As filed with the Securities and Exchange Commission on April 23, 2001

Registration No.

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-4

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

LEAR CORPORATION

(Exact name of Registrant as specified in its charter)

Delaware	**13-3386776**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

and subsidiary guarantors:

Lear Operations Corporation

Lear Corporation Automotive Holdings
Lear Corporation EEDS and Interiors
Lear Seating Holdings Corp. #50
(Exact name of registrants as specified in their respective charters)

Delaware	**38-3265872**
Delaware	**11-2462850**
Delaware	**38-2446360**
Delaware	**38-2929055**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

2531

(Primary Standard Industrial Classification Code Number)

21557 Telegraph Road **Southfield, MI 48086-5008** **(248) 447-1500** **(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)**	**Joseph F. McCarthy, Esq.** **Lear Corporation** **21557 Telegraph Road** **Southfield, MI 48086-5008** **(248) 447-1500** **(Name, address, including zip code, and telephone number, including area code, of agent for service)**

Copies to:

John L. MacCarthy
Daniel A. Ninivaggi
Winston & Strawn
200 Park Avenue
New York, NY 10166
(212) 294-6700

Approximate Date of Commencement of Proposed Sale to Public: As soon as practicable after this Registration Statement becomes effective.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box: ☐

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) 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 this form is a post-effective amendment filed pursuant to Rule 462(d) 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: ☐

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	**Amount to be registered**	**Proposed maximum aggregate offering price per unit**	**Proposed maximum aggregate offering price**	**Amount of Registration Fee(1)**
8 1/8% Series B Senior Notes due 2008	E250,000,000	100%	$221,275,000 (3)	$55,319
Guarantees of 8 1/8% Series B Senior Notes due 2008	E250,000,000	—	—	(2)

(1) In accordance with Rule 457(f)(2), the registration fee is calculated based on the book value, which has been calculated as of April 18, 2001, of the outstanding 8 1/8% Senior Notes due 2008 of Lear Corporation.

(2) Pursuant to Rule 457(n) under the Securities Act of 1933, no separate fee is payable for the Guarantees.

(3) Euro amounts have been translated into U.S. Dollars at E1 = $0.8851, which was the noon buying rate in New York City for cable transfers in Euro as certified for custom purposes by the Federal Reserve Bank of New York on April 18, 2001.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. Lear may not sell these securities until the Registration Statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED APRIL 23, 2001

PROSPECTUS

EXCHANGE OFFER
FOR
ALL OUTSTANDING
8 1/8% SENIOR NOTES DUE 2008
OF

LEAR CORPORATION

THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M.,
NEW YORK CITY TIME, ON , 2001, UNLESS EXTENDED

Terms of the Exchange Offer

- Lear is offering to exchange registered 8 1/8% Series B Senior Notes due 2008 for all of its original unregistered 8 1/8% Senior Notes due 2008.
- The terms of the exchange securities are identical in all respects to the terms of the original securities for which they are being exchanged, except that the registration rights and related liquidated damages provisions, and the transfer restrictions applicable to the original securities are not applicable to the exchange securities.
- Subject to the satisfaction or waiver of specified conditions, Lear will exchange the applicable exchange securities for all original securities that are validly tendered and not withdrawn prior to the expiration of the exchange offer.
- You may withdraw tenders of original securities at any time prior to the expiration of the exchange offer.
- Lear will not receive any proceeds from the exchange offer.

See “Risk Factors,” beginning on page 8, for a discussion of certain factors that should be considered before tendering your original securities in the exchange.

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

This Prospectus is dated , 2001.

Where You Can Find More Information

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission. You may inspect and copy such material at the public reference facilities maintained by the Securities and Exchange Commission at Room 1024, Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549, as well as at the Securities and Exchange Commission’s regional offices at Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661 and 7 World Trade Center, Suite 1300, New York, New York 10048. You may also obtain copies of such material from the Securities and Exchange Commission at prescribed rates by writing to the Public Reference Section of the Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. In addition, reports, proxy statements and other information concerning Lear can be inspected at the New York Stock Exchange, 20 Broad Street, New York, New York 10005, where Lear’s common stock is listed.

Please call the Securities and Exchange Commission at 1-800-SEC-0330 for more information on the public reference rooms. You can also find our Securities and Exchange Commission filings at the Securities and Exchange Commission’s website at *http://www.sec.gov.*

Incorporation of Documents By Reference

This prospectus incorporates important business and financial information about us that is not included in or delivered with this prospectus. The information incorporated by reference is considered to be part of this prospectus, and information that we file later with the Securities and Exchange Commission will automatically update and supersede the information in this prospectus. Accordingly, we incorporate by reference the following documents filed by us:

1. Annual Report on Form 10-K for the fiscal year ended December 31, 2000; and
2. Current Report of Form 8-K/A dated September 1, 1998, and filed with the Securities and Exchange Commission on October 19, 1999.

In addition, all reports and other documents we subsequently file pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act on or after the date of this prospectus shall be deemed to be incorporated by reference in this prospectus and to be part of this prospectus from the date of the filing of such reports and documents. Any statement contained in this prospectus or in a document incorporated or deemed to be incorporated in this prospectus by

reference shall be deemed to be modified or superseded for the purposes of this prospectus to the extent that a statement contained in any subsequently filed document which is or is deemed to be incorporated by reference in this prospectus modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

You may obtain, without charge, a copy of any of the documents incorporated by reference in this prospectus, other than exhibits to those documents that are not specifically incorporated by reference into those documents, by writing or telephoning Lear Corporation, 21557 Telegraph Road, P.O. Box 5008, Southfield, Michigan 48086-5008, Attention: Investor Relations (248) 447-1684. To ensure timely delivery, please make your request as soon as practicable and, in any event, no later than five business days prior to the expiration of the exchange offer.

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Prospectus Summary

This summary highlights selected information from this prospectus. It may not contain all of the information that is important to you. We urge you to carefully read and review the entire prospectus and the other documents to which it refers to fully understand the terms of the exchange securities and exchange offer. When we use the terms "Lear", "we", "us", and "our", unless otherwise indicated or the context otherwise requires, we are referring to Lear Corporation and its consolidated subsidiaries.

Lear

General

We are the fifth largest automotive supplier in the world. We are:

- the leading supplier of automotive interior systems in the estimated $60 billion global automotive interior market;
- the third largest supplier in the estimated $20 billion global automotive electrical distribution systems market;
- the largest supplier in the estimated $27 billion global seat systems market; and
- in North America, we are one of the two largest suppliers in each of the other principal automotive interior markets (door panels, headliners, flooring and acoustic systems), except the instrument panels market in which we are the sixth largest supplier.

Our ability to integrate electronics and electrical distribution systems into all five automotive interior systems provides us the opportunity to manufacture and supply fully integrated automotive interior modules to our customers globally. As of March 31, 2001, we employed approximately 35,000 people in the United States and Canada, 34,000 in Mexico, 32,000 in Europe and 12,000 in other regions of the world and operated 334 manufacturing, advanced technology, product engineering and administration facilities.

Strategy

Our principal objectives are to expand our position as the leading supplier of automotive interior systems in the world and continue to capitalize on integration opportunities resulting from our electrical distribution system capabilities. Our strategy is to capitalize on three significant trends in the automotive industry:

- the increasing emphasis on the automotive interior by automotive manufacturers as they seek to differentiate their vehicles in the marketplace;
- the increasing demand for fully-integrated modular assemblies, such as cockpits, overhead and door panel modules; and
- the consolidation and globalization of the supply base of automotive manufacturers.

These trends are rooted in the competitive pressures on automotive manufacturers to improve quality at a lower cost and reduce time to market, capital needs, labor costs, overhead and inventory. These trends have resulted in automotive manufacturers outsourcing complete modules of the interior as well as complete automotive interiors. Recently, we have received a number of business awards to design, engineer, manufacture, deliver and, in some cases, install complete interior modules as well as complete automotive interiors. We believe that the criteria for selection of automotive interior suppliers is not only cost, quality and responsiveness but increasingly includes worldwide presence and certain full-service capabilities.

Elements of our strategy include:

- Enhance strong relationships with our customers;

• Capitalize on module and integration opportunities;

• Leverage electronic capabilities;

• Continue global expansion;

• Invest in product technology and design capability; and

• Increase use of "Just-in-Time" facility network.

Our principal executive offices are located at 21557 Telegraph Road, Southfield, Michigan 48086-5008. Our telephone number at that location is (248) 447-1500.

Summary of the Terms of the Exchange Offer

General	On March 20, 2001, Lear completed a private offering of the original securities, which consisted of E250,000,000 aggregate principal amount of its 8 1/8% Senior Notes due 2008. In connection with the private offering, Lear entered into a registration rights agreement in which it agreed, among other things, to deliver this prospectus to you and to complete an exchange offer for the original securities.
The Exchange Offer	Lear is offering to exchange up to E250,000,000 aggregate principal amount of its 8 1/8% Series B Senior Notes due 2008, which have been registered under the Securities Act, for a like aggregate principal amount of its original unregistered 8 1/8% Senior Notes due 2008. Original securities may be tendered only in E1,000 increments. Subject to the satisfaction or waiver of specified conditions, Lear will exchange the applicable exchange securities for all original securities that are validly tendered and not withdrawn prior to the expiration of the exchange offer. Lear will cause the exchange to be effected promptly after the expiration of the exchange offer.
Resales	Based on interpretations by the staff of the Securities and Exchange Commission, Lear believes that exchange securities issued in the exchange offer may be offered for resale, resold, or otherwise transferred by you, without compliance with the registration and prospectus delivery requirements of the Securities Act, if: • you acquire the exchange securities in the ordinary course of your business; • you are not engaging in and do not intend to engage in a distribution of the exchange securities; • you do not have an arrangement or understanding with any person to participate in a distribution of the exchange securities; and • you are not an affiliate of Lear within the meaning of Rule 405 under the Securities Act. If you are an affiliate of Lear, or are engaging in or intend to engage in, or have any arrangement or understanding with any person to participate in, a distribution of the exchange securities: • you cannot rely on the applicable interpretations of the staff of the Securities and Exchange Commission; and • you must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction. If you are a broker or dealer seeking to receive exchange securities for your own account in exchange for original securities that you acquired as a result of market-making or other trading

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	activities, you must acknowledge that you will deliver this prospectus in connection with any offer to resell, resale, or other transfer of the exchange securities that you receive in the exchange offer.
Expiration Date	The exchange offer will expire at 5:00 p.m., New York City time, on , 2001, unless extended by Lear.
Withdrawal	You may withdraw the tender of your original securities at any time prior to the expiration of the exchange offer. Lear will return to you any of your original securities that are not accepted for exchange for any reason, without expense to you, promptly after the expiration or termination of the exchange offer.
Interest on the Exchange Securities and the Original Securities	Each exchange note will accrue interest from the date of the completion of the exchange offer. Accrued and unpaid interest on the original notes exchanged in the exchange offer will be paid on the first interest payment date for the exchange notes to the holders on the relevant record date of the exchange notes issued in respect of the original notes being exchanged. Interest on the original notes being exchanged in the exchange offer shall cease to accrue on the date of the completion of the exchange offer.
Conditions to the Exchange Offer	The exchange offer is subject to customary conditions. Lear may assert or waive these conditions in its sole discretion. See "The Exchange Offer — Conditions to the Exchange Offer."
Exchange Agent	The Bank of New York is serving as exchange agent for the exchange offer.

