baledge, Executive Vice President and General Counsel

\_\_\_\_\_  
(Name and Title)

July 30, 2001

\_\_\_\_\_  
(Date)

### LASSO ACQUISITION CORPORATION

*/s/ Les R. Baledge*

-----  
(Signature)

Les R. Baledge, Executive Vice President

\_\_\_\_\_  
(Name and Title)

July 30, 2001

\_\_\_\_\_  
(Date)

## EXHIBIT INDEX

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\* Previously filed.

**Exhibit (b)(1)**

J.P. Morgan Securities Inc.  
The Chase Manhattan Bank  
270 Park Avenue  
New York, NY 10017

Merrill Lynch Capital Corporation  
4 World Financial Center  
North Tower  
New York, NY 10080

SunTrust Bank  
SunTrust Capital Markets, Inc.  
303 Peachtree Street  
Atlanta, GA 30308

July 27, 2001

Tyson Foods, Inc.  
2210 W. Oaklawn Dr.  
Springdale, AR 72762-6999

Attention of Steven Hankins  
Executive Vice President and Chief Financial Officer

**Tyson Foods, Inc.**  
**\$2,500,000,000 Senior Unsecured Bridge Facility**  
**Commitment Letter**

Ladies and Gentlemen:

You have advised The Chase Manhattan Bank ("Chase"), J.P. Morgan Securities Inc. ("JPMorgan"), Merrill Lynch Capital Corporation ("MLCC"), SunTrust Bank ("SunTrust") and SunTrust Capital Markets, Inc. ("SunTrust Capital") that Tyson Foods, Inc. (the "Company") intends to acquire IBP, inc. (the "Acquired Company") for an aggregate purchase price, together with the assumption and refinancing of debt, of approximately \$4,441,000,000, subject to adjustment based on the market price of the Company's common stock, of which approximately \$1,576,100,000 will be the portion of the purchase price paid in cash (the balance of the purchase price to be paid with shares of the Company's common stock) and approximately \$1,080,000,000 will be the cash amount required to refinance outstanding debt of the Acquired Company. Such acquisition and the related transactions, including the refinancing of debt of the Acquired Company, are referred to herein as the "Acquisition". Chase, MLCC and SunTrust are sometimes referred to herein as the "Initial Lenders"; JPMorgan, MLCC and SunTrust Capital are sometimes referred to herein as the "Arrangers".

In connection with the foregoing, you have further advised the Initial Lenders and the Arrangers that in order to obtain the funds required to complete the Acquisition, to pay related fees and expenses and for general corporate purposes, you will (i) amend, supplement or replace the Company's outstanding senior unsecured credit facility in an aggregate principal amount of \$1,000,000,000 (the "Existing Credit Facility" and, as amended, supplemented or replaced, the "New Credit Facility"), (ii) establish a senior unsecured bridge credit facility in an aggregate principal amount of \$2,500,000,000 (the "Bridge Facility") and (iii) effect an accounts receivable

securitization in an aggregate principal amount of up to \$750,000,000 (the "Receivables Facility") or, if the Receivables Facility cannot be established by the date on which shares are to be accepted in the Tender Offer (as defined in the Term Sheet referred to below), establish a senior unsecured bridge credit facility in an aggregate principal amount of \$350,000,000 (the "Receivables Bridge Facility"). You have further advised the Initial Lenders and the Arrangers that, in connection with the Acquisition, you intend to issue and sell senior unsecured notes of the Company (the "Senior Notes") in an aggregate principal amount of up to \$2,500,000,000 and, upon receipt of the proceeds of the Senior Notes, to apply such proceeds to repay amounts borrowed under and to terminate the Bridge Facility. It is contemplated that the terms of the Bridge Facility will be substantially as set forth in the Summary of Principal Terms and Conditions attached hereto as Exhibit A (the "Term Sheet").

In connection with the Acquisition, (a) Chase is pleased to advise you of its commitment to provide \$950,000,000 of the principal amount of the Bridge Facility, (b) MLCC is pleased to advise you of its commitment to provide \$950,000,000 of the principal amount of the Bridge Facility, and (c) SunTrust is pleased to advise you of its commitment to provide \$600,000,000 of the principal amount of the Bridge Facility, in each case on a several basis and upon the terms and subject to the conditions set forth or referred to in this commitment letter (this "Commitment Letter") and in the Term Sheet. You hereby appoint JPMorgan and MLCC, and JPMorgan and MLCC hereby agree to act, as co-lead arrangers and joint bookrunners (in such capacities, the "Co-Lead Arrangers") for the Bridge Facility. You hereby appoint Chase, and Chase hereby agrees to act, as sole administrative agent for the Bridge Facility. You hereby appoint MLCC, and MLCC hereby agrees to act, as sole syndication agent for the Bridge Facility. You hereby appoint SunTrust, and SunTrust hereby agrees to act, as sole documentation agent for the Bridge Facility. You agree that no other agents, co-agents or arrangers will be appointed, no other titles will be awarded and no person will receive compensation outside the terms contained herein and in the Fee Letter referred to below, in connection with its agreement to participate in the Bridge Facility unless you and we shall so agree.

While the Initial Lenders do not currently intend to broadly syndicate the Bridge Facility, it is understood that each of the Initial Lenders intends, prior to or after the execution of definitive documentation for the Bridge Facility, to transfer portions of its commitment (and any outstanding loans) hereunder on a pro rata basis to one or more other financial institutions (the "Initial Syndication"). Furthermore, each of the Initial Lenders reserves the right, prior to or after the execution of definitive documentation for the Bridge Facility, to transfer portions of its commitment (and any outstanding loans) hereunder to one or more additional financial institutions that will become parties to such definitive documentation pursuant to a syndication to be managed by JPMorgan and MLCC in consultation with the Company (the financial institutions that will become parties to such definitive documentation being collectively called the "Lenders"); provided that, unless the Co-Lead Arrangers shall otherwise agree, no syndication of the Bridge Facility, other than the Initial Syndication, shall occur until the New Credit Facility shall have been successfully syndicated (as determined by Chase). Upon the acceptance of commitments from other Lenders, the Initial Lenders will be released ratably from corresponding amounts of their respective commitments with respect to the Bridge Facility. You understand that JPMorgan and MLCC may, subject to the proviso to the second sentence of this paragraph, syndicate the Bridge Facility and, if JPMorgan and

MLCC notify you of their intent to syndicate the Bridge Facility, you agree actively to assist JPMorgan and MLCC in completing a syndication reasonably satisfactory to them. Such assistance shall include (a) your using commercially reasonable efforts in connection with the syndication to facilitate contact with, and to encourage participation in the Bridge Facility by, the financial and investment banking institutions with which you have existing relationships,

(b) direct contact between senior management and advisors of the Company, the Acquired Company, their respective subsidiaries and the proposed Lenders, (c) assistance in the preparation of a Confidential Information Memorandum and other marketing materials to be used in connection with the syndication and (d) the hosting, with JPMorgan and MLCC, of one or more meetings of prospective Lenders.

JPMorgan and MLCC, in consultation with the Company, will manage all aspects of any syndication, including decisions as to the selection of institutions to be approached and when they will be approached, when their commitments will be accepted, which institutions will participate, any naming rights, the allocations of the commitments among the Lenders and the amount and distribution of fees among the Lenders. To assist JPMorgan and MLCC in their syndication efforts, you agree promptly upon request to prepare and provide to JPMorgan and MLCC all information with respect to the Company, the Acquisition, the Acquired Company and the other transactions contemplated hereby, including all financial information and projections (the "Projections"), as they may reasonably request in connection with the arrangement and syndication of the Bridge Facility. It shall be a condition to the Initial Lenders' commitments hereunder and their agreement to perform the services described herein that (a) all information other than the Projections (the "Information") that has been or will be made available to the Initial Lenders by you or the Acquired Company or any of your representatives is or will be, when furnished, complete and correct in all material respects and does not or will not, when furnished, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances under which such statements are made; and (b) the Projections that have been or will be made available to the Initial Lenders by you or the Acquired Company or any of your representatives have been or will be prepared in good faith based upon reasonable assumptions. You understand that JPMorgan and MLCC, and the Initial Lenders, in arranging and syndicating the Bridge Facility and in making the commitments hereunder, will be using and relying on the Information and Projections without independent verification thereof.

As consideration for the commitments of the Initial Lenders hereunder and JPMorgan's and MLCC's agreement to perform the services described herein, you agree to pay to the Initial Lenders the fees set forth in the Term Sheet and in the Fee Letter dated the date hereof and delivered herewith (the "Fee Letter").

Each Initial Lender's commitment and obligation to perform the services to be performed by it hereunder are further subject to (a) there not occurring or becoming known to it any condition or change that has affected or could reasonably be expected to affect materially and adversely the business, assets, liabilities, financial condition or material agreements of the Company, the Acquired Company and their subsidiaries, taken as a whole, (b) there not having occurred a material disruption of or material adverse change in financial, banking or capital (including, without limitation, debt) market

conditions that, in its good faith judgment, would reasonably be expected to materially impair any syndication of the Bridge Facility, the Receivables Facility, the Receivables Bridge Facility or the New Credit Facility or the offering and sale of the Senior Notes, (c) its satisfaction that prior to and during any syndication of the Bridge Facility or the New Credit Facility, there shall be no competing offering, placement or arrangement of any debt securities or syndicated bank financing by or on behalf of the Company, the Acquired Company or any of their subsidiaries (other than an offering of the Senior Notes, syndication of the Receivables Facility and/or the Receivables Bridge Facility and the Company's commercial paper program) that would reasonably be expected to affect the syndication in any material respect, (d) the accuracy and completeness in all material respects of the representations of the Company contained herein and the performance by the Company of all its obligations hereunder, (e) the negotiation, execution and delivery of definitive documentation with respect to the Bridge Facility mutually satisfactory to the Initial Lenders and the Company, and (f) the other conditions referred to in the Term Sheet. The terms and conditions of the Initial Lenders' commitments hereunder and of the Bridge Facility are not limited to those set forth herein and in the Term Sheet. Those matters that are not covered by the provisions hereof and of the Term Sheet are subject to the approval and agreement of each of the Initial Lenders and the Company.

You agree (a) to indemnify and hold harmless each of the Initial Lenders, the Arrangers, their affiliates and each of their respective officers, directors, employees, advisors and agents (each, an "indemnified person") from and against any and all losses, claims, damages and liabilities to which any such indemnified person may become subject arising out of or in connection with this Commitment Letter, the Bridge Facility, the actual or proposed use of the proceeds thereof, the Acquisition or any related transaction or any claim, litigation, investigation or proceeding relating to any of the foregoing, regardless of whether any indemnified person is a party thereto, and to reimburse each indemnified person upon demand for any reasonable legal or other expenses incurred in connection with investigating or defending any of the foregoing; provided that the foregoing indemnity will not, as to any indemnified person, apply to losses, claims, damages, liabilities or related expenses to the extent they are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the willful misconduct or gross negligence of such indemnified person, and (b) to reimburse the Initial Lenders, the Arrangers and each of their affiliates on demand for all reasonable out-of-pocket expenses (including reasonable due diligence expenses, reasonable syndication expenses, if any, reasonable travel expenses and reasonable fees, charges and disbursements of counsel) incurred in connection with the Bridge Facility and any related documentation (including, without limitation, this Commitment Letter, the Term Sheet, the Fee Letter and the definitive financing documentation). No indemnified person shall be liable for any damages arising from the use by unintended recipients of Information or other materials obtained through electronic, telecommunications or other information transmission systems in the absence of gross negligence or willful misconduct or for any special, indirect, consequential or punitive damages in connection with the Bridge Facility. It is understood that the posting of documents on IntraLinks, in itself, and distribution of documents by email, facsimile or other customary electronic means, in itself, will not be deemed to be gross negligence or willful misconduct under any circumstances.

You acknowledge that the Initial Lenders and the Arrangers may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which you may have conflicting interests regarding the transactions described herein and otherwise. Each of the Initial Lenders and Arrangers agrees that it will not use confidential information obtained from you by virtue of the transactions contemplated by this Commitment Letter or its other relationships with you in connection with the performance by it of services for other companies or furnish any such confidential information to other companies. You also acknowledge that none of the Initial Lenders or Arrangers has any obligation to use in connection with the transactions contemplated by this Commitment Letter, or to furnish to you, confidential information obtained by it from other companies.

This Commitment Letter and the Initial Lenders' commitments hereunder shall not be assignable by you without the prior written consent of each of the Initial Lenders (and any purported assignment without such consent shall be null and void), are intended to be solely for the benefit of the parties hereto and are not intended to confer any benefits upon, or create any rights in favor of, any person other than the parties hereto. This Commitment Letter may not be amended or waived except by an instrument in writing signed by you and each of the Initial Lenders. This Commitment Letter may be executed in any number of counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one agreement. Delivery of an executed signature page of this Commitment Letter by facsimile transmission shall be effective as delivery of a manually executed counterpart hereof. This Commitment Letter shall be governed by, and construed in accordance with, the laws of the State of New York. Any and all obligations of, and services to be provided by, any Initial Lender or Arranger hereunder may be performed, and any and all rights of any Initial Lender or Arranger hereunder may be exercised, by or through their respective affiliates.

Any legal action or proceeding arising out of or related to this Commitment Letter may be brought in the courts of the state of New York or of the United States of America for the Southern District of New York, and by execution and delivery of this Commitment Letter, the Company hereby consents, for itself and in respect of its property, to the non-exclusive jurisdiction of the aforesaid courts. The Company hereby irrevocably waives any objection, including any objection to the laying of venue or based on the grounds of forum non conveniens, which it may now or hereafter have to the bringing of any action or proceeding in such jurisdiction in respect of this Company or any document related hereto. The parties hereto agree that a final judgment in any such suit, action or proceeding brought in any such court shall be conclusive and binding upon the parties and may be enforced in any other courts to whose jurisdiction such parties are or may be subject, by suit upon judgment.

**EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS COMMITMENT LETTER OR ANY OTHER RELATED DOCUMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF THE PARTIES HERETO. THIS**

**PROVISION IS A MATERIAL INDUCEMENT FOR THE INITIAL LENDERS AND THE ARRANGERS TO ENTER INTO THIS COMMITMENT LETTER.**

This Commitment Letter is delivered to you on the understanding that none of this Commitment Letter, the Term Sheet or the Fee Letter or any of their terms or substance shall be disclosed, directly or indirectly, to any other person except (a) to your officers, agents and advisors who are directly involved in the consideration of this matter and who have been made aware of the disclosure limitations set forth herein or (b) as may be compelled in a judicial or administrative proceeding or as otherwise required by law (in which case you agree to inform us promptly thereof); provided that, following your execution and delivery of this Commitment Letter and the Fee Letter, you may disclose this Commitment Letter and the Term Sheet and their terms and substance (but not the Fee Letter or its terms or substance).

The reimbursement, indemnification and confidentiality provisions contained herein and in the Fee Letter shall remain in full force and effect regardless of whether definitive financing documentation shall be executed and delivered and notwithstanding the termination of this Commitment Letter or the Initial Lenders' commitments hereunder; provided that the reimbursement and indemnification provisions contained herein shall be superseded by the corresponding provisions in the definitive financing documentation.

If the foregoing correctly sets forth our agreement, please indicate your acceptance of the terms hereof and of the Term Sheet and the Fee Letter by returning to us executed counterparts hereof and of the Fee Letter not later than 5:00 p.m., New York City time, on July 30, 2001, failing which each of the Initial Lenders' commitments and Arrangers' agreements contained herein will expire at such time. In the event that the execution and delivery of definitive documentation relating to the Bridge Facility does not occur on or before August 31, 2001 (or such later date as may be agreed to by each of the Initial Lenders and you), then this Commitment Letter and the commitments hereunder shall automatically terminate unless each of the Initial Lenders shall in writing agree to an extension.