Procedures for Tendering Original Securities	Any holder of original securities that wishes to tender original securities must cause the following to be transmitted to and received by the exchange agent no later than 5:00 p.m., New York City time, on the expiration date: • The certificates representing the tendered original securities or, in the case of a book-entry tender, a confirmation of the book-entry transfer of the tendered original securities into the exchange agent's account at Euroclear or Clearstream, Luxembourg, as book-entry transfer facility; • A properly completed and duly executed letter of transmittal in the form accompanying this prospectus or, at the option of the tendering holder in the case of a book-entry tender, an agent's message in lieu of such letter of transmittal; and • Any other documents required by the letter of transmittal. The exchange offer does not allow for guaranteed delivery.
Special Procedures for Beneficial Owners	If you are the beneficial owner of original securities that are registered in the name of your broker, dealer, commercial bank, trust company, or other nominee, and you wish to participate in the exchange offer, you should promptly contact the person

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	through which you beneficially own your original securities and instruct that person to tender original securities on your behalf. See "The Exchange Offer — Procedures for Tendering."
Representations of Tendering Holders	By tendering original securities pursuant to the exchange offer, each holder will make the representations to Lear described in "The Exchange Offer — Procedures for Tendering."
Acceptance of Original Securities and Delivery of Exchange Securities	Subject to the satisfaction or waiver of the conditions to the exchange offer, Lear will accept for exchange any and all original securities that are properly tendered and not withdrawn prior to 5:00 p.m., New York City time, on the expiration date. Lear will cause the exchange to be effected promptly after the expiration of the exchange offer.
U.S. Federal Income Tax Considerations	The exchange of original securities for exchange securities pursuant to the exchange offer generally will not be a taxable event for U.S. federal income tax purposes. See "United States Federal Income Tax Considerations."
Use of Proceeds	Lear will not receive any proceeds from the issuance of exchange securities pursuant to the exchange offer. Lear will pay all expenses incident to the exchange offer.

Consequences of Exchanging or Failure to Exchange Original Securities

Pursuant to the Exchange Offer

Holders that are not Broker-Dealers	Generally, if you are not an "affiliate" of Lear within the meaning of Rule 405 under the Securities Act, upon the exchange of your original securities for exchange securities pursuant to the exchange offer, you will be able to offer your exchange securities for resale, resell your exchange securities and otherwise transfer your exchange securities without compliance with the registration and prospectus delivery provisions of the Securities Act. This is true so long as you have acquired the exchange securities in the ordinary course of your business, you have no arrangement with any person to participate in a distribution of the exchange securities and neither you nor any other person is engaging in or intends to engage in a distribution of the exchange securities.
Holders that are Broker-Dealers	A broker-dealer who acquired original securities directly from us cannot exchange those original securities in the exchange offer. Otherwise, each broker-dealer that receives exchange securities for its own account in exchange for original securities must acknowledge that it will deliver a prospectus in connection with any resale of the exchange securities. You should read "Plan of Distribution" for a more detailed discussion of these requirements.
Failure to Exchange	Upon consummation of the exchange offer, holders that were not prohibited from participating in the exchange offer and did not

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	tender their original securities will not have any registration rights under the registration rights agreement with respect to such nontendered original securities. Accordingly, nontendered original securities will continue to be subject to the significant restrictions on transfer described in the legend on them.

Summary of the Terms of the Exchange Securities

The exchange securities will evidence the same debt as the original securities for which they are being exchanged. The exchange securities and the original securities will be governed by the same indenture. Except where the context requires otherwise, references in this prospectus to "notes," or "securities" are references to both original notes and exchange notes or both original securities and exchange securities, as the case may be.

Issuer	Lear Corporation.

Securities Offered	E250,000,000 principal amount of 8 1/8% Series B Senior Notes due 2008.
Maturity Date	April 1, 2008.
Interest Payment Dates	April 1 and October 1 of each year, commencing October 1, 2001.
Ranking	The exchange notes will be senior unsecured obligations and will rank equal in right of payment with all of Lear’s existing and future unsubordinated unsecured indebtedness. Indebtedness under our primary credit facilities is secured by the pledge of all or a portion of the capital stock of certain of our subsidiaries. The exchange notes will not have the benefit of such pledges. In addition, the exchange notes will effectively rank junior in right of payment behind our other current and future secured debt to the extent of the value of the assets securing such debt. The exchange notes will also effectively rank junior in right of payment to all obligations of our subsidiaries which do not guarantee the exchange notes with respect to the assets of those subsidiaries.
Guarantees	The exchange notes will be guaranteed on a senior unsecured basis by each of our subsidiaries that guarantee our primary credit facilities. In the event that any such subsidiary ceases to be a guarantor under our primary credit facilities, such subsidiary will be released as a guarantor of the exchange notes.
Optional Redemption	At any time we may redeem the exchange notes, in whole or in part, at a redemption price of 100% of their principal amount plus the applicable make whole premium and any accrued and unpaid interest to the redemption date.
Certain Covenants	The indenture governing the exchange securities contains covenants that limit our ability and the ability of our restricted subsidiaries to create liens and engage in sale and lease-back transactions. The indenture also limits our ability to engage in mergers and consolidations or to transfer all or substantially all of our assets. See “Description of Exchange Securities — Certain Covenants.”

Risk Factors

Prospective participants in the exchange offer should consider carefully all of the information contained in this prospectus in connection with the exchange offer. The risk factors set forth below, with the exception of the first and last risk factors, are generally applicable to the original notes as well as the exchange notes.

If you fail to exchange your original securities for exchange securities you will no longer have any registration rights with respect to your original securities.

Upon the completion of the exchange offer, if you were not prohibited from participating in the exchange offer and you did not tender your original securities, you will no longer have any registration rights with respect to the original securities you still hold. These original securities are privately placed securities and will remain subject to the restrictions on transfer contained in the legend on the notes. In general, you cannot sell or offer to sell the original securities without complying with these restrictions, unless the original securities are registered under the Securities Act and applicable state securities laws. We do not intend to register the original securities under the Securities Act.

We have a substantial amount of debt, which may harm our financial condition, require us to use a significant portion of our cash flow to satisfy our debt obligations and prevent us from making payments under the exchange notes.

We have debt that is greater than our stockholders’ equity and a significant portion of our cash flow from operations will be used to satisfy our debt obligations. Therefore, a downturn in our business could limit our ability to make payments under the exchange notes. The following chart sets forth certain important information regarding our capitalization and is presented as of or for the year ended December 31, 2000:

	(in millions, except for ratios)
Total indebtedness	$3,080.1
Stockholders’ equity	$1,600.8
Total capitalization	$4,680.9
Debt to total capitalization	65.8%
Ratio of earnings to fixed charges	2.4x

Our indebtedness could:

- increase our vulnerability to general adverse economic and industry conditions;
- limit our ability to use operating cash flow in other areas of our business because we must dedicate a substantial portion of these funds to payments on our other indebtedness;
- limit our ability to obtain other financing to fund future working capital, acquisitions, capital expenditures, research and development costs and other general corporate requirements;
- limit our ability to take advantage of business opportunities as a result of various restrictive covenants in our indebtedness; and
- place us at a competitive disadvantage compared to our main competitors that have less debt.

We are vulnerable to changes in interest rates.

Since a significant portion of our borrowings are at variable rates of interest, we will be vulnerable to increases in interest rates, which would reduce our profitability and make it more difficult for us to make payments under the exchange notes. See “Description of Exchange Securities” and “Description of Other Material Indebtedness.”

Despite current indebtedness levels, we and our subsidiaries may still be able to incur substantially more debt. This could further exacerbate the risks described above. Secured indebtedness and borrowings by subsidiaries that are not guarantors will be effectively senior to the exchange notes.

We and our subsidiaries may be able to incur additional indebtedness in the future. As of December 31, 2000, we had additional unused borrowing availability under our primary credit facilities of $1.8 billion, and additional borrowing availability under other working capital and revolving credit facilities of $147 million. If new debt is added to our current debt levels, the related risks that we and they now face could increase.

The exchange notes are unsecured and therefore will be effectively subordinated to any existing or future secured indebtedness to the extent of the value of the assets securing such indebtedness. In addition, the exchange notes will be effectively subordinated to the obligations of any of our subsidiaries that are not guarantors of the exchange notes with respect to the assets of those subsidiaries. As of December 31, 2000, we and the guarantors of the exchange notes had $1.253 billion of secured indebtedness outstanding, including $1.174 billion of indebtedness under our primary credit facilities. In addition, as of December 31, 2000, the total obligations of our subsidiaries which are not guarantors of the exchange notes were $2.025 billion. See "Selected Consolidated Financial Data," "Description of Other Material Indebtedness — Primary Credit Facilities," and "Description of Exchange Securities."

A court may void the guarantees of the exchange notes or subordinate the guarantees to other obligations of the subsidiary guarantors.

Although standards may vary depending on the applicable law, generally under U.S. federal bankruptcy law and comparable provisions of state fraudulent transfer laws, if a court were to find that, among other things, at the time any guarantor of the notes incurred the debt evidenced by its guarantee of the notes, such guarantor:

either:

- was insolvent or rendered insolvent by reason of such incurrence;
- was engaged or about to engage in a business or transaction for which that guarantor's remaining assets constituted unreasonably small capital;
- was a defendant in an action for money damages, or had a judgment for money damages docketed against it, if in either case, after a final judgment, the judgment were unsatisfied; or
- intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature;

and

- that guarantor received less than reasonably equivalent value or fair consideration for the incurrence of such debt; or
- incurred such debt or made related distributions or payments with the intent of hindering, delaying or defrauding creditors,

there is a risk that the guarantee of that guarantor could be voided by such court, or claims by holders of the notes under that guarantee could be subordinated to other debts of that guarantor. In addition, any payment by that guarantor pursuant to its guarantee could be required to be returned to that guarantor, or to a fund for the benefit of the creditors of that guarantor.

The measures of insolvency for purposes of the foregoing considerations will vary depending upon the law applied in any proceeding. Generally, however, a guarantor of the notes would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than the saleable value of all of its assets at a fair valuation; or

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- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

A decline in automotive sales would reduce our sales and could harm our profitability and make it more difficult for us to make payments under the exchange notes.

Our operations are directly related to automotive vehicle production. Automotive sales and production are cyclical and can be affected by the strength of a country's general economy. In addition, automotive sales and production can be affected by labor relations issues, regulatory requirements, trade agreements and other factors. A decline in automotive sales and production could result in a decline in our business and profitability and, accordingly, make it more difficult for us to make payments under the exchange notes.

The loss in business from a major customer or the discontinuation of a particular automobile model could reduce our sales and harm our profitability, thereby making it more difficult for us to make payments under the exchange notes.

General Motors and Ford and their respective affiliates, the two largest automotive manufacturers in the world, together accounted for approximately 60% of our net sales in 2000. A loss of significant business from General Motors or Ford could be harmful to our business and our profitability, thereby making it more difficult for us to make payments under the exchange notes. Although we have purchase orders from many of our customers, these purchase orders generally provide for the supply of a customer's annual requirements for a particular model or assembly plant, renewable on a year-to-year basis, rather than for the purchase of a specific quantity of products. The loss of business with respect to a significant automobile model could have a material adverse effect on our business and profitability.

There is substantial and continuing pressure from automotive manufacturers to reduce costs, including costs associated with outside suppliers such as us. We cannot assure you that we will be able to improve or maintain our profitability in light of these substantial and continuing pressures.

Our substantial international operations make us vulnerable to risks associated with doing business in foreign countries.

As a result of our business strategy, which includes plans for continued global expansion of operations, a significant portion of our revenues and expenses are denominated in currencies other than U.S. dollars. In addition, we have manufacturing and distribution facilities in many foreign countries. International operations are subject to certain risks inherent in doing business abroad, including:

- exposure to local economic conditions;
- expropriation and nationalization;

• currency exchange rate fluctuations and currency controls;

• withholding and other taxes on remittances and other payments by subsidiaries;

• investment restrictions or requirements; and

• export and import restrictions.

The likelihood of such occurrences and their potential effect on us vary from country to country and are unpredictable but may have a material adverse effect on our business and our profitability, which would make it more difficult for us to make payments under the exchange notes.

You cannot be sure that an active trading market will develop for the exchange securities.

There is currently no established trading market for the exchange securities, and there can be no assurance as to the liquidity of any markets that may develop for the exchange securities, the ability of the holders of the exchange securities to sell their exchange securities or the price at which such holders would be able to sell their exchange securities. If such a market were to exist, the exchange securities could trade at prices that may be lower than the initial market values thereof depending on many factors, including prevailing interest rates and our business performance. We have applied for the listing of the original securities and the exchange securities on the Luxembourg Stock Exchange. Several of the initial purchasers in the private offering of the original securities have advised us that they currently make a market in the original securities, as permitted by applicable laws and regulations, and that they intend to make a market in the exchange securities. However, the initial purchasers are not obligated to do so, and any market making with respect to the exchange securities may be discontinued at any time without notice. In addition, such market making activity may be limited during the pendency of the exchange offer or the effectiveness of a shelf registration statement in lieu thereof.

Forward-Looking Statements

This prospectus and the documents incorporated in this prospectus by reference contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We typically use words such as “anticipate”, “believe”, “plan”, “expect”, “intend”, “will”, “may” and similar expressions to identify forward-looking statements. You are cautioned that actual results could differ materially from those anticipated in forward-looking statements. Any forward-looking statements, including statements regarding the intent, belief or current expectations of Lear or its management, are not guarantees of future performance and involve risks, uncertainties and assumptions about us and the industry in which we operate, including, among other things:

• general economic conditions in the markets in which we operate;

• fluctuations in worldwide or regional automotive and light truck production;

• financial or market declines of our customers;

• labor disputes involving us or our significant customers;

• changes in practices and/or policies of our significant customers toward outsourcing automotive components and systems;

• our success in achieving cost reductions that offset or exceed customer-mandated selling price reductions;

• liabilities arising from legal proceedings to which we are or may become a party or claims against us or our products;

• increases in our warranty costs;

• fluctuations in currency exchange rates;

• changes in technology and technological risks;

• raw material shortages;

• other risks detailed from time to time in our Securities and Exchange Commission filings (including those incorporated by reference herein); and

• those items identified in “Risk Factors.”

All forward-looking statements included in or incorporated by reference in this prospectus are based on information available to us on the date of this prospectus. We do not intend to update or revise any

forward-looking statements that we may make in this prospectus or other documents, reports, filings or press releases, whether as a result of new information, future events or otherwise.

Use of Proceeds

The exchange offer is intended to satisfy Lear’s obligations under the registration rights agreement that Lear entered into in connection with the private offering of the original securities. Lear will not receive any cash proceeds from the issuance of the exchange securities. The original securities that are surrendered in exchange for the exchange securities will be retired and canceled and cannot be reissued. As a result, the issuance of the exchange securities will not result in any increase or decrease in Lear’s indebtedness.

We used the net proceeds received from the original securities to reduce outstanding indebtedness under our amended and restated revolving credit facility and for general corporate purposes. Our amended and restated revolving credit facility bore interest at a weighted average rate of 5.7% as of March 19, 2001.

Selected Consolidated Financial Data

The following selected consolidated financial data of Lear as of December 31, 2000, 1999, 1998, 1997 and 1996 and for the years ended December 31, 2000, 1999, 1998, 1997 and 1996 has been derived from our consolidated financial statements which have been audited by Arthur Andersen LLP, independent auditors. We have incorporated our consolidated financial statements as of December 31, 2000 and 1999 and for the years ended December 31, 2000, 1999 and 1998 into this prospectus by reference to our Annual Report on Form 10-K for the fiscal year ended December 31, 2000. The information set forth below is qualified in its entirety by, and should be read in conjunction with, the consolidated financial statements and the notes thereto and incorporated by reference herein and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	As of or for the year ended December 31,				
	2000(1)	1999(2)	1998(3)	1997	1996
			(in millions(4))		
Operating Data:					
Net sales	$14,072.8	$12,428.8	$9,059.4	$7,342.9	$6,249.1
Gross profit	1,450.1	1,269.2	861.4	809.4	619.7
Selling, general and administrative expenses	524.8	483.7	337.0	286.9	210.3
Restructuring and other charges (credits)	—	(4.4)	133.0	—	—
Amortization of goodwill	89.9	76.6	49.2	41.4	33.6
Operating income	835.4	713.3	342.2	481.1	375.8
Interest expense	316.2	235.1	110.5	101.0	102.8
Other expense, net(5)	47.2	47.1	22.3	28.8	19.6
Income before income taxes and extraordinary items	472.0	431.1	209.4	351.3	253.4
Income taxes	197.3	174.0	93.9	143.1	101.5
Income before extraordinary items	274.7	257.1	115.5	208.2	151.9
Extraordinary items(6)	—	—	—	(1.0)	—
Net income	$ 274.7	$ 257.1	$ 115.5	$ 207.2	$ 151.9
Balance Sheet Data:					
Current assets	$ 2,828.0	$ 3,154.2	$2,198.0	$1,614.9	$1,347.4
Total assets	8,375.5	8,717.6	5,677.3	4,459.1	3,816.8
Current liabilities	3,371.6	3,487.4	2,497.5	1,854.0	1,499.3
Long-term debt	2,852.1	3,324.8	1,463.4	1,063.1	1,054.8
Stockholders' equity	1,600.8	1,465.3	1,300.0	1,207.0	1,018.7
Other Data:					
EBITDA(7)	$ 1,227.6	$ 1,054.2	$ 561.9	$ 665.5	$ 518.1
Cash flows from operating activities	$ 753.1	$ 560.3	$ 285.4	$ 449.4	$ 462.6
Capital expenditures	$ 322.3	$ 391.4	$ 351.4	$ 187.9	$ 153.8
Ratio of EBITDA to interest expense	3.9x	4.5x	5.1x	6.6x	5.0x
Ratio of earnings to fixed charges(8)	2.4x	2.8x	2.7x	4.1x	3.3x
Diluted net income per share	$ 4.17	$ 3.80	$ 1.70	$ 3.04	$ 2.38
Number of facilities(9)	335	330	206	179	148
North America content per vehicle(10)	$ 551	$ 478	$ 369	$ 320	$ 292
North America vehicle production(11)	17.2	17.0	15.5	15.6	15.0
Western Europe content per vehicle(12)	$ 237	$ 227	$ 176	$ 123	$ 109
Western Europe vehicle production(13)	16.3	16.1	15.8	15.1	14.4
South America content per vehicle(14)	$ 102	$ 101	$ 134	$ 129	$ 74
South America vehicle production(15)	1.9	1.6	2.0	2.4	2.1

(1) Results include the effect of the $3.2 million net gain on the sale of the sealants and foam rubber business, the sale of certain foreign businesses and other non-recurring transactions ($1.9 million loss after tax).

(2) Results include the effect of the $4.4 million restructuring and other credits ($2.6 million after tax).

(3) Results include the effect of the $133.0 million restructuring and other charges ($92.5 million after tax).

(4) Except for ratios, number of facilities, North America content per vehicle, Western Europe content per vehicle and South America content per vehicle.

(5) Consists of foreign currency exchange, minority interests in consolidated subsidiaries, equity in net (income) loss of affiliates, state and local taxes and other expense.

(6) The extraordinary items resulted from the prepayment of debt.

(7) "EBITDA" is operating income plus depreciation and amortization. We believe that the operating performance of companies in our industry is measured, in part, by their ability to generate EBITDA. In addition, we use EBITDA as an indicator of our operating performance and as a measure of our cash generating capabilities. EBITDA does not represent and should not be considered as an alternative to net income, operating income, net cash provided by operating activities or any other measure for determining operating performance or liquidity that is calculated in accordance with generally accepted accounting principles. Further, EBITDA, as we calculate it, may not be comparable to calculations of similarly-titled measures by other companies. Excluding the $(4.4) million and $133 million restructuring and other charges (credits) recorded in 1999 and 1998, respectively, EBITDA would have been $1,049.8 million and $694.9 million in 1999 and 1998, respectively.

(8) "Fixed charges" consist of interest on debt, amortization of deferred financing fees and that portion of rental expenses representative of interest (deemed to be one-third of rental expenses). "Earnings" consist of income before income taxes, fixed charges, undistributed earnings and minority interests.

(9) Includes facilities operated by our less than majority-owned affiliates and facilities under construction.

(10) "North America content per vehicle" is our net sales in North America divided by estimated total North America vehicle production.

(11) “North America vehicle production” includes car and light truck production in the United States, Canada and Mexico estimated from industry sources.

(12) “Western Europe content per vehicle” is our net sales in Western Europe divided by estimated total Western Europe vehicle production.

(13) “Western Europe vehicle production” includes car and light truck production in Austria, Belgium, France, Germany, Italy, The Netherlands, Portugal, Spain, Sweden and the United Kingdom estimated from industry sources.

(14) “South America content per vehicle” is our net sales in South America divided by estimated total South America vehicle production.

(15) “South America vehicle production” includes car and light truck production in South America estimated from industry sources.

Management’s Discussion and Analysis of

Financial Condition and Results of Operations

Overview

We are the fifth largest automotive supplier in the world. Our sales have grown rapidly from $4.7 billion for the year ended December 31, 1995 to $14.1 billion for the year ended December 31, 2000. The major sources of this growth have been new program awards and the implementation of a strategic acquisition plan to capitalize on supplier consolidation trends in the automotive industry. Our customers are the major automotive manufacturers, including General Motors, Ford, DaimlerChrysler, Fiat, BMW, Volkswagen, Peugeot, Toyota, Subaru and Renault. As a result, our results of operations are directly effected by automotive vehicle production. The general slowdown in the North American automotive industry which began in the second half of 2000 has had, and we believe will continue to have, a negative impact on our sales, net income and other results of operations. Therefore, our reported results of operations for periods during 2000 are not indicative of our expected results of operations for the comparable periods in 2001.

Results of Operations

Year Ended December 31, 2000 Compared With Year Ended December 31, 1999

Net sales of $14.1 billion for the year ended December 31, 2000 exceeded net sales for the year ended December 31, 1999 by $1.6 billion or 13.2%. The increase was primarily due to new programs and increased production, which accounted for $1.2 billion of the increase, and to our acquisitions, which collectively accounted for $1.1 billion of the increase. The increase was partially offset by the negative impact of foreign currency exchange, $0.6 billion, and of our divestitures, $0.1 billion.

Gross profit and gross margin improved to $1.5 billion and 10.3% for the year ended December 31, 2000 as compared to $1.3 billion and 10.2% for the year ended December 31, 1999. The increase was primarily due to the full year impact of the UT Automotive acquisition and incremental production volumes offset by increased engineering costs and European start-up expenses.

Selling, general and administrative expenses, including research and development, as a percentage of net sales decreased to 3.7% for the year ended December 31, 2000 as compared to 3.9% for the year ended December 31, 1999. The decrease was primarily the result of the integration of UT Automotive in 2000 as well as additional expenses resulting from our acquisitions in 1999.

Research and development costs incurred in connection with the development of new products and manufacturing methods, to the extent not recoverable from the customer, are charged to selling, general and administrative expenses as incurred. Such costs amounted to approximately $208.7 million, $181.2 million and $116.6 million for the years ended December 31, 2000, 1999 and 1998, respectively.

Operating income and operating margin were $835.4 million and 5.9% for the year ended December 31, 2000 as compared to $713.3 million and 5.7% for the year ended December 31, 1999. Excluding the restructuring and other credits of $4.4 million in 1999, operating income and operating margin were $708.9 million and 5.7% for the year ended December 31, 1999. In 2000, operating income benefited from new programs and increased production, which accounted for $157 million of the increase, as well as from our acquisitions, which accounted for $111 million of the increase. Partially offsetting the increase in operating income were higher engineering costs, European start-up expenses and unfavorable foreign exchange. Non-cash depreciation and amortization charges were $392.2 million and $340.9 million for the years ended December 31, 2000 and 1999, respectively.

During 2000, we recorded a credit of $4.5 million comprised of unutilized restructuring reserves from the 1998 restructuring charge. This credit was offset by a $4.5 million charge to restructure certain corporate and division administrative office functions. The 2000 charge was comprised entirely of severance and was substantially utilized by December 31, 2000.

For the year ended December 31, 2000, interest expense increased to $316.2 million as compared to $235.1 million for the year ended December 31, 1999 as the result of debt incurred to finance acquisitions and increased interest rates under our primary credit facilities.

Other expense, which includes state and local taxes, foreign currency exchange and other non-operating expenses, was $35.0 million for the year ended December 31, 2000 as compared to $35.2 million for the year ended December 31, 1999. In 2000, we recorded a net gain of $16.8 million related to the sale of certain businesses. In addition, we recorded non-recurring expenses of $13.6 million, which included the disposal of idle equipment. Excluding non-recurring transactions, other expense was $38.2 million for the year ended December 31, 2000.

The provision for income taxes in 2000 was $197.3 million, an effective tax rate of 41.8%, as compared to $174.0 million, an effective tax rate of 40.4% in 1999. Net income for the year ended December 31, 2000 was $274.7 million or $4.17 per share as compared to $257.1 million or $3.80 per share for the year ended December 31, 1999. Net income per share benefited from a lower number of shares outstanding in 2000 as compared to 1999.