The Initial Lenders and the Arrangers are pleased to have been given the opportunity to assist you in connection with this important financing.

Very truly yours,

**J.P. MORGAN SECURITIES INC.**

by

*/s/ Marian N. Schulman*  
-----

Name: *Marian N. Schulman*  
Title: *Vice President*

**THE CHASE MANHATTAN BANK,**

by

*/s/ Marian N. Schulman*  
-----

Name: *Marian N. Schulman*  
Title: *Vice President*

**MERRILL LYNCH CAPITAL CORPORATION**

by

*/s/ Christopher K. Stout*  
-----

Name: *Christopher K. Stout*  
Title: *Vice President*

**SUNTRUST BANK**

by

*/s/ Gregory L. Cannon*  
-----

Name: *Gregory L. Cannon*  
Title: *Director*

**SUNTRUST CAPITAL MARKETS, INC.**

by

*/s/ Stephen A. McKenna*  
-----

Name: *Stephen A. McKenna*  
Title: *Managing Director*

**Senior Risk Officer**

Accepted and agreed to as of the date first written above by:

**TYSON FOODS, INC.**

by

*/s/ Steve Hankins*  
-----  
*Name: Steve Hankins*  
*Title: Chief Financial Officer*

EXHIBIT A

TYSON FOODS, INC.

**\$2,500,000,000 Senior Unsecured Bridge Facility**  
**Summary of Principal Terms and Conditions**

BORROWER:  
-----  
Tyson Foods, Inc., a Delaware corporation (the "Company" or the "Borrower").

CO-LEAD ARRANGERS/ JOINT  
-----  
BOOKRUNNERS:  
-----  
J.P. Morgan Securities Inc. ("JPMorgan") and Merrill Lynch Capital Corporation ("MLCC" and, collectively with JPMorgan, the "Co-Lead Arrangers").

ADMINISTRATIVE AGENT:  
-----  
The Chase Manhattan Bank ("Chase" or the "Administrative Agent").

SYNDICATION AGENT:  
-----  
MLCC.

DOCUMENTATION AGENT:  
-----  
SunTrust Bank ("SunTrust" and collectively with Chase and MLCC, the "Agents").

ACQUISITION:  
-----  
The Company intends to acquire IBP, inc (the "Acquired Company") for an aggregate purchase price, together with assumption of debt, of approximately \$4,441,000,000, subject to adjustment based on the market price of the Company's common stock, of which approximately \$1,576,100,000 will be the portion of the purchase price paid in cash (the balance of the purchase price to be paid with shares of the Company's common stock) and approximately \$1,080,000,000 will be the cash amount required to refinance outstanding debt of the Acquired Company. Such acquisition and the related transactions, including the refinancing of debt of the Acquired Company, are referred to herein as the "Acquisition". In connection with the Acquisition, the Company intends to (i) amend, supplement or replace the Company's outstanding senior unsecured credit facility in an aggregate principal amount of \$1,000,000,000 (the "Existing Credit Facility" and, as amended, supplemented or replaced, the "New Credit Facility"), (ii) establish a senior unsecured bridge credit facility in an aggregate principal amount of \$2,500,000,000 (the "Bridge Facility") and (iii) effect an accounts receivable securitization in an aggregate principal amount of up to \$750,000,000 (the "Receivables Facility") or, if the Receivables Facility cannot be established by the date on

which shares are to be accepted in the Tender Offer (as defined below), establish a senior unsecured bridge credit facility in an aggregate principal amount of \$350,000,000 (the "Receivables Bridge Facility"). In addition, in connection with the Acquisition, the Company intends to issue and sell senior unsecured notes of the Company (the "Senior Notes") in an aggregate principal amount of up to \$2,500,000,000 and, upon receipt of the proceeds of the Senior Notes, to apply such proceeds to repay amounts borrowed under and to terminate the Bridge Facility.

<p>FACILITY: -----</p>	<p>A 180-day senior unsecured bridge credit facility in an aggregate principal amount of \$2,500,000,000 (the "Bridge Facility").</p>
<p>AVAILABILITY: -----</p>	<p>Up to the full amount of the commitments under the Bridge Facility may be borrowed, repaid and reborrowed subject only to the satisfaction of applicable conditions to borrowing.</p>
<p>PURPOSE: -----</p>	<p>The Bridge Facility will be used to finance the acquisition of the Acquired Company, to refinance existing debt of the Acquired Company, to pay related fees and expenses and for general corporate purposes, either directly or by providing liquidity in connection with the Company's commercial paper program.</p>
<p>COMMITMENT TERMINATION AND ----- MATURITY: -----</p>	<p>The commitments will expire and outstanding loans will mature on the date that is 180 days after the date of the execution of definitive documentation for the Bridge Facility (the "Closing Date").</p>
<p>MANDATORY COMMITMENT ----- REDUCTIONS: -----</p>	<p>Commitments under the Bridge Facility will be reduced, and loans will be prepaid, in an amount equal to (i) the net cash proceeds of the sale of the Senior Notes, (ii) a pro rata portion (based on the aggregate commitments and outstanding loans under the Receivables Bridge Facility and the Bridge Facility) of the net cash proceeds of the sale of debt or equity, other than the Senior Notes, by the Company, (iii) the amount of any increase in the aggregate commitments available to the Company under the New Credit Facility and (iv) the amount of the aggregate commitments in excess of \$500,000,000 available to the Company under the Receivables Facility.</p>
<p>GUARANTEE: -----</p>	<p>The obligations under the Bridge Facility will be unconditionally guaranteed by the Acquired Company and its subsidiaries that are obligors on or guarantors of IBP indebtedness (the "Guarantee"); provided, however, that in -----</p>

the event and after the Company and/or the Acquired Company terminate(s) the Agreement and Plan of Merger between the Acquired Company, the Company and Lasso Acquisition Corporation dated as of January 1, 2001, as modified by the Stipulation and Order in respect of the parties dated June 27, 2001 (the "Merger Agreement"), in accordance with its terms as in effect on the date hereof, the Guarantee will be limited to an amount equal to the pro rata portion (based on the aggregate outstanding loans under the Bridge Facility, the Receivables Bridge Facility and the New Credit Facility) of \$1,250,000,000 (or such higher amount as shall equal the indebtedness of IBP refinanced in connection with the Acquisition) represented by the outstanding loans under the Bridge Facility. The Company will agree that payments in respect of the Guarantee will reduce the indebtedness of the Acquired Company to the Company on a dollar for dollar basis.

FEES AND INTEREST RATES:  
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If (a) the Company's senior, unsecured, non-credit enhanced long-term debt shall be rated at least BBB by Standard & Poor's Ratings Group ("S&P") and at least Baa2 by Moody's Investors Services, Inc. ("Moody's") and (b) the Company's commercial paper shall be rated at least A2 by S&P and at least P2 by Moody's, and none of the minimum ratings referred to in this paragraph shall be under review for possible downgrade and the Company shall not have been placed on credit watch with negative implications by either such rating agency, fees and interest rates will be as provided in Annex I hereto.

If the preceding paragraph shall not be applicable but the Company's senior, unsecured, non-credit enhanced long-term debt shall be rated at least BBB- by S&P and at least Baa3 by Moody's and neither of the ratings referred to in this paragraph shall be under review for possible downgrade and the Company shall not have been placed on credit watch with negative implications by either such rating agency, fees and interest rates will be as provided in Annex II hereto.