Year Ended December 31, 1999 Compared With Year Ended December 31, 1998

Net sales for the year ended December 31, 1999 were $12.4 billion, exceeding net sales for the year ended December 31, 1998 by $3.4 billion, or 37.2%. Net sales in the current year benefited from acquisitions, which collectively accounted for approximately $2.9 billion of the increase. A combination of new business and product content increases, which contributed approximately $0.6 billion, as well as higher volumes in North America also contributed to the increase. In addition, approximately $0.2 billion of the increase reflects the adverse impact of the General Motors work stoppage on 1998 net sales. Partially offsetting the increase were reduced volumes in South America and unfavorable exchange rate fluctuations.

Gross profit and gross margin were $1.3 billion and 10.2% in 1999 as compared to $0.9 billion and 9.5% in 1998. Gross profit and gross margin for 1999 reflect the contribution of acquisitions, which collectively accounted for approximately $0.3 billion of the increase in gross profit and resulted in a 0.7% increase in gross margin. New programs in North America and Europe also contributed approximately $0.1 billion to the increase in gross profit.

Selling, general and administrative expenses, including research and development, as a percentage of net sales increased to 3.9% for 1999 as compared to 3.7% for the previous year. The increase in expenses for 1999 as compared to 1998 was due primarily to the inclusion of expenses incurred as a result of acquisitions, partially offset by the benefits from sales leveraging, the positive impact of our restructuring efforts and continued cost-cutting efforts.

Research and development costs incurred in connection with the development of new products and manufacturing methods, to the extent not recoverable from the customer, are charged to selling, general and administrative expenses as incurred. Such costs amounted to approximately $181.2 million, $116.6 million and $90.4 million for the years ended December 31, 1999, 1998 and 1997, respectively.

Operating income and operating margin were $713 million and 5.7% for the year ended December 31, 1999 as compared to $342 million and 3.8% for the year ended December 31, 1998. Excluding the restructuring and other charges (credits) of $(4.4) million in 1999 and $133.0 million in 1998, operating income and operating margin for the current year were $709 million and 5.7% as compared to $475 million and 5.2% for the previous year. Operating income in the current year reflects the contribution of acquisitions, which collectively accounted for approximately $195 million of the increase. In addition, approximately $39 million of the increase in operating income reflects the adverse impact of the General Motors work stoppage on 1998 operating income. The increase was partially offset by additional launch costs in South America. The increase in operating margin in 1999 as compared to 1998 is due primarily to the non-recurring impact of the General Motors work stoppage which reduced operating margin by 0.4% in 1998. Other factors which contributed to the increase in operating margin include the performance of our acquisitions, the positive impact of our restructuring efforts and the improved performance of our European

and Delphi seating operations. Non-cash depreciation and amortization charges were $341 million and $220 million for the years ended December 31, 1999 and 1998, respectively.

Interest expense in 1999 increased by $125 million to $235 million as compared to 1998, primarily due to the debt incurred to finance recent acquisitions.

Other expenses, which include state and local taxes and foreign currency exchange gains and losses, increased to $35 million in 1999, as compared to $17 million in 1998. This was due to state and local taxes associated with our acquisitions and our foreign locations, as well as foreign exchange losses.

Net income for the year ended December 31, 1999 was $257 million, or $3.80 per share, as compared to $115 million, or $1.70 per share, for the year ended December 31, 1998. Without the restructuring and other charges (credits), the provision for income taxes in 1999 was $172 million, an effective tax rate of 40.4%, as compared to $134 million, an effective tax rate of 39.3%, in 1998.

Restructuring and Other Charges (Credits)

In the fourth quarter of 1998, we began to implement a restructuring plan designed to lower our cost structure and improve our long-term competitive position. As a result of this restructuring plan, we recorded pre-tax charges of $133.0 million, consisting of $110.5 million of restructuring charges and $22.5 million of other charges.

The plan originally called for the closure of or exit from 13 facilities, of which 12 had been closed or vacated as of December 31, 2000. In addition, the plan called for the termination of approximately 3,000 employees, of which 2,604 had been terminated as of December 31, 2000. During 2000, the closure and the related termination of 280 employees at a European facility was cancelled due to a request from a customer to continue supplying product. In addition, during 1999, we cancelled the termination of 116 manufacturing and engineering personnel in Italy and Germany due to increased demand on the related programs. Accordingly, during 2000 and 1999, we made adjustments to the original restructuring provision, resulting in net restructuring credits of approximately $4.5 million and $10.1 million, respectively. Additionally, during 1999, we expensed as incurred approximately $5.7 million of employee and equipment relocation costs incurred in connection with the implementation of the restructuring plan. There have been no other significant changes to the original restructuring plan.

In the fourth quarter of 2000, we implemented a restructuring plan to streamline corporate and division administrative office functions. As a result of this restructuring plan, we recorded pre-tax charges of $4.5 million, consisting entirely of employee severance costs.

In 2000, we realized approximately $40 million in savings as a direct result of the restructuring and other activities. In future years, we expect to realize similar annual savings.

Liquidity and Financial Condition

Our primary liquidity needs are to fund capital expenditures, service indebtedness and support working capital requirements. Our primary sources of liquidity are cash flow from operating activities and borrowing availability under our primary credit facilities. A substantial portion of our operating income is generated by our subsidiaries. As a result, we are dependent on the earnings and cash flows of, and dividends and distributions or advances from, our subsidiaries to provide the funds necessary to meet our obligations. There are no material restrictions on the ability of our subsidiaries to pay dividends or make other distributions to Lear.

Cash Flow

Cash flows from operating activities generated $753 million in 2000 as compared to $560 million in 1999. Net income increased to $275 million in 2000 as compared to $257 million in 1999. An increase in non-cash depreciation and goodwill amortization charges to $392 million in 2000 from $341 million in 1999 and the favorable impact of recoverable customer engineering and tooling, which was a source of $24

million in 2000 and a use of $134 million in 1999, respectively, was partially offset by a decrease in cash due to changes in working capital items. Cash generated from change in working capital items decreased to $65 million in 2000 as compared to $130 million in 1999, due primarily to decreases in accrued liabilities.

Net cash used in investing activities decreased from $2.5 billion in 1999 to $0.2 billion in 2000. In 2000, the disposition of certain businesses generated $117 million. In 1999, the acquisition of UT Automotive for $2.3 billion, net of cash acquired, combined with investments in Peregrine, Polovat, Ovatex and Lear-Donnelly Overhead Systems, resulted in net acquisition costs of $2.5 billion. Further, in 1999, the Electric Motor Systems business of the former UT Automotive was sold for $310 million. Capital expenditures decreased from $391 million in 1999 to $322 million in 2000 as a result of higher capital requirements in 1999, the initial year of UT Automotive’s acquisition. We currently anticipate capital expenditures for 2001 of $275 million to $300 million.

Capitalization

In March 2001, we entered into an amendment and restatement of our then-existing $2.1 billion revolving credit facility, which was scheduled to mature in September 2001. In addition, at that time we also amended and restated our other primary credit facilities. Our primary credit facilities currently consist of a $1.7 billion amended and restated revolving credit facility, which matures on March 26, 2006, a $500 million revolving credit facility, which matures on May 4, 2004, and a $500 million term loan, having scheduled amortization which began on October 31, 2000 and a final maturity on May 4, 2004. In addition, we have $1.4 billion of outstanding senior notes, $800 million of which mature in 2009 and $600 million of which mature in 2005. See "Description of Other Material Indebtedness."

Our primary credit facilities contain operating and financial covenants that, among other things, could limit our ability to obtain additional sources of capital. The primary credit facilities are guaranteed by certain of our significant domestic subsidiaries and secured by the pledge of all or a portion of the capital stock of certain of our significant subsidiaries. The senior notes are guaranteed by the same domestic subsidiaries that guarantee our primary credit facilities.

As of December 31, 2000, we had $1.2 billion outstanding under the primary credit facilities and $56.1 million committed under outstanding letters of credit, resulting in approximately $1.4 billion unused and available, on a pro forma basis after giving effect to the amendment and restatement of our existing revolving credit facility in March 2001. In addition to debt outstanding under the primary credit facilities, we had $1.9 billion of debt, including short-term borrowings, outstanding as of December 31, 2000, consisting primarily of $1.4 billion of senior notes due between 2005 and 2009 and $336 million of subordinated notes due between 2002 and 2006.

In November 2000, we entered into a receivables-backed securitization financing agreement. The permitted outstanding draws may vary based upon the amount of eligible receivables, as defined under each agreement. The financing agreements currently provide for a maximum of $300 million to be drawn on a committed basis for 364 days. Proceeds from any draw under the agreements will be used to reduce outstanding loans under our bank credit facilities. All draws under the agreements bear interest at a variable rate based on commercial paper rates. As of December 31, 2000, we had not yet funded under the agreements.

In March 2000, our Board of Directors approved a share repurchase program, authorizing the repurchase of up to an additional 6.7 million shares of our outstanding Common Stock over a 24-month period. In 2000, we purchased 3,352,100 shares of our outstanding Common Stock at an average purchase price of $23.24. In both 1999 and 1998, we purchased 500,000 shares of our outstanding Common Stock at an average purchase price of $30.47 and $36.55 per share, respectively.

We believe that cash flows from operations and available credit facilities will be sufficient to meet our anticipated debt service obligations, projected capital expenditures and working capital requirements.

Business

General

We are the fifth largest automotive supplier in the world. We are the leading supplier in the estimated $60 billion global automotive interior market and the third largest supplier in the estimated $20 billion global automotive electrical distribution systems market. We have grown substantially over the last five years as a result of both internal growth and acquisitions. Our sales have grown from $4.7 billion in 1995 to $14.1 billion in 2000, a compound annual growth rate of 24%. Operating income has grown from $245 million in 1995 to $835 million in 2000, a compound annual growth rate of 28%. EBITDA has grown from $337 million in 1995 to $1.228 billion in 2000, a compound annual growth rate of 30%. Our present customers include every major automotive manufacturer in the world, including General Motors, Ford, DaimlerChrysler, Fiat, BMW, Volkswagen, Peugeot, Toyota, Subaru and Renault.

We have established in-house capabilities in all five principal segments of the automotive interior market: seat systems; flooring and acoustic systems; door panels; instrument panels; and headliners. We are the leading supplier in the estimated $27 billion global seat systems market. In North America, we are one of the two largest suppliers in each of the other principal automotive interior markets, except the instrument panels market in which we are the sixth largest supplier. We are also one of the leading global suppliers of automotive electrical distribution systems. As a result of these capabilities, we offer our customers fully integrated modules, as well as design, engineering and project management support for the entire automotive interior, including electronics and electrical distribution systems. We believe that our ability to offer automotive interiors with integrated electrical distribution systems provides us with a competitive advantage as automotive manufacturers continue to reduce their supplier base and cost structures and to demand improved quality and greater product integration and enhanced technology.

We are focused on delivering high quality automotive interior systems and components to our customers on a global basis. Due to the opportunity for significant cost savings and improved product quality and consistency, automotive manufacturers have increasingly required their suppliers to manufacture automotive interior systems and components in multiple geographic markets. In recent years, we have followed our customers and expanded our operations significantly in Europe, South America, South Africa and the Asia/ Pacific Rim region. As a result of our efforts to expand our worldwide operations, our sales outside the United States and Canada have grown from $1.6 billion in 1995 to $5.5 billion in 2000. In particular, our sales in Europe have grown from $1.3 billion in 1995 to $4.1 billion in 2000, or 29% of sales.

Strategy

Our principal objectives are to expand our position as the leading supplier of automotive interior systems in the world and continue to capitalize on integration opportunities resulting from our electrical distribution system capabilities. We intend to build on our full-service capabilities, strong customer relationships and worldwide presence to increase our share of the global automotive interior market. To this end, our strategy is to capitalize on three significant trends in the automotive industry:

- the increasing emphasis on the automotive interior by automotive manufacturers as they seek to differentiate their vehicles in the marketplace;
- the increasing demand for fully-integrated modular assemblies, such as cockpits, overhead and door panel modules; and
- the consolidation and globalization of the supply base of automotive manufacturers.

These trends are rooted in the competitive pressures on automotive manufacturers to improve quality at a lower cost and reduce time to market, capital needs, labor costs, overhead and inventory. These trends have resulted in automotive manufacturers outsourcing complete modules of the interior as well as complete automotive interiors. Recently, we have received a number of business awards to design, engineer, manufacture, deliver and, in some cases, install complete interior modules as well as complete

automotive interiors. We believe that the criteria for selection of automotive interior is not only cost, quality and responsiveness, but increasingly includes worldwide presence and certain full-service capabilities, such as the capability to supply electronically-integrated systems and modules.

Elements of our strategy include:

- *Enhance Strong Relationships with our Customers.* We have developed strong relationships with our customers which allow us to identify business opportunities and anticipate customer needs in the early stages of vehicle design. Working closely with our customers in the early stages of designing and engineering vehicle interior systems gives us a competitive advantage in securing new business. We maintain a “Customer Focus Group” for all of our major customers. This organizational structure consists of several dedicated groups, most of which are focused on serving the needs of an individual customer and supporting that customer’s programs and product development. Our “Customer Focus Group” interfaces with our “Product Focus Group” to provide all of the interior systems and components that the customer needs, allowing that customer’s purchasing agents, engineers and designers to have a single point of contact. We work to maintain an excellent reputation with our customers for timely delivery and customer service and for providing world-class quality at competitive prices. As a result of our service and performance record, many of our facilities have won awards from the automotive manufacturers with which we do business.

- *Capitalize on Module and Integration Opportunities.* We believe that the same competitive pressures that led automotive manufacturers to outsource the individual interior components to independent suppliers will cause our customers to demand delivery of fully-integrated modules for new vehicle models. As automotive manufacturers continue to seek ways to improve quality and reduce costs, we believe customers will increasingly look to independent suppliers to:

  - supply fully integrated modules of the automotive interior; and

  - act as systems integrators, by managing the design, purchase and supply of the total automotive interior.

- *Leverage Electronic Capabilities.* Because electronic products and electrical/electronic distribution systems are an increasingly important part of automotive interior systems, we believe that we will have a competitive advantage in securing new business and taking advantage of integration opportunities as a result of our capabilities in this area.

- *Continue Global Expansion.* Global expansion will continue to be an important element of our growth strategy. In 2000, approximately two-thirds of the global automotive interior production took place outside of North America. In recent years, automotive manufacturers in Europe have outsourced to a greater number of automotive suppliers than automotive manufacturers in North America. As a result, we believe that we have excellent opportunities for continued growth through supplier consolidation in Europe, as automotive manufacturers reduce the number of suppliers with whom they do business. Markets such as South America and the Asia/ Pacific Rim region also present long-term growth opportunities as demand for automotive vehicles increases and automotive manufacturers expand production in these markets. As a result of our strong customer relationships and worldwide presence, we believe that we are well-positioned to continue to grow with our customers as they expand their operations worldwide.

- *Invest in Product Technology and Design Capability.* We will continue to make significant investments in technology and design capability to support our products. We maintain five advanced technology centers and several customer-focused product engineering centers where we design and develop new products and conduct extensive product testing. We also have state-of-the-art acoustics testing, instrumentation and data analysis capabilities. We believe that in order to effectively develop total automotive interior systems, it is necessary to integrate the research, design, development, styling and validation of all automotive interior subsystems concurrently. Our advanced technology center gives us the ability to integrate engineering, research, development and validation capabilities for all five automotive interior systems at one location. Our investments in research and development are consumer-driven and customer-focused. We conduct extensive analysis and testing of consumer responses to automotive interior

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styling and innovations. Because automotive manufacturers increasingly view the vehicle interior as a major selling point to their customers, the focus of our research and development efforts is to identify new interior features that make vehicles safer, more comfortable and attractive to consumers.

- *Increase Use of “Just-in-Time” Facility Network.* We have established facilities that allow our customers to receive automotive interior products on a “just-in-time” basis. The “just-in-time” manufacturing process minimizes inventories and fixed costs for both us and our customers and enables us to deliver products on as little as ninety minutes notice. Most of our “just-in-time” manufacturing facilities are dedicated to individual customers. In many cases, by carefully managing floor space and overall efficiency, we can move the final assembly and sequencing of other automotive interior systems and components from centrally located facilities to our existing “just-in-time” facilities. Combining our “just-in-time” manufacturing techniques with our systems integration capabilities provides us with an important competitive advantage in delivering total automotive interior systems to automotive manufacturers.

Products

Our products have evolved as a result of our many years of manufacturing experience in the automotive seat frame market, where we have been a supplier to Ford and General Motors since our inception in 1917. The seat frame has structural and safety requirements which make it the basis for overall seat design and was the logical first step to our emergence as a premier supplier of entire seat systems and seat components. As we have grown, we have expanded our product offerings and can now manufacture and supply our customers with completely integrated interiors, including flooring and acoustic systems, door panels, headliners, instrument panels and electrical distribution systems and electronics. We also produce a variety of blow-molded products and other automotive components. Our sales for the year ended December 31, 2000 were comprised of the following products: 61% seat systems; 24% interior trim products and components; and 15% electrical distribution systems and electronics. We believe that automotive manufacturers will continue to seek ways to improve vehicle quality and value while reducing the costs of vehicle components. As automotive manufacturers pursue these objectives, we expect that they will increasingly look to suppliers with the capability to test, design, engineer and deliver products for a complete vehicle interior. We believe that we will be able to design fully-integrated modules of the automotive interior to:

- reduce the number and complexity of parts used;

- improve quality and warranty performance;

- reduce automotive manufacturers’ installation costs;

- reduce overall weight of the vehicle; and

- add value at lower costs.

We also believe that automotive manufacturers will continue their move to modular integrated production by sourcing to key suppliers the development and manufacture of complete interior systems.

Our principal products fall into the following categories:

• *Seat Systems.* The seat systems business consists of the manufacture, assembly and supply of vehicle seating requirements. Seat systems typically represent approximately 30% to 40% of the cost of the total automotive interior. We produce seat systems for automobiles and light trucks that are fully-finished and ready for installation. Seat systems are fully-assembled seats, designed to achieve maximum passenger comfort by adding a wide range of manual and power features such as lumbar supports, cushion and back bolsters and leg and thigh supports.

As a result of our product technology and product design strengths, we are a leader in incorporating convenience features and safety improvements into seat designs as well as in developing methods to reduce our customers' costs throughout the automotive interior. In 1998, we adopted a new methodology for developing automotive interiors, "People-Vehicle-Interface" or PVI Method™. PVI Method™ is the

innovation development discipline that we use to understand what consumers really want inside their vehicles, while simultaneously developing automotive interiors that meet both federal safety standards and customer requirements. We also manufacture an integrated restraint seat system that increases occupant comfort and convenience. Exclusive to Lear, this patented seating concept uses an ultra high-strength steel tower and a split-frame design to improve occupant comfort and convenience. Additionally, our Self-Aligning Head Restraint is an advancement in front seat passive safety. By reducing the space between the occupant's head and the headrest in a rear impact situation through use of a headrest system that "moves" with the occupant, the difference between the rearward movement of the head and the shoulder area can be minimized. Finally, in the event of a crash, our Advanced Protection and Extrication System provides improved head protection as well as enhanced driver safety during the extrication and transport of an injured driver.

• *Electronic and Electrical Distribution Systems Products.* The function of a basic automotive electrical distribution system is to provide the electrical interconnections necessary to convey and distribute electrical power and signals. The distribution of such power and signals is essential for activating, controlling, operating and/or monitoring electric devices and systems throughout the vehicle. The electrical network extends to virtually every part of a vehicle, including powered comfort/convenience accessories, lighting and signaling, heating and cooling systems, powertrain, chassis, safety restraints systems and other devices. We have the capability to design and supply complete electrical distribution systems on a global basis. The electronic and electrical products are grouped into three categories: Interior Control Systems, Wireless Systems and Electronic and Electrical Distribution Systems.

Interior Control Systems products include the following:

- Instrument Panel Center Console Controls which provide a control panel for the entertainment system, accessory switch functions, heating, ventilation, and air conditioning.

- Multifunction Turn Signal Controls which consolidate various combinations of hazard lights, headlamps, parking lamps, fog lamps, wipers and washers, cruise controls, high/low headlamp beams and turn signal functions.

- Integrated Seat Adjuster Modules which combine seat adjustment, power lumbar support, memory function and heated seat into one package.

- Integrated Door Controls which consolidate the controls for window lift, door lock, power mirror and heated seat.

- Integrated Door and Seat Control Flip Panel Systems which perform all power door and power seat functions from two stacked panels.

Wireless Systems products include the following:

- Dual Range/ Dual Function Remote Keyless Entry (RKE) Systems which allow a single RKE transmitter button to perform multiple functions depending upon the operator's distance from the vehicle.

- Remote Keyless Entry and Immobilizer Modules which combine the features of a remote keyless entry receiver and the immobilizer key reader into a single module.

- Custom Key Fobs which use decorative molding technology to offer a wide variety of options in fob design patterns or colors including textures, logos, text and translucent and glow-in-the-dark colors.

- Passive Entry Systems which allow the vehicle operator to unlock the door without using a key or physically activating the RKE fob. The passive entry technology is imbedded in the fob so that a separate device is not required.

Electronic and Electrical Distribution Systems products include the following:

- Wire harness assemblies which are a collection of terminals, connectors and wire that connect all the various electrical/electronic devices in the vehicle to each other and/or to a power source.

- Terminals and connectors which are components of wire harnesses and other electrical/electronic devices that serve as a connection method between wire harnesses and electrical/electronic devices.

- Fuse boxes which are centrally located boxes in the vehicle that contain fuses and/or relays for circuit and device protection as well as power distribution.

- Junction boxes which serve as a connection point for multiple wire harnesses. In addition, they may also contain fuses and relays for circuit and device protection. In conjunction with an electronic module, they become the high current distributor of power in the vehicle.

Electrical and electronic content per vehicle continues to grow as installation of powered accessories and new features such as rear seat entertainment and navigation systems increases. Electronics' share of the average value of U.S. vehicles has risen from 10% in 1990 to 30% in 2000. At the same time, many vehicle functions which had previously been hydraulically or mechanically activated are being replaced by electrical/electronic actuation resulting in a higher number of circuits and electromechanical and electronic controls and switches per vehicle. We believe that we are well-positioned to capitalize on this trend due to our broad range of electrical/electronic products.

The automotive electrical distribution systems and electrical/electronic automotive products businesses have been rapidly evolving in recent years as electronic functionality is added to traditional wiring systems. This progression has involved the integration of existing products and the development of new products, competencies and technologies. The progressive increase in the content and complexity of electrical and electronic components requires a broader, overall design perspective. This shift in design philosophy is described as "moving from the wire itself to the wire ends," reflecting a view that design should include both wiring systems and the electromechanical and electronic devices to which they are connected. The migration from electrical distribution systems

to electrical and electronic distribution systems will facilitate integration of wiring, electronics and switching/control products within the overall electrical architecture of a vehicle and generate significant design benefits for customers. For example, we expect this integrated approach to help designers optimize the number of circuits and electronic control modules/microprocessors and help program managers validate the performance of all of the individual components in a vehicle's electronic systems. Intertronics™, our ability to integrate electronic and electrical products into vehicle interior systems, is already producing results. Our Integrated Seat Adjuster Module has two dozen fewer cut circuits and five fewer connectors, weighs a half of a pound less and costs 20% less than a traditional seat wiring system.

The migration from electrical distribution systems to electrical and electronic distribution systems can be seen in a number of new and next generation products. For example, our smart junction box combines traditional junction box function with electronics capabilities. Unlike earlier junction box designs, which provided the mechanical interconnection of electrical wire harnesses, smart junction boxes can incorporate electronic control functions traditionally located elsewhere in the vehicle. We are also positioned to participate in the development of advanced vehicle operating systems. Advanced vehicle operating systems will combine technologies ranging from safety and security features to power management to the integration of personal electronics.

- *Flooring and Acoustic Systems.* The automotive flooring system is multi-purpose. Performance is based on the correct selection of materials to achieve an attractive, quiet and durable interior compartment. Automotive carpet requirements are more stringent than the requirements for carpet used in homes and offices. For example, automotive carpet must provide higher resistance to fading and improved resistance to wear despite being lighter in weight than carpet found in homes and offices. Our significant experience in automotive flooring has enabled us to meet these specialized needs. Carpet flooring systems generally consist of tufted carpet with a thermoplastic backcoating which, when heated, allows the carpet to be fitted precisely to the interior of the vehicle. Additional insulation materials are added to provide noise, vibration and harshness resistance. Flooring systems are complex products which are based on sophisticated designs and use specialized design materials to achieve the desired visual, acoustic and heat management requirements in the automotive interior.