CONDITIONS PRECEDENT TO  
-----  
EFFECTIVENESS:  
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The effectiveness of the Bridge Facility will be conditioned upon satisfaction of customary closing conditions, including, without limitation, execution and delivery of definitive financing documentation with respect to the Bridge Facility and the Guarantee satisfactory to the Lenders; delivery of satisfactory evidence of authority; legal opinions; payment of fees and expenses; delivery of the latest available audited and interim financial statements for each of the Company and the Acquired Company (in each case as filed with its

most recent Form 10-K Report) and pro forma financial information; and the conditions set forth below:

The tender offer provided for in the Merger Agreement (the "Tender Offer") shall have been completed in accordance with applicable law and the terms of the Merger Agreement (in the form heretofore delivered or otherwise acceptable to the Initial Lenders) and the other documentation related to the Acquisition previously approved by the Initial Lenders, without modification or waiver of any material term or condition thereof not approved by the Administrative Agent, and the assets and liabilities of the Acquired Company shall be consistent with the pro forma financial information and information on sources and uses of funds heretofore delivered to the Initial Lenders.

After giving effect to the completion of the Tender Offer and the other transactions contemplated in connection therewith, the Company and its subsidiaries (including the Acquired Company and its subsidiaries) shall have outstanding no indebtedness other than

(a) the Company's commercial paper program, (b) the Senior Notes (in the event that the Senior Notes are issued and sold prior to the Closing Date), (c) indebtedness under or permitted by the Existing Credit Facility or the New Credit Facility, (d) any indebtedness under the Receivables Facility or the Receivables Bridge Facility and (e) approximately \$625,000,000 of indebtedness of the Acquired Company existing on the date hereof that will not be repaid in connection with the Acquisition; provided that the terms of such indebtedness will not be violated by the transactions contemplated hereby or prohibit the Acquired Company or its subsidiaries from guaranteeing indebtedness of the Company or paying dividends to the Company (or such terms as may be violated or shall contain such prohibitions shall have been amended or waived in a manner satisfactory in all respects to the Initial Lenders).

All requisite governmental authorities and third parties shall have approved or consented to the Acquisition to the extent such approvals or consents are required under applicable laws or agreements or otherwise, all applicable appeal periods shall have expired and there shall be no governmental or judicial action, actual or threatened, that could reasonably be expected to restrain, prevent or impose materially burdensome conditions on the Acquisition or the other transactions contemplated hereby. There shall be no litigation or administrative action that could reasonably be expected to have a material adverse effect on the business,

assets, liabilities or condition (financial or otherwise) of the Company and its subsidiaries, including the Acquired Company, taken as a whole.

Any amendment, waiver or other modification of any debt instruments of the Company or the Acquired Company required in connection with the Acquisition, the Bridge Facility, the Receivables Facility or the transactions contemplated hereby shall have become effective and shall be satisfactory in all respects to the Initial Lenders. To the extent that the issuance and sale of the Senior Notes has occurred, the commitments shall have been reduced to the extent provided above. The existing domestic bank credit facility of the Acquired Company (the "IBP Facility") shall have been terminated.

The Receivables Facility (or the Receivables Bridge Facility) shall have become effective and the terms thereof shall be satisfactory to the Initial Lenders. The Existing Credit Facility shall be in effect and the terms thereof shall not be violated by the transactions contemplated hereby. The Company shall have entered into a commitment letter for the New Credit Facility on terms satisfactory to Chase MLCC and Merrill Lynch Bank USA.

Prior to the satisfaction of the conditions relating to the Acquisition, the commitments may, at the request of the Company, become effective to the extent required to permit the issuance of commercial paper supported by the Bridge Facility. The proceeds of commercial paper issued prior to the satisfaction of such conditions will be deposited with the Administrative Agent and will be available solely (i) to repay such commercial paper as it matures, (ii) on and after the effectiveness of the Guarantee, to repay amounts outstanding under the IBP Facility, and (iii) on and after the satisfaction of the remaining conditions, for any purpose contemplated under "Purpose" above.

DOCUMENTATION:

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A credit agreement (the "Credit Agreement") consistent with this Summary of Terms and Conditions and containing representations and warranties, affirmative covenants, negative covenants and events of default, including provisions to ensure compliance with applicable Federal Reserve margin regulations and those specified below, as the Initial Lenders may deem appropriate for facilities of this type in light of the ratings of the Company's senior, unsecured, non-credit enhanced long-term debt by Moody's and S&P. In the event that the terms of the New Credit Facility are more restrictive than those set forth in the Credit

Agreement, the terms of the Credit Agreement shall be deemed amended to incorporate such more restrictive terms.

AFFIRMATIVE COVENANTS:

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To include, but not limited to, the following: compliance with laws; use of proceeds; payment of obligations; insurance; preservation of corporate existence, rights and franchises; access; keeping of books; maintenance of properties; financial statements; reporting requirements; notices regarding ERISA; employee plans; environmental compliance and notices; and also including:

The Company will agree to use its best efforts to complete the Acquisition and consummate the Merger as soon as practicable and will agree not to amend or waive without the approval of the Administrative Agent any material term or condition of the Merger Agreement or any other documentation related to the Acquisition previously delivered to the Initial Lenders.

The Company shall no later than October 1, 2001 use its best efforts to (a) issue and sell pursuant to a private offering \$2,500,000,000 of debt securities, or such lesser amount as shall be required to repay the Bridge Facility in full, or (b) file with the Securities and Exchange Commission a shelf registration statement pursuant to Rule 415 of the Securities Act or other registration statement on Form S-3 in respect of \$2,500,000,000 of debt securities and complete as promptly as practicable a registered offering of \$2,500,000,000 of debt securities or such lesser amount as shall be required to repay the Bridge Facility in full.

NEGATIVE COVENANTS:

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To include, but not limited to, the following: limitation on liens; limitation on indebtedness including priority debt; lease obligations; restricted payments; mergers, consolidations and sales of all or substantially all assets; investments in other persons; asset sales; change in nature of business; capital structure; transactions with affiliates, etc.; accounting changes; margin regulations; compliance with ERISA; and speculative transactions.

FINANCIAL COVENANTS: (A)

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A maximum ratio of Indebtedness for Borrowed Money (to be defined and to include in any event the Receivables Facility and the Receivables Bridge Facility) to EBITDA (to be defined initially as twelve months pro forma combined EBITDA of the Company and the Acquired Company and their consolidated subsidiaries, with

carveouts for certain nonrecurring expenses and charges to be agreed) of 5.25 to 1.00.

(B)

A minimum ratio of EBITDA to interest expense of 2.50 to 1.00 for each four-fiscal-quarter period.

EXPENSES AND INDEMNIFICATION:

All reasonable out-of-pocket expenses of the Initial Lenders and the Arrangers associated with (i) any syndication of the Bridge Facility and (ii) the preparation, execution, delivery, administration and enforcement of the definitive credit documentation therefor (including fees, charges and disbursements of counsel for the Administrative Agent) are to be paid by the Company.

The Company will indemnify the Initial Lenders, the Arrangers and the Lenders and hold them harmless from and against all costs, expenses (including without limitation fees, charges and disbursements of counsel) and liabilities resulting from any litigation or other proceedings or otherwise related to or arising out of the transactions contemplated hereby, except to the extent such costs, expenses and liabilities are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the wilful misconduct or gross negligence of such indemnified person.

VOTING:  
-----

Amendments and waivers of the definitive credit documentation will require the approval of Lenders holding more than 50% of the aggregate amount of the loans and commitments under the Bridge Facility, except that the consent of each Lender adversely affected thereby shall be required with respect to, among other things, (i) increases in commitments, (ii) reductions of principal, interest or fees and (iii) extensions of final maturity.

GOVERNING LAW:  
-----

New York.

COUNSEL FOR ADMINISTRATIVE  
-----

Cravath, Swaine & Moore.

**AGENT:**

**ANNEX I**

## FACILITY FEES:

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Facility Fees of 0.125% per annum will accrue and be payable to the Lenders on the aggregate amount of the Bridge Facility (whether drawn or undrawn), commencing on the Closing Date. Facility Fees will be payable in arrears at the end of each calendar quarter and at maturity or upon the earlier termination of the commitments.