Flooring systems consist both of carpet and vinyl products, molded to fit precisely the front and rear passenger compartments of cars and trucks, and accessory mats. While carpet floors are used predominately in passenger cars and trucks, vinyl floors, because of their better wear and maintenance characteristics, are used primarily in commercial and fleet vehicles. We are one of the largest independent suppliers of vinyl automotive flooring systems in North America and one of the few suppliers of both carpet and vinyl automotive flooring systems.

Our primary acoustic product, after flooring systems, is the dash insulator. The dash insulator separates the passenger compartment from the engine compartment, and is the primary component for preventing engine noise and heat from entering the passenger compartment. Our ability to produce both the dash insulator and the flooring system enables us to accelerate the design process and supply an integrated system. Automotive manufacturers, recognizing the cost and quality advantages of producing the dash insulator and the flooring system as an integrated system, are increasingly seeking suppliers to coordinate the design, development and manufacture of the entire flooring and acoustic system.

- *Door Panels.* Door panels consist of several component parts that are attached to a substrate by various methods. Specific components include vinyl or cloth-covered appliqués, armrests, radio speaker grilles, map pocket compartments, carpet and sound-reducing insulation. In addition, door panels often incorporate electrical distribution systems and electrical/electronic products, including switches and wire harnesses for the control of power seats, windows, mirrors and door locks. Upon assembly, each component must fit precisely and must match the color of the base substrate. We have been awarded a program with a major OEM to begin supplying its One-Step™ Liftgate Module in the 2003 model year. The One-Step™ Liftgate consolidates all internal mechanisms, including glass, window regulator and latches, providing our customers with a fully assembled higher-quality product at a lower price. The One-Step™ door and One-Step™ Liftgate can be shipped to automotive manufacturers fully assembled, tested and ready for installation. We believe the One-Step™ door and One-Step™ Liftgate offer us opportunities to capture a major share of the estimated $9 billion modular door market.

- *Instrument Panels.* The instrument panel is a complex system of coverings, foams, plastics and metals designed to house various components and act as a safety device for the vehicle occupants. Specific components of the cockpit include the gauge cluster, the heating, venting and air conditioning module, air distribution ducts, air vents, cross car structure, glove compartment assemblies, electrical/electronic components, wiring harness, radio system and driver and passenger safety systems. As the primary occupant focal point of the vehicle interior, the instrument panel is designed to be aesthetically pleasing while also housing various components.

Over the past several years, the automotive industry has seen a rapid increase in the complexity of instrument panels. Automotive manufacturers are beginning to require that suppliers produce integrated instrument panels that combine electrical/electronic products with other traditional instrument panel components. This movement provides suppliers with the opportunity to capitalize on the ability of instrument panels to incorporate an increased number of higher-margin, value-added components, such as telecommunications and navigational equipment. In addition to being responsible for the overall design, integration and assembly of the cockpit system, we will be able to supply the basic instrument panel, the structural cross vehicle beam, numerous molded parts and a variety of electrical/electronic components. We believe that our strength in designing and manufacturing electrical distribution systems and electrical/electronic products will enhance our position as a leading supplier of instrument panels and better position us as automotive manufacturers continue to demand more complex integrated systems.

Another trend in the instrument panel segment concerns safety issues in air bag technologies. Through our research and development efforts, we intend to introduce cost effective, integrated, seamless airbag covers, which increase occupant safety. Future trends in the instrument panel segment will continue to focus on safety with the introduction of innovations such as knee restraints and energy-absorbing substructures.

- *Headliners.* Headliners consist of a substrate as well as a finished interior layer made of a variety of fabrics and materials. While headliners are an important contributor to interior aesthetics, they also

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provide insulation from road noise and can serve as carriers for a variety of other components, such as visors, overhead consoles, grab handles, coat hooks, electrical wiring, speakers, lighting and other electrical/electronic products. As electrical/electronic content available in vehicles has increased, headliners have emerged as an important carrier of technology since electronic features ranging from garage door openers to lighting systems are often optimally situated in the headliner system.

As automotive manufacturers continue to seek ways to improve vehicle quality and simultaneously reduce costs, headliners are increasingly being outsourced to suppliers with extensive technological and systems integration capabilities. In addition, as with door panels and instrument panels, the ability of headliners to incorporate more components, provides us with the opportunity to increase the number of high-margin, value-added products we supply to automotive manufacturers.

Manufacturing

Most of our manufacturing facilities use just-in-time manufacturing techniques. Most of our seating-related products and many of our other interior products are delivered to the automotive manufacturers on a just-in-time basis. The just-in-time concept, first broadly used by Japanese automotive

manufacturers, is the cornerstone of our manufacturing and supply strategy. This strategy involves many of the principles of the Japanese system but was adapted for compatibility with the increased volume requirements and geographic distances of the North American market. We first developed just-in-time operations in the early 1980's. We had previously operated under traditional manufacturing practices, resulting in relatively low inventory turnover rates, significant scrap and rework, a high level of indirect labor costs and long production set-up times. As a result of just-in-time manufacturing techniques, we have been able to consolidate plants, increase capacity and significantly increase inventory turnover, quality and productivity.

The just-in-time principles first developed at our seat frame plants were next applied to our growing seat systems business and have now evolved into sequential parts delivery principles. Our seating plants are typically no more than 30 minutes or 20 miles from our customers' assembly plants and are able to manufacture seats for delivery to the customers' facilities in as little as 90 minutes. Orders for our seats are received on a weekly basis, pursuant to blanket purchase orders for annual requirements. These orders detail the customers' needs for the following week. In addition, constant computer and other communication connections are maintained between personnel at our plants and personnel at the customers' plants to keep production current with the customers' demand.

As we have expanded our product line to include total automotive interiors, we have also expanded our just-in-time facility network. Our strategy is to leverage our just-in-time seat system facilities by moving the final assembly and sequencing of other interior components from our centrally-located facilities to our just-in-time facilities.

A description of the manufacturing processes for each of our product segments is set forth below.

- *Seat Systems.* Seat assembly techniques fall into two major categories, traditional assembly methods, in which fabric is affixed to the frame using Velcro, wire or other material, or more advanced bonding processes. The principal bonding technique involves our patented SureBond™ and DryBond™ processes, in which fabric is affixed to the underlying foam padding using adhesives. The SureBond™ and DryBond™ processes have several major advantages when compared to traditional methods, including design flexibility, increased quality, lower cost and improved acoustical performance over traditional bonding methods. The SureBond™ and DryBond™ processes, unlike alternative bonding processes, result in a more comfortable seat in which air circulates freely. Moreover, the SureBond™ and DryBond™ processes are reversible, so that improperly installed seat covers can be removed and properly installed with minimal materials cost. In addition, the SureBond™ and DryBond™ processes are not capital intensive when compared to competing bonding technologies.

Inventory at each plant is kept at a minimum. Each component's requirement is monitored on a daily basis. This allows the plant to minimize production space but also requires precise forecasts of the day's

output. Seats are assembled in modules, then tested and packaged for shipment. We operate a specially-designed trailer fleet that accommodates the off-loading of vehicle seats at the customers' assembly plants.

We obtain steel, aluminum and foam chemicals used in our seat systems from several producers under various supply arrangements. These materials are readily available. Leather, fabric and certain purchased components are generally purchased from various suppliers under contractual arrangements usually lasting no longer than one year. Some of the purchased components are obtained from our own customers.

- *Electrical Distribution Systems and Electrical/ Electronic Products.* Electrical distribution systems are networks of wiring and associated control devices that route electrical power and signals throughout the vehicle. Wire harness assemblies consist of raw, coiled wire that is automatically cut to length and terminated. Individual circuits are then assembled together on a jig or table, inserted into connectors and wrapped or taped to form harness assemblies. Cell-based manufacturing techniques are extensively applied to manufacture products on a just-in-time basis. Materials are purchased, with the exception of a portion of the connectors that are produced in-house. The assembly process is labor intensive. Therefore, production is performed in low labor rate sites in Mexico, the Philippines, Europe and North Africa.

Some of the principal components attached to the wiring harnesses that we manufacture include junction boxes, electronic control modules and switches. Junction boxes are manufactured in Europe and North America with a proprietary, capital intensive assembly process that utilizes specially produced printed circuit boards, purchased from selected suppliers. Custom designed switches are assembled from electrical, mechanical and decorated plastic parts purchased in the United States, Mexico and Europe using a combination of manual and automated assembly and test methods. Electronics modules are assembled using high-speed surface mount placement equipment in Europe and North America.

We believe that technology trends will result in electronics and other products being combined to create multiplexed electrical distribution systems, smart junction boxes, mechatronic switches and integrated interior modules. We are well-positioned to take advantage of these trends.

- *Flooring and Acoustics Systems.* Currently, we produce carpet at our plant in Carlisle, Pennsylvania. Smaller "focused" facilities are dedicated to specific groups of customers and are strategically located near their production facilities. This proximity improves our responsiveness to our customers and the speed of product delivery, done on a just-in-time basis, to our customers' assembly lines. Our manufacturing operations are complemented by our research and development efforts, which have led to the development of a number of proprietary products, such as our SonoTec EP™ recycling process, Maslite™, a lightweight proprietary material used in the production of accessory mats and as a vinyl floor alternative, and SonoTec Corweb™, a unique construction resulting in a lighter weight and acoustically-optimized system.

- *Door Panels/ Headliners.* We use numerous molding, bonding, trimming and finishing manufacturing processes in our door panel and headliner production. The wide variety of manufacturing processes helps us to satisfy a broad range of customers' cost and functionality specifications. Our ability and experience in producing interior products for such a vast array of applications enhances our ability to provide total interior solutions to automotive manufacturers on a global basis. We employ many of the same just-in-time manufacturing principles used at our seat facilities.

The core technologies used in our interior trim systems include injection molding, low-pressure injection molding, rotational molding, urethane foaming and compression molding of Wood- Stock™, a process which combines polypropylene and wood flour, glass-reinforced urethane and a proprietary headliner process. One element of our strategy is to focus on more complex, value-added integrated systems. We deliver these integrated systems at attractive prices to the customer because certain services such as design and engineering and sub-assembly are provided more cost efficiently by us. The principal purchased components for interior trim systems are polyethylene and polypropylene resins, which are generally purchased under long-term agreements and are available from multiple suppliers. We are

continuing to develop recycling methods in light of future environmental requirements and conditions in order to maintain our competitive position in this segment.

The combined pressures of cost reduction and fuel economy enhancement have caused automotive manufacturers to concentrate their efforts on developing and employing lower-cost, lighter materials. As a result, plastic content in cars and light trucks has grown significantly. Increasingly, automotive content

requires large plastic injection-molded assemblies for both the interior and exterior. Plastics are now commonly used in such nonstructural components as interior and exterior trim, door panels, instrument panels, grills, bumpers, duct systems, taillights and fluid reservoirs. For interior trim applications, substitution of plastics for other materials is largely complete, and little growth through substitution is expected. However, further advances in injection molding technologies are improving the performance and appearance of parts molded in reinforced thermoplastics.

- *Instrument Panels.* Our in-house process capabilities for producing instrument panels include injection molding, vacuum forming and various finishing methods. Our foil and foam capabilities, in which molded vinyl is bonded to a plastic substrate using an expandable foam, are used throughout the world. The wide variety of manufacturing processes helps us to continue to meet customers' cost and functionality specifications. We are continuing to develop recycling methods in light of future environmental requirements and conditions in order to reduce costs and increase our presence in this segment.

Customers

We serve the worldwide automotive and light truck market, which produces over 55 million vehicles annually. Our automotive manufacturer customers currently include:

• BMW	• Daewoo	• DaimlerChrysler	• Fiat
• Ford	• Gaz	• General Motors	• Honda
• Hyundai	• Isuzu	• Jaguar	• Mahindra & Mahindra
• Mazda	• Mitsubishi	• Nissan	• Peugeot
• Porsche	• Renault	• Saab	• Subaru
• Suzuki	• Toyota	• Volkswagen	• Volvo

During the year ended December 31, 2000, General Motors and Ford, the two largest automotive and light truck manufacturers in the world, including their affiliates, accounted for approximately 32% and 28%, respectively, of our net sales.

During the past ten years, in the course of retooling and reconfiguring plants for new models and model changeovers, certain automotive manufacturers have eliminated the production of seat systems and other automotive interior systems and components from certain of their facilities, thereby committing themselves to purchasing these items from outside suppliers. During this period, we became a supplier of these products for a significant number of new models, many on a "just-in-time" basis.

The purchase of seat systems and other automotive interior systems and components from full-service independent suppliers has allowed our customers to realize a competitive advantage as a result of:

- a reduction in net overhead expenses and capital investment due to the availability of significant floor space for the expansion of other manufacturing operations;

- the elimination of working capital and personnel costs associated with the production of interior systems by the automotive manufacturer;

- a reduction in labor costs since suppliers like us generally have lower direct labor and benefit rates; and

- a reduction in transaction costs by utilizing a limited number of sophisticated system suppliers instead of numerous individual component suppliers.

In addition, we offer improved quality and on-going cost reductions to our customers through continuous, Lear-initiated design improvements.

We maintain a "Customer Focus Group" for most of our major customers. This organizational structure consists of several dedicated groups, each of which is primarily focused on serving the needs of a

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single customer and supporting that customer's programs and product development. Each "Customer Focus Group" interfaces with our "Product Focus Group" to provide all of the automotive interior systems and components that the customer needs, allowing that customer's purchasing agents, engineers and designers to have a single point of contact for their total automotive interior needs.

We receive blanket purchase orders from our customers that normally cover annual requirements for products to be supplied for a particular vehicle model. Such supply relationships typically extend over the life of the model, which is generally four to seven years, and do not require the purchase by the customer of any minimum number of products. Although such purchase orders may be terminated at any time, we do not believe that any of our customers have terminated a material purchase order prior to the end of the life of a model. Our primary risk is that an automotive manufacturer will produce fewer units of a model than anticipated. In order to reduce our reliance on any one model, we produce automotive interior systems and components for a broad cross-section of both new and more established models. Our sales for the year ended December 31, 2000 were comprised of the following vehicle categories: 42% light truck; 25% mid-size; 15% luxury/ sport; 14% compact; and 4% full-size.

Because of the economic benefits inherent in outsourcing to suppliers and the costs associated with reversing a decision to purchase seat systems and other automotive interior systems and components from an outside supplier, we believe that automotive manufacturers' commitment to purchasing seat systems and other automotive interior systems and components from outside suppliers, particularly on a "just-in-time" basis, will increase. However, under the contracts currently in effect in the United States and Canada between each of Ford, General Motors and DaimlerChrysler with the United Auto Workers ("UAW") and the Canadian Auto Workers ("CAW"), in order for any of such automotive manufacturers to obtain from external sources components that it currently produces, it must first notify the UAW or the CAW of such intention. If the UAW or the CAW objects to the proposed outsourcing, some agreement will have to be reached between the UAW or the CAW and the automotive manufacturer. Factors that will normally be taken into account by the UAW, the CAW and the automotive manufacturer include:

- whether the proposed new supplier is technologically more advanced than the automotive manufacturer;

- whether the new supplier is unionized;

- whether cost benefits exist; and

- whether the automotive manufacturer will be able to reassign union members whose jobs are being displaced to other jobs within the same factories.

As part of our agreement with General Motors, we operate our Rochester Hills, Michigan facility with General Motors' employees and reimburse General Motors for the wages of such employees on the basis of our employee wage structure. We enter into these arrangements to enhance our relationship with customers. As of March 17, 2000, the General Motors' employees working at our Wentzville, Missouri facility under this agreement became Lear employees.

Our contracts with our major customers generally provide for an annual productivity price reduction and provide for the recovery of increases in material and labor costs in some instances. Historically, cost reductions through design changes, increased productivity and similar programs with our suppliers have generally offset changes in selling prices, although no assurances can be given that we will be able to achieve such cost reductions in the future. Our cost structure is comprised of a high percentage of variable costs. We believe that this structure provides us with additional flexibility during economic cycles.

Marketing and Sales

We market our products by maintaining strong customer relationships. We have developed these relationships over our 80 plus year history through:

- extensive technical and product development capabilities;
- reliable "just-in-time" delivery of high-quality products;
- strong customer service;

- innovative new products; and
- a competitive cost structure.

Close personal communications with automotive manufacturers are an integral part of our marketing strategy. Recognizing this, we are organized into independent customer groups, each with the ability to focus on its customers and programs. By moving the decision-making process closer to the customer and by instilling a philosophy of "cooperative autonomy," we are more responsive to, and have strengthened our relationships with, our customers. Automotive manufacturers have generally continued to reduce the number of their suppliers as part of a strategy to purchase automotive interior systems rather than individual components. This process favors suppliers with established ties to automotive manufacturers and the demonstrated ability to adapt to the new competitive environment in the automotive industry.

Our sales are originated almost entirely by our sales staff. This marketing effort is augmented by design and manufacturing engineers who work closely with automotive manufacturers from the preliminary design to the manufacture and supply of automotive interior systems or components. Automotive manufacturers have increasingly looked to suppliers to assume responsibility for introducing product innovation, shortening the development cycle of new models, decreasing tooling investment and labor costs, reducing the number of costly design changes in the early phases of production and improving automotive interior comfort and functionality. Once we are engaged to develop the design for the automotive interior system or component of a specific vehicle model, we are also generally engaged to supply these items when the vehicle goes into production. We have devoted substantial resources toward improving our engineering and technical capabilities and developing advanced technology centers in the United States and in Europe. We have also developed full-scope engineering capabilities, including safety and functional testing, acoustics testing and comfort assessment. In addition, we have established numerous product engineering sites in close proximity to our automotive manufacturer customers to enhance customer relationships and design activity. Finally, we have implemented a program of dedicated teams consisting of seat system and automotive interior trim personnel who are able to meet all of a customer's interior needs. These teams provide a single interface for our customers and help avoid duplication of sales and engineering efforts.

Technology

Advanced technology development is conducted at our advanced technology center in Southfield, Michigan, under the group name "VisionWorks," and at several worldwide product engineering centers. At these centers, we engineer our products to comply with applicable safety standards, meet quality and durability standards, respond to environmental conditions and conform to customer requirements. We also have state-of-the-art acoustics testing and instrumentation and data analysis capabilities.

In order to effectively develop total automotive interior systems, it is necessary to integrate the engineering, research, design, development and validation of all interior subsystems. Our advanced technology center gives us the ability to integrate engineering, research, design, development and validation capabilities for all five interior systems at one location.

We have dedicated, and will continue to dedicate, resources to research and development in order to maintain our position as a leading developer of technology in the automotive interior industry. Research and development costs incurred in connection with the development of new products and manufacturing methods, to the extent not recoverable from the customer, are charged to selling, general and administrative expenses as incurred. Such costs amounted to approximately $208.7 million, $181.2 million and $116.6 million for the years ended December 31, 2000, 1999 and 1998, respectively.

We have developed a number of designs for innovative interior features which we have patented, all focused on increasing value to the customer. Examples include Lear's proprietary "Common Architecture Strategy" allowing freedom of choice and configuration of interior components at mass production prices, the TransG™ aging baby-boomer vehicle interior, the OASys™ overhead audio system, the Revolution Seating™ system and the One-Step™ door and One-Step™ liftgate modules. In 2000, we introduced Intertronics™, a capability that shows tremendous potential to integrate electronic products with vehicle

interior systems. Intertronics products and technologies are grouped into three categories: Interior Control Systems, Wireless Systems and Electronic and Electrical Distribution Systems, and include smart junction boxes, advanced electronic products and switches and remote keyless entry systems. In May 2000, we opened the Intertronics Innovation Center as our LEED facility in Dearborn to confirm its commitment to growing this business. In addition, we incorporate many convenience, comfort and safety features into our interior designs, including advanced whiplash concepts, lifestyle vehicle interior storage systems, overhead integrated modules, seat integrated restraint systems (3-point and 4-point belt systems integrated into seats), side impact air bags, child restraint seats and integrated IP air-bag systems. We continually invest in our computer-aided-engineering-design and computer-aided-manufacturing systems. Recent enhancements to these systems include advanced acoustic modeling and analysis capabilities and the enhancement of our Virtual Technology Division (VTD) web site allowing customer telecommunications and the direct exchange of engineering data and information with other worldwide divisions.

We have created brand identities, which highlight products for our customers. The ProTec™ brand identifies products optimized for interior safety; the SonoTec™ brand identifies products optimized for interior acoustics; and the EnviroTec™ brand identifies environmentally friendly products.

We have virtually all technologies and manufacturing processes available for automotive interior trim and under-the-hood applications. These processes include, among other things, high and low pressure injection molding, vacuum forming, blow molding, soft foam molding, heat staking, water jet cutting, vibration welding, ultrasonic welding and robotic painting. This wide range of capabilities allows us to assist our customers in selecting the technologies that are the most cost effective for each application. Combined with our design and engineering capabilities and our state-of-the-art technology and engineering centers, we provide comprehensive support to our automotive manufacturer customers from product development to production.

We own one of the few proprietary-design acoustical testing chambers with an integrated four-wheel dynamometer capable of precision acoustics testing of front, rear and four-wheel drive vehicles. Together with our custom-designed reverberation room, computer-controlled data acquisition and analysis capabilities provide precisely controlled laboratory testing conditions for sophisticated interior and exterior noise, vibration and harshness testing of parts, materials and systems, including powertrain, exhaust and suspension components.

We hold a number of mechanical and design patents covering our products and have numerous applications for patents currently pending. In addition, we hold several trademarks relating to various manufacturing processes. We also license selected technologies to automotive manufacturers and other seating manufacturers. We continually strive to identify and implement new technologies for use in the design and development of our products.

Joint Ventures and Minority Interests

We pursue attractive joint ventures in order to assist our entry into new markets, facilitate the exchange of technical information, expand our product offerings and broaden our customer base. We currently have thirty-seven joint ventures located in seventeen countries. Eighteen of these joint ventures are consolidated, seventeen are accounted for using the equity method of accounting and two are accounted for using the cost method of accounting. In May 2000, we formed a joint venture with Motorola, Inc. to design integrated interior systems for Ford. In November 2000, we formed Total Interior Systems — America, a joint venture with Takashimaya Nippatsu Kogyo Co. Ltd. to supply seat systems for the Sienna minivan, our first seat contract with Toyota for production in North America.

Competition

We are the leading supplier of automotive interior products with manufacturing capabilities in all five automotive interior product groups: seat systems; flooring and acoustic systems; door panels; instrument panels; and headliners. Within each segment, we compete with a variety of independent suppliers and

automotive manufacturer in-house operations, primarily on the basis of cost, product quality and service. Set forth below is a summary of our primary independent competitors.

- *Seat Systems.* We are one of two primary independent suppliers in the outsourced North American seat systems market. Our main independent competitor in North America is Johnson Controls, Inc. Our major independent competitors in Western Europe are Johnson Controls, Inc. and Faurecia (headquartered in France).

- *Electrical Distribution Systems and Electrical/ Electronic Products.* We are one of the leading independent suppliers of automotive electrical distribution systems in North America and Europe. Our major competitors in the electrical distribution systems market include Delphi, Yazaki and Sumitomo. The automotive electrical/electronic products industry remains highly fragmented. Other participants in this industry include Eaton, Tokai Rika, Kostal, Methode, Pollack, Cherry, Niles, Omron and others.

- *Flooring and Acoustic Systems.* We are one of the three primary independent suppliers in the outsourced North American flooring and acoustic systems market. Our primary independent competitors are Collins & Aikman Corp. and the Magee Carpet Company. Our major independent competitors in Western Europe include Faurecia, Magna, Radici, Borgers, Rieter Automotive and Treves.

- *Other Interior Systems and Components.* Our major independent competitors in the headliner, door panel and instrument panel segments include Johnson Controls, Inc., Magna International, Inc., Textron, Inc., Delphi, Visteon, Faurecia and a large number of smaller operations.

Seasonality

Our principal operations are directly related to the automotive industry. Consequently, we may experience seasonal fluctuation to the extent automotive vehicle production slows, such as in the summer months when plants close for model year changeovers and vacation. Historically, our sales and operating profit have been the strongest in the second and fourth calendar quarters.

Our cost structure is comprised of a high percentage of variable costs. This structure provides us with additional flexibility during economic cycles.