## UTILIZATION FEES:

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Utilization Fees will accrue and be payable to the Lenders on the amount of their outstanding loans at a rate of 0.25% per annum for each day on which such loans are greater than 25% of the aggregate commitments under the Bridge Facility. Utilization Fees will be payable in arrears at the end of each calendar quarter and upon termination of the commitments under the Bridge Facility.

All fees will be calculated on the basis of a 360-day year and actual days elapsed.

## INTEREST RATES:

Interest will be payable on the Loans at the

----- following rates per annum:

(a) In the case of Eurodollar loans, Adjusted LIBOR plus a spread of 0.875% per annum, increasing to 1.125% per annum in the event that any commitment or loan remains outstanding under the Bridge Facility following the 120th day after the Closing Date.

(b) In the case of ABR loans, the Alternate Base Rate plus, in the event that any commitment or loan remains outstanding under the Bridge Facility following the 120th day after the Closing Date, a spread of 0.125% per annum.

The default rate will be the applicable rate plus 2%.

As used herein, (a) Adjusted LIBOR means the London interbank offered rate, as set forth on the applicable Telerate screen at the time of determination, adjusted for statutory reserves, and (b) Alternate Base Rate, or ABR, means the higher of (i) Chase's Prime Rate and (ii) the Federal Funds Effective Rate plus 1/2 of 1%. Federal Funds Effective Rate means, for any day, the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers.

**ANNEX II**

FACILITY FEES: Facility Fees of 0.150% per annum will accrue and be payable to the Lenders on the aggregate amount of the Bridge Facility (whether drawn or undrawn), commencing on the Closing Date. Facility Fees will be payable in arrears at the end of each calendar quarter and at maturity or upon the earlier termination of the commitments.

UTILIZATION FEES:  
----- Utilization Fees will accrue and be payable to the Lenders on the amount of their outstanding loans at a rate of 0.25% per annum for each day on which such loans are greater than 25% of the aggregate commitments under the Bridge Facility. Utilization Fees will be payable in arrears at the end of each calendar quarter and upon termination of the commitments under the Bridge Facility.

All fees will be calculated on the basis of a 360-day year and actual days elapsed.

INTEREST RATES: Interest will be payable on the Loans at the

----- following rates per annum:

(a) In the case of Eurodollar loans, Adjusted LIBOR plus a spread of 1.10% per annum, increasing to 1.35% per annum in the event that any commitment or loan remains outstanding under the Bridge Facility following the 120th day after the Closing Date.

(b) In the case of ABR loans, the Alternate Base Rate plus a spread of 0.10% per annum, increasing to 0.35% per annum in the event that any commitment or loan remains outstanding under the Bridge Facility following the 120th day after the Closing Date.

The default rate will be the applicable rate plus 2%.

As used herein, (a) Adjusted LIBOR means the London interbank offered rate, as set forth on the applicable Telerate screen at the time of determination, adjusted for statutory reserves, and (b) Alternate Base Rate, or ABR, means the higher of (i) Chase's Prime Rate and (ii) the Federal Funds Effective Rate plus 1/2 of 1%. Federal Funds Effective Rate means, for any day, the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers.

**Exhibit (b)(2)**

J.P. Morgan Securities Inc.  
The Chase Manhattan Bank

270 Park Avenue  
New York, NY 10017

July 27, 2001

Tyson Foods, Inc.  
2210 W. Oaklawn Dr.  
Springdale, AR 72762-6999

Attention of Steven Hankins  
Executive Vice President and Chief Financial Officer

**Tyson Foods, Inc.**  
**\$350,000,000 Senior Unsecured Receivables Bridge Facility**  
**Commitment Letter**

Ladies and Gentlemen:

You have advised The Chase Manhattan Bank ("Chase") and J.P. Morgan Securities Inc. ("JPMorgan") that Tyson Foods, Inc. (the "Company") intends to acquire IBP, inc. (the "Acquired Company") for an aggregate purchase price, together with the assumption and refinancing of debt, of approximately \$4,441,000,000, subject to adjustment based on the market price of the Company's common stock, of which approximately \$1,576,100,000 will be the portion of the purchase price paid in cash (the balance of the purchase price to be paid with shares of the Company's common stock) and approximately \$1,080,000,000 will be the cash amount required to refinance outstanding debt of the Acquired Company. Such acquisition and the related transactions, including the refinancing of debt of the Acquired Company, are referred to herein as the "Acquisition".

In connection with the foregoing, you have further advised Chase and JPMorgan that in order to obtain the funds required to complete the Acquisition, to pay related fees and expenses and for general corporate purposes, you will (i) amend, supplement or replace the Company's outstanding senior unsecured credit facility in an aggregate principal amount of \$1,000,000,000 (the "Existing Credit Facility" and, as amended, supplemented or replaced, the "New Credit Facility"), (ii) establish a senior unsecured bridge credit facility in an aggregate principal amount of \$2,500,000,000 (the "Senior Note Bridge Facility") and (iii) effect an accounts receivable securitization in an aggregate principal amount of up to \$750,000,000 (the "Receivables Facility") or, if the

Receivables Facility cannot be established by the date on which shares are to be accepted in the Tender Offer (as defined in the Term Sheet referred to below), establish a senior unsecured bridge credit facility in an aggregate principal amount of \$350,000,000 (the "Receivables Bridge Facility"). You have also advised Chase and JPMorgan that, in connection with the Acquisition, you intend to issue and sell senior unsecured notes of the Company (the "Senior Notes") in an aggregate principal amount of up to \$2,500,000,000. You have further advised Chase and JPMorgan that, in the event the Receivables Bridge Facility is established, you intend to establish the Receivables Facility and, upon receipt of the proceeds of the Receivables Facility, to apply such proceeds to repay amounts borrowed under and to terminate the Receivables Bridge Facility. It is contemplated that the terms of the Receivables Bridge Facility will be substantially as set forth in the Summary of Principal Terms and Conditions attached hereto as Exhibit A (the "Term Sheet").

In connection with the Acquisition, Chase is pleased to advise you of its commitment to provide the entire principal amount of the Receivables Bridge Facility, upon the terms and subject to the conditions set forth or referred to in this Commitment Letter (this "Commitment Letter") and in the Term Sheet. You hereby appoint JPMorgan, and JPMorgan hereby agrees to act, as sole lead arranger and sole bookrunner for the Receivables Bridge Facility. You hereby appoint Chase, and Chase hereby agrees to act, as sole administrative agent for the Receivables Bridge Facility. You agree that no other agents, co-agents or arrangers will be appointed, no other titles will be awarded and no person will receive compensation outside the terms contained herein and in the Fee Letter referred to below in connection with its agreement to participate in the Receivables Bridge Facility unless you and we shall so agree.

While Chase does not currently intend to syndicate the Receivables Bridge Facility, Chase reserves the right, prior to or after the execution of definitive documentation for the Receivables Bridge Facility, to transfer portions of its commitment (and any outstanding loans) hereunder to one or more financial institutions that will become parties to such definitive documentation pursuant to a syndication to be managed by JPMorgan in consultation with the Company (the financial institutions that will become parties to such definitive documentation being collectively called the "Lenders"). Upon the acceptance of commitments from other Lenders, Chase will be released from corresponding amounts of its commitment with respect to the Receivables Bridge Facility. You understand that JPMorgan may syndicate the Receivables Bridge Facility and, if JPMorgan notifies you of its intent to syndicate the Receivables Bridge Facility, you agree actively to assist JPMorgan in completing a syndication reasonably satisfactory to it. Such assistance shall include (a) your using commercially reasonable efforts in connection with the syndication to facilitate contact with, and to encourage participation in the Receivables Bridge Facility by, the financial and investment banking institutions with which you have existing relationships, (b) direct contact between senior management and advisors of the Company, the Acquired Company, their respective subsidiaries and the proposed Lenders, (c) assistance in the preparation of a Confidential Information Memorandum and other marketing materials to be used in connection with the syndication and (d) the hosting, with JPMorgan, of one or more meetings of prospective Lenders.

JPMorgan, in consultation with the Company, will manage all aspects of any syndication, including decisions as to the selection of institutions to be approached and when they will be approached, when their commitments will be accepted, which institutions will participate, any naming rights, the allocations of the commitments among the Lenders and the amount and distribution of fees among the Lenders. To assist JPMorgan in its syndication efforts, you agree promptly upon request to prepare and provide to JPMorgan all information with respect to the Company, the Acquisition, the Acquired Company and the other transactions contemplated hereby, including information with respect to the pool of trade receivables to be included in the Receivables Facility (the "Trade Receivables") and the obligors on, and statistical information with respect to, the Trade Receivables and the all financial information and projections (the "Projections"), as they may reasonably request in connection with the arrangement and syndication of the Receivables Bridge Facility. It shall be a condition to Chase's commitment hereunder and JPMorgan's agreement to perform the services described herein that (a) all information other than the Projections (the "Information") that has been or will be made available to Chase by you or the Acquired Company or any of your representatives is or will be, when furnished, complete and correct in all material respects and does not or will not, when furnished, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances under which such statements are made; and (b) the Projections that have been or will be made available to Chase by you or the Acquired Company or any of your representatives have been or will be prepared in good faith based upon reasonable assumptions. You understand that JPMorgan and Chase, in arranging and syndicating the Receivables Bridge Facility and in making the commitment hereunder, will be using and relying on the Information and Projections without independent verification thereof.

As consideration for Chase's commitment hereunder and JPMorgan's agreement to perform the services described herein, you agree to pay to Chase the fees set forth in the Term Sheet and in the Fee Letter dated the date hereof and delivered herewith (the "Fee Letter").

Chase's commitment and obligation to perform the services to be performed by it hereunder are further subject to (a) there not occurring or becoming known to it any condition or change that has affected or could reasonably be expected to affect materially and adversely the business, assets, liabilities, financial condition or material agreements of the Company, the Acquired Company and their subsidiaries, taken as a whole, (b) there not occurring or becoming known to it any condition or change that has affected or could reasonably be expected to affect adversely the value of any material portion of the Trade Receivables or the collectibility thereof and that, in its good faith judgment, would reasonably be expected to materially impair the syndication of the Receivables Facility, (c) there not having occurred a material disruption of or material adverse change in financial, banking or capital (including, without limitation, debt) market conditions that, in its good faith judgment, would reasonably be expected to materially impair any syndication of the Receivables Bridge Facility, the Receivables Facility, the Senior Note Bridge Facility or the New Credit Facility or the offering and sale of the Senior Notes, (d) its satisfaction that prior to and during any syndication of the Receivables Bridge Facility or the New Credit Facility there shall be no competing offering, placement or arrangement of any debt securities or syndicated bank financing by

or on behalf of the Company, the Acquired Company or any of their subsidiaries (other than an offering of the Senior Notes, syndication of the Receivables Facility, the Senior Note Bridge Facility and the New Credit Facility and the Company's commercial paper program) that would reasonably be expected to affect the syndication in any material respect, (e) the accuracy and completeness in all material respects of the representations of the Company contained herein and the performance by the Company of all its obligations hereunder, (f) the negotiation, execution and delivery of definitive documentation with respect to the Receivables Bridge Facility mutually satisfactory to Chase and the Company, and (g) the other conditions referred to in the Term Sheet. The terms and conditions of Chase's commitment hereunder and of the Receivables Bridge Facility are not limited to those set forth herein and in the Term Sheet. Those matters that are not covered by the provisions hereof and of the Term Sheet are subject to the approval and agreement of Chase and the Company.

You agree (a) to indemnify and hold harmless each of Chase, JPMorgan, their affiliates and each of their respective officers, directors, employees, advisors and agents (each, an "indemnified person") from and against any and all losses, claims, damages and liabilities to which any such indemnified person may become subject arising out of or in connection with this Commitment Letter, the Receivables Bridge Facility, the actual or proposed use of the proceeds thereof, the Acquisition or any related transaction or any claim, litigation, investigation or proceeding relating to any of the foregoing, regardless of whether any indemnified person is a party thereto, and to reimburse each indemnified person upon demand for any reasonable legal or other expenses incurred in connection with investigating or defending any of the foregoing; provided that the foregoing indemnity will not, as to any indemnified person, apply to losses, claims, damages, liabilities or related expenses to the extent they are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the willful misconduct or gross negligence of such indemnified person, and (b) to reimburse Chase, JPMorgan and each of their affiliates on demand for all reasonable out-of-pocket expenses (including reasonable due diligence expenses, reasonable syndication expenses, if any, reasonable travel expenses and reasonable fees, charges and disbursements of counsel) incurred in connection with the Receivables Bridge Facility and any related documentation (including, without limitation, this Commitment Letter, the Term Sheet, the Fee Letter and the definitive financing documentation). No indemnified person shall be liable for any damages arising from the use by unintended recipients of Information or other materials obtained through electronic, telecommunications or other information transmission systems in the absence of gross negligence or willful misconduct or for any special, indirect, consequential or punitive damages in connection with the Receivables Bridge Facility. It is understood that the posting of documents on IntraLinks, in itself, and distribution of documents by email, facsimile or other customary electronic means, in itself, will not be deemed to be gross negligence or willful misconduct under any circumstances.

You acknowledge that Chase and JPMorgan may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which you may have conflicting interests regarding the transactions described herein and otherwise. Each of Chase and JPMorgan agrees that it will not use confidential information obtained from you by virtue of the transactions contemplated by this Commitment Letter or its other relationships with you in connection

with the performance by it of services for other companies or furnish any such confidential information to other companies. You also acknowledge that neither Chase nor JPMorgan has any obligation to use in connection with the transactions contemplated by this Commitment Letter, or to furnish to you, confidential information obtained by it from other companies.

This Commitment Letter and Chase's commitment hereunder shall not be assignable by you without the prior written consent of Chase (and any purported assignment without such consent shall be null and void), are intended to be solely for the benefit of the parties hereto and are not intended to confer any benefits upon, or create any rights in favor of, any person other than the parties hereto. This Commitment Letter may not be amended or waived except by an instrument in writing signed by you and Chase. This Commitment Letter may be executed in any number of counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one agreement. Delivery of an executed signature page of this Commitment Letter by facsimile transmission shall be effective as delivery of a manually executed counterpart hereof. This Commitment Letter shall be governed by, and construed in accordance with, the laws of the State of New York. Any and all obligations of, and services to be provided by, Chase or JPMorgan hereunder may be performed, and any and all rights of Chase and JPMorgan hereunder may be exercised, by or through their respective affiliates.

Any legal action or proceeding arising out of or related to this Commitment Letter may be brought in the courts of the state of New York or of the United States of America for the Southern District of New York, and by execution and delivery of this Commitment Letter, the Company hereby consents, for itself and in respect of its property, to the non-exclusive jurisdiction of the aforesaid courts. The Company hereby irrevocably waives any objection, including any objection to the laying of venue or based on the grounds of forum non conveniens, which it may now or hereafter have to the bringing of any action or proceeding in such jurisdiction in respect of this Company or any document related hereto. The parties hereto agree that a final judgment in any such suit, action or proceeding brought in any such court shall be conclusive and binding upon the parties and may be enforced in any other courts to whose jurisdiction such parties are or may be subject, by suit upon judgment.

**EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS COMMITMENT LETTER OR ANY OTHER RELATED DOCUMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF THE PARTIES HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR CHASE AND JPMORGAN TO ENTER INTO THIS COMMITMENT LETTER.**

This Commitment Letter is delivered to you on the understanding that none of this Commitment Letter, the Term Sheet or the Fee Letter or any of their terms or substance shall be disclosed, directly or indirectly, to any other person except (a) to your officers, agents and advisors who are directly involved in the consideration of this matter

and who have been made aware of the disclosure limitations set forth herein or

(b) as may be compelled in a judicial or administrative proceeding or as otherwise required by law (in which case you agree to inform us promptly thereof); provided that, following your execution and delivery of this Commitment Letter and the Fee Letter, you may disclose this Commitment Letter and the Term Sheet and their terms and substance (but not the Fee Letter or its terms or substance).

The reimbursement, indemnification and confidentiality provisions contained herein and in the Fee Letter shall remain in full force and effect regardless of whether definitive financing documentation shall be executed and delivered and notwithstanding the termination of this Commitment Letter or Chase's commitment hereunder; provided that the reimbursement and indemnification provisions contained herein shall be superseded by the corresponding provisions in the definitive financing documentation.

If the foregoing correctly sets forth our agreement, please indicate your acceptance of the terms hereof and of the Term Sheet and the Fee Letter by returning to us executed counterparts hereof and of the Fee Letter not later than 5:00 p.m., New York City time, on July 30, 2001, failing which Chase's commitment and JPMorgan's agreements contained herein will expire at such time. In the event that the execution and delivery of definitive documentation relating to the Receivables Bridge Facility does not occur on or before August 31, 2001 (or such later date as may be agreed to by Chase and you), then this Commitment Letter and the commitment hereunder shall automatically terminate unless Chase shall in writing agree to an extension.

JPMorgan and Chase are pleased to have been given the opportunity to assist you in connection with this important financing.

Very truly yours,

**J.P. MORGAN SECURITIES INC.**

by

*/s/ Marian N. Schulman*  
-----

*Name: Marian N. Schulman*  
*Title: Vice President*

**THE CHASE MANHATTAN BANK,**

by

*/s/ Marian N. Schulman*  
-----

*Name: Marian N. Schulman*  
*Title: Vice President*

Accepted and agreed to as of the date first written above by:

**TYSON FOODS, INC.**

*by /s/ Steve Hankins*  
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*Name: Steve Hankins*  
*Title: Chief Financial Officer*

## EXHIBIT A

### **TYSON FOODS, INC.** **\$350,000,000 Senior Unsecured Receivables Bridge Facility** **Summary of Principal Terms and Conditions**

BORROWER: Tyson Foods, Inc., a Delaware corporation  
----- (the "Company" or the "Borrower").

SOLE LEAD ARRANGER/ SOLE J.P. Morgan Securities Inc. ("JPMorgan").  
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BOOKRUNNER:

ADMINISTRATIVE AGENT: The Chase Manhattan Bank ("Chase" or the  
----- "Administrative Agent").

ACQUISITION: The Company intends to acquire  
----- IBP, inc (the "Acquired Company") for  
an aggregate purchase price,  
together with assumption of debt, of  
approximately \$4,441,000,000, subject to  
adjustment based on the market price of the  
Company's common stock, of which  
approximately \$1,576,100,000 will be the  
portion of the purchase price paid in cash  
(the balance of the purchase price to be  
paid with shares of the Company's common  
stock) and approximately \$1,080,000,000 will  
be the cash amount required to refinance  
outstanding debt of the Acquired Company.  
Such acquisition and the related  
transactions, including the refinancing of  
debt of the Acquired Company, are referred  
to herein as the "Acquisition". In  
connection with the Acquisition, the Company  
intends to (i) amend, supplement or replace  
the Company's outstanding senior unsecured  
credit facility in an aggregate principal  
amount of \$1,000,000,000 (the "Existing  
Credit Facility" and, as amended,  
supplemented or replaced, the "New Credit  
Facility"), (ii) establish a senior  
unsecured bridge credit facility in an  
aggregate principal amount of \$2,500,000,000  
(the "Senior Note Bridge Facility") and  
(iii) effect an accounts receivable  
securitization in an aggregate principal  
amount of up to \$750,000,000 (the  
"Receivables Facility") or, if the  
Receivables Facility cannot be established  
by the date on which shares are to be  
accepted in the Tender Offer (as defined  
below), establish a senior unsecured bridge  
credit facility in an aggregate principal  
amount of \$350,000,000 (the "Receivables  
Bridge Facility"). In the event the  
Receivables Bridge Facility is established,  
the

Company intends to establish the Receivables Facility and, upon receipt of the proceeds of the Receivables Facility, to apply such proceeds to repay amounts borrowed under and to terminate the Receivables Bridge Facility. In addition, in connection with the Acquisition, the Company intends to issue and sell senior unsecured notes of the Company (the "Senior Notes") in an aggregate principal amount of up to \$2,500,000,000 and, upon receipt of the proceeds of the Senior Notes, to apply such proceeds to repay amounts borrowed under and to terminate the Senior Note Bridge Facility.

FACILITY:

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A 90-day senior unsecured bridge credit facility in an aggregate principal amount of \$350,000,000 (the "Receivables Bridge Facility").

AVAILABILITY:

At such time as the aggregate commitments available to the Company under the Senior Note Bridge Facility shall be fully drawn, up to the full amount of the commitments under the Receivables Bridge Facility may be borrowed, repaid and reborrowed subject only to the satisfaction of applicable conditions to borrowing.

PURPOSE:

The Receivables Bridge Facility will be used to finance the acquisition of the Acquired Company, to refinance existing debt of the Acquired Company, to pay related fees and expenses and for general corporate purposes, either directly or by providing liquidity in connection with the Company's commercial paper program.

COMMITMENT TERMINATION AND

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MATURITY:

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The commitments will expire and outstanding loans will mature on the date that is 90 days after the date of the execution of definitive documentation for the Receivables Bridge Facility (the "Closing Date").

MANDATORY COMMITMENT

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REDUCTIONS:

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Commitments under the Receivables Bridge

Facility will be reduced, and loans will be cash prepaid, in an amount equal to (i) the net proceeds of the Receivables Facility and (ii) a pro rata portion (based on the aggregate commitments and outstanding loans under the Receivables Bridge Facility and the Senior Note Bridge Facility) of the net proceeds of the sale of debt or equity, other than the Senior Notes, by the Company.

GUARANTEE:

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The obligations under the Receivables Bridge

Facility will be unconditionally guaranteed by the Acquired Company and its subsidiaries, if any, that are obligors on or guarantors of IBP indebtedness (the "Guarantee"); provided, however, that in the

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event and after the Company

and/or the Acquired Company terminate(s) the Agreement and Plan of Merger between the Acquired Company, the Company and Lasso Acquisition Corporation dated as of January 1, 2001, as modified by the Stipulation and Order in respect of the parties dated June 27, 2001 (the "Merger Agreement"), in accordance with its terms as in effect on the date hereof, the Guarantee will be limited to an amount equal to the pro rata portion (based on the aggregate outstanding loans under the Receivables Bridge Facility, the Senior Note Bridge Facility and the New Credit Facility) of \$1,250,000,000 (or such higher amount as shall equal the indebtedness of IBP refinanced in connection with the Acquisition) represented by the outstanding loans under the Receivables Bridge Facility. The Company will agree that payments in respect of the Guarantee will reduce the indebtedness of the Acquired Company to the Company on a dollar for dollar basis.

FEES AND INTEREST RATES:  
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If (a) the Company's senior, unsecured, non-credit enhanced long-term debt shall be rated at least BBB by Standard & Poor's Ratings Group ("S&P") and at least Baa2 by Moody's Investors Services, Inc. ("Moody's") and (b) the Company's commercial paper shall be rated at least A2 by S&P and at least P2 by Moody's, and none of the minimum ratings referred to in this paragraph shall be under review for possible downgrade and the Company shall not have been placed on credit watch with negative implications by either such rating agency, fees and interest rates will be as provided in Annex I hereto.

If the preceding paragraph shall not be applicable but the Company's senior, unsecured, non-credit enhanced long-term debt shall be rated at least BBB- by S&P and at least Baa3 by Moody's and neither of the ratings referred to in this paragraph shall be under review for possible downgrade and the Company shall not have been placed on credit watch with negative implications by either such rating agency, fees and interest rates will be as provided in Annex II hereto.

CONDITIONS PRECEDENT TO  
-----  
EFFECTIVENESS:  
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The effectiveness of the Receivables Bridge Facility will be conditioned upon satisfaction of customary closing conditions including, without limitation, execution and delivery of definitive financing documentation with respect to the Receivables Bridge Facility and the Guarantee satisfactory to the Lenders; delivery of satisfactory evidence of authority; legal opinions; payment of fees and expenses; delivery of the latest available audited and interim financial statements for each of the Company and the Acquired

Company (in each case as filed with its most recent Form 10-K Report) and pro forma financial information; and the conditions set forth below:

The tender offer provided for in the Merger Agreement (the "Tender Offer") shall have been completed in accordance with applicable law and the terms of the Merger Agreement (in the form heretofore delivered or otherwise acceptable to the Administrative Agent) and the other documentation related to the Acquisition previously approved by the Administrative Agent, without modification or waiver of any material term or condition thereof not approved by the Administrative Agent, and the assets and liabilities of the Acquired Company shall be consistent with the pro forma financial information and information on sources and uses of funds heretofore delivered to the Administrative Agent.

After giving effect to the completion of the Tender Offer and the other transactions contemplated in connection therewith, the Company and its subsidiaries (including the Acquired Company and its subsidiaries) shall have outstanding no indebtedness other than (a) the Company's commercial paper program, (b) the Senior Notes (in the event that the Senior Notes are issued and sold prior to the closing date of the Senior Note Bridge Facility), (c) the Senior Note Bridge Facility (in the event that the Senior Notes are not issued and sold prior to the closing date of the Senior Note Bridge Facility), (d) indebtedness under or permitted by the Existing Credit Facility or the New Credit Facility, (e) any indebtedness under the Receivables Facility (in the event the Receivables Facility is effected prior to the Closing Date) and (f) approximately \$625,000,000 of indebtedness of the Acquired Company existing on the date hereof that will not be repaid in connection with the Acquisition; provided that the terms of such indebtedness will not be violated by the transactions contemplated hereby or prohibit the Acquired Company or its subsidiaries from guaranteeing indebtedness of the Company or paying dividends to the Company (or such terms as may be violated or shall contain such prohibitions shall have been amended or waived in a manner satisfactory in all respects to the Administrative Agent).

All requisite governmental authorities and third parties shall have approved or consented to the Acquisition to the extent such approvals or consents are required under applicable laws or agreements or otherwise, all applicable appeal periods shall have expired and there shall be no governmental or judicial action, actual or threatened, that

could reasonably be expected to restrain, prevent or impose materially burdensome conditions on the Acquisition or the other transactions contemplated hereby. There shall be no litigation or administrative action that could reasonably be expected to have a material adverse effect on the business, assets, liabilities or condition (financial or otherwise) of the Company and its subsidiaries, including the Acquired Company, taken as a whole.

Any amendment, waiver or other modification of any debt instruments of the Company or the Acquired Company required in connection with the Acquisition, the Receivables Bridge Facility, the Receivables Facility or the transactions contemplated hereby shall have become effective and shall be satisfactory in all respects to the Administrative Agent. To the extent that the Receivables Facility has been established, the commitments shall have been reduced to the extent provided above. The existing domestic bank credit facility of the Acquired Company (the "IBP Facility") shall have been terminated.

The Senior Notes shall have been issued and sold (or the Senior Note Bridge Facility shall have become effective) and the terms thereof shall be satisfactory to the Administrative Agent. The Existing Credit Facility shall be in effect and the terms thereof shall not be violated by the transactions contemplated hereby. The Company shall have entered into a commitment letter for the New Credit Facility on terms satisfactory to the Administrative Agent.

DOCUMENTATION:

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A credit agreement (the "Credit Agreement") consistent with this Summary of Terms and Conditions and containing representations and warranties, affirmative covenants, negative covenants and events of default, including provisions to ensure compliance with applicable Federal Reserve margin regulations and those specified below, as the Administrative Agent may deem appropriate for facilities of this type in light of the ratings of the Company's senior, unsecured, non-credit enhanced long-term debt by Moody's and S&P. In the event that the terms of the New Credit Facility are more restrictive than those set forth in the Credit Agreement, the terms of the Credit Agreement shall be deemed amended to incorporate such more restrictive terms.

COVENANTS AND OTHER TERMS:

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The Credit Agreement shall contain affirmative covenants, negative covenants and financial covenants and terms in respect of expenses and indemnification, voting, etc. substantially the same as those set forth in the term sheet

attached as Exhibit A to the commitment letter dated as of July 27, 2001 in respect of the Senior Note Bridge Facility.

GOVERNING LAW:  
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New York.

COUNSEL FOR ADMINISTRATIVE  
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Cravath, Swaine & Moore.

AGENT:

FACILITY FEES:  
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Facility Fees of 0.125% per annum will accrue and be payable to the Lenders on the aggregate amount of the Receivables Bridge Facility (whether drawn or undrawn), commencing on the Closing Date. Facility Fees will be payable in arrears at the end of each calendar quarter and at maturity or upon the earlier termination of the commitments.

UTILIZATION FEES:  
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Utilization Fees will accrue and be payable to the Lenders on the amount of their outstanding loans at a rate of 0.25% per annum for each day on which such loans are greater than 25% of the aggregate commitments under the Receivables Bridge Facility. Utilization Fees will be payable in arrears at the end of each calendar quarter and upon termination of the commitments under the Receivables Bridge Facility.

All fees will be calculated on the basis of a 360-day year and actual days elapsed.

INTEREST RATES:  
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Interest will be payable on the Loans at the following rates per annum:

- (a) In the case of Eurodollar loans, Adjusted LIBOR plus a spread of 0.875% per annum.
- (b) In the case of ABR loans, the Alternate Base Rate.

The default rate will be the applicable rate plus 2%.

As used herein, (a) Adjusted LIBOR means the London interbank offered rate, as set forth on the applicable Telerate screen at the time of determination, adjusted for statutory reserves, and (b) Alternate Base Rate, or ABR, means the higher of (i) Chase's Prime Rate and (ii) the Federal Funds Effective Rate plus 1/2 of 1%. Federal Funds Effective Rate means, for any day, the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers.

## ANNEX II

### FACILITY FEES:

Facility Fees of 0.150% per annum will accrue and be payable to the Lenders on the aggregate amount of the Receivables Bridge Facility (whether drawn or undrawn), commencing on the Closing Date. Facility Fees will be payable in arrears at the end of each calendar quarter and at maturity or upon the earlier termination of the commitments.

### UTILIZATION FEES:

-----

Utilization Fees will accrue and be payable to the Lenders on the amount of their outstanding loans at a rate of 0.25% per annum for each day on which such loans are greater than 25% of the aggregate commitments under the Receivables Bridge Facility. Utilization Fees will be payable in arrears at the end of each calendar quarter and upon termination of the commitments under the Receivables Bridge Facility.

All fees will be calculated on the basis of a 360-day year and actual days elapsed.

### INTEREST RATES:

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Interest will be payable on the Loans at the following rates per annum:

- (a) In the case of Eurodollar loans, Adjusted LIBOR plus a spread of 1.10% per annum.
- (b) In the case of ABR loans, the Alternate Base Rate plus a spread of 0.10% per annum.

The default rate will be the applicable rate plus 2%.

As used herein, (a) Adjusted LIBOR means the London interbank offered rate, as set forth on the applicable Telerate screen at the time of determination, adjusted for statutory reserves, and (b) Alternate Base Rate, or ABR, means the higher of (i) Chase's Prime Rate and (ii) the Federal Funds Effective Rate plus 1/2 of 1%. Federal Funds Effective Rate means, for any day, the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers.

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End of Filing

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