Employees

As of March 31, 2001, we employed approximately 35,000 people in the United States and Canada, 34,000 in Mexico, 32,000 in Europe and 12,000 in other regions of the world. A substantial number of our employees are members of unions. We have collective bargaining agreements with several unions including: the UAW; the CAW; UNITE; the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America; and the International Association of Machinists and Aerospace Workers. Virtually all of our unionized facilities in the United States and Canada have a separate contract with the union which represents the workers employed there, with each such contract having an expiration date independent of our other labor contracts. The majority of our European and Mexican employees are members of industrial trade union organizations and confederations within their respective countries. Many of these organizations and confederations operate under national contracts which are not specific to any one employer. We have occasionally experienced labor disputes at our plants, none of which has significantly disrupted production or had a material adverse effect on our operations. We have been able to resolve all such labor disputes and believe our relations with our employees are generally good. In addition, as part of our long-term agreements with General Motors, we currently operate one facility with approximately 400 General Motors' employees and reimburse General Motors for the wages of such employees on the basis of our wage structure.

Properties

As of March 31, 2001, our operations were conducted through 334 facilities, some of which are used for multiple purposes, including 166 production/ manufacturing sites, 55 JIT sites, 42 administrative/ technical support sites, 7 assembly sites, 5 advanced technology centers and 5 distribution centers, in 32 countries. Our world headquarters is located in Southfield, Michigan. Our facilities range in size up to 1,016,000 square feet.

No facility is materially underutilized. Of the 334 facilities, which include facilities owned by our less than majority-owned affiliates, 174 are owned and 160 are leased with expiration dates ranging from 2001 through 2021. We believe substantially all of our property and equipment is in good condition and that we have sufficient capacity to meet our current and expected manufacturing and distribution needs. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Financial Condition — Cash Flow."

The Exchange Offer

Introduction

Lear hereby offers to exchange its 8 1/8% Series B Senior Notes due 2008, which have been registered under the Securities Act, for a like principal amount of its original unregistered 8 1/8% Senior Notes due 2008. The exchange offer is subject to terms and conditions set forth in this prospectus and the accompanying letter of transmittal. Holders may tender some or all of their original securities pursuant to the exchange offer. However, original securities tendered in the exchange offer must be in denominations of E1,000 or any integral multiple of E1,000.

As of the date of this prospectus, E250,000,000 aggregate principal amount of the original unregistered 8 1/8% Senior Notes due 2008 are outstanding. This prospectus, together with the letter of transmittal, is first being sent to holders of original securities on or about , 2001.

Terms of the Exchange Offer

On the terms and subject to the conditions set forth in this prospectus and in the accompanying letter of transmittal, Lear will accept for exchange pursuant to the exchange offer original securities that are validly tendered and not withdrawn prior to the expiration date. As used in this prospectus, the term "expiration date" means 5:00 p.m., New York City time, on , 2001. However, if Lear, in its sole discretion, extends the period of time for which the exchange offer is open, the term "expiration date" will mean the latest time and date to which Lear shall have extended the expiration of the exchange offer.

The exchange offer is subject to the conditions set forth in "— Conditions to the Exchange Offer." Lear reserves the right, but will not be obligated, to waive any or all of the conditions to the exchange offer.

Lear reserves the right, at any time or from time to time, to extend the period of time during which the exchange offer is open by giving written notice of such extension to the exchange agent and by making a public announcement of such extension. There can be no assurance that Lear will exercise its right to extend the exchange offer. During any extension period, all original securities previously tendered will remain subject to the exchange offer and may be accepted for exchange by Lear. Assuming the prior satisfaction or waiver of the conditions to the exchange offer, Lear will accept for exchange, and exchange, promptly after the expiration date, in accordance with the terms of the exchange offer, all original securities validly tendered pursuant to the exchange offer and not withdrawn prior to the expiration date. Any original securities not accepted by Lear for exchange for any reason will be returned without expense to the tendering holder promptly after the expiration or termination of the exchange offer.

Lear reserves the right, at any time or from time to time, to:

(1) terminate the exchange offer, and not to accept for exchange any original securities not previously accepted for exchange, upon the occurrence of any of the events set forth in "— Conditions to the Exchange Offer," by giving written notice of such termination to the exchange agent, and

(2) waive any conditions or otherwise amend the exchange offer in any respect, by giving written notice to the exchange agent.

An extension, termination, or amendment of the exchange offer will be followed as promptly as practicable by public announcement, the announcement in the case of an extension to be issued no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date. Without limiting the manner in which Lear may choose to make any public announcement, Lear will have no obligation to make or communicate any such announcement otherwise than by issuing a press release to a daily newspaper of general circulation in Luxembourg, if required by the Luxembourg Stock Exchange or applicable law, and a newspaper of general circulation in The City of New York and London or as otherwise may be required by law.

Holders of original securities do not have any appraisal or dissenters' rights under the General Corporation Law of the State of Delaware, the indenture, or the supplemental indenture in connection with the exchange offer. Lear intends to conduct the exchange offer in accordance with the applicable requirements of the Securities Act, the Exchange Act, and the rules and regulations of the Securities and Exchange Commission promulgated under those Acts.

Procedures for Tendering

Except as set forth below, any holder of original securities that wishes to tender original securities must cause the following to be transmitted to and received by The Bank of New York, the exchange agent, at the address set forth below under "— Exchange Agent" no later than 5:00 p.m., New York City time, on the expiration date:

- The certificates representing the tendered original securities or, in the case of a book-entry tender as described below, a confirmation of the book-entry transfer of the tendered original securities into the exchange agent's account at Euroclear or Clearstream, Luxembourg, as the case may be, as book-entry transfer facilities;
- A properly completed and duly executed letter of transmittal in the form accompanying this prospectus or, at the option of the tendering holder in the case of a book-entry tender, an agent's message in lieu of such letter of transmittal; and
- Any other documents required by the letter of transmittal.

The method of delivery of original securities, letters of transmittal, and all other required documents is at your election and risk. If the delivery is by mail, Lear recommends that you use registered mail, properly insured, with return receipt requested. In all cases, you should allow sufficient time to assure timely delivery. You should not send letters of transmittal or certificates representing original securities to Lear.

Any beneficial owner of original securities that are registered in the name of a broker, dealer, commercial bank, trust company, or other nominee who wishes to participate in the exchange offer should promptly contact the person through which it beneficially owns such original securities and instruct that person to tender original securities on behalf of such beneficial owner.

Any registered holder of original securities that is a participant in Euroclear's or Clearstream, Luxembourg's Book-Entry Transfer Facility system may tender original securities by book-entry delivery by causing Euroclear or Clearstream, Luxembourg to transfer the original securities into the exchange agent's account at Euroclear or Clearstream, Luxembourg in accordance with Euroclear's or Clearstream, Luxembourg's procedures for such transfer. However, a properly completed and duly executed letter of transmittal in the form accompanying this prospectus or an agent's message, and any other required documents, must nonetheless be transmitted to and received by the exchange agent at the address set forth below under "— Exchange Agent" prior to the expiration date. **Delivery of documents to Euroclear or Clearstream, Luxembourg in accordance with its respective procedures do not constitute delivery to the exchange agent.** Euroclear and Clearstream, Luxembourg are collectively referred to as the "book-entry transfer facilities" and, individually as a "book-entry transfer facility".

The term "agent's message" means a message transmitted by a book-entry transfer facility to, and received by, the exchange agent and forming a part of a confirmation of the book-entry tender of original securities into the exchange agent's account which states that the book-entry transfer facility has received an

express acknowledgment from each participant tendering through such book-entry transfer facility's automated Tender Offer Program, or ATOP, that the participant has received and agrees to be bound by, and makes the representations and warranties contained in, the letter of transmittal and that Lear may enforce the letter of transmittal against the participant.

Signatures on a letter of transmittal or a notice of withdrawal, as the case may be, must be guaranteed unless the original securities surrendered for exchange are tendered:

- by a registered holder of the original securities who has not completed the box entitled "Special Issuance Instructions" or "Special Delivery Instructions" on the letter of transmittal; or
- for the account of an eligible institution.

In the event that signatures on a letter of transmittal or a notice of withdrawal, as the case may be, are required to be guaranteed, the guarantees must be made by a firm that is an eligible institution — including most banks, savings and loan associations, and brokerage houses — that is a participant in the Securities Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Program, or the Stock Exchanges Medallion Program.

If the letter of transmittal is signed by a person or persons other than the registered holder or holders of the original securities, the letter of transmittal must be accompanied by a written instrument or instruments of transfer or exchange in a form satisfactory to Lear, in its sole discretion, and duly executed by the registered holder or holders with the signature guaranteed by an eligible institution. Certificates representing the original securities must be endorsed or accompanied by appropriate powers of attorney, in either case signed exactly as the name or names of the registered holder or holders appear on the certificates representing the original securities.

If the letter of transmittal or any certificates representing original securities, instruments of transfer or exchange, or powers of attorney are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations, or others acting in a fiduciary or representative capacity, the persons should so indicate when signing, and, unless waived by Lear, proper evidence satisfactory to Lear of their authority to so act must be submitted.

By tendering original securities pursuant to the exchange offer, each holder will represent to Lear that, among other things:

- the holder has full power and authority to tender, sell, assign, transfer, and exchange the original securities tendered;
- when such original securities are accepted by Lear for exchange, Lear will acquire good and unencumbered title to the original securities, free and clear of all liens, restrictions, charges, encumbrances, and adverse claims;
- the exchange securities acquired pursuant to the exchange offer are being acquired in the ordinary course of business of the person receiving the exchange securities, whether or not the person is the holder of the original securities;
- neither the holder nor any such other person is engaging in or intends to engage in a distribution of the exchange securities;
- neither the holder nor any such other person has an arrangement or understanding with any person to participate in a distribution of the exchange securities; and
- neither the holder nor any such other person is an affiliate of Lear, or if either is an affiliate, it will comply with the registration and prospectus delivery requirements of the Securities Act.

In addition, each broker-dealer that is to receive exchange securities for its own account in exchange for original securities must represent that such original securities were acquired by such broker-dealer as a result of market-making activities or other trading activities, and must acknowledge that it will deliver a prospectus that meets the requirements of the Securities Act in connection with any resale of the exchange securities. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. See "Plan of Distribution."

Lear will interpret the terms and conditions of the exchange offer, including the letter of transmittal and the instructions to the letter of transmittal, and will resolve all questions as to the validity, form, eligibility, including time of receipt, and acceptance of original securities tendered for exchange. Lear's determinations in this regard will be final and binding on all parties. Lear reserves the absolute right to reject any and all tenders of any particular original securities not properly tendered or to not accept any particular original securities if the acceptance might, in Lear's or its counsel's judgment, be unlawful. Lear also reserves the absolute right to waive any defects or irregularities or conditions of the exchange offer as to any particular original securities either before or after the expiration date, including the right to waive the ineligibility of any holder who seeks to tender original securities in the exchange offer.

Unless waived, any defects or irregularities in connection with tenders of original securities for exchange must be cured within such reasonable period of time as Lear determines. Neither Lear, the exchange agent, nor any other person will be under any duty to give notification of any defect or irregularity with respect to any tender of original securities for exchange, nor will any of them incur any liability for any failure to give notification. Any original securities received by the exchange agent that are not properly tendered and as to which the irregularities have not been cured or waived will be returned by the exchange agent to the tendering holder, unless otherwise provided in the letter of transmittal, promptly after the expiration date.

Acceptance of Original Securities for Exchange; Delivery of Exchange Securities

Upon satisfaction or waiver of all of the conditions to the exchange offer, Lear will accept, promptly after the expiration date, all original securities that have been validly tendered and not withdrawn, and will issue the applicable exchange securities in exchange for such original securities promptly after its acceptance of such original securities. See "— Conditions to the Exchange Offer" below.

For purposes of the exchange offer, Lear will be deemed to have accepted validly tendered original securities for exchange when, as, and if Lear has given written notice of such acceptance to the exchange agent.

For each original note accepted for exchange, the holder of the original note will receive an exchange note having a principal amount equal to that of the surrendered original note. The exchange notes will accrue interest from the date of completion of the exchange offer. Holders of original notes that are accepted for exchange will receive accrued and unpaid interest on such original notes to, but not including, the date of completion of the exchange offer. Such interest will be paid on the first interest payment date for the exchange notes and will be paid to the holders on the relevant record date of the exchange notes

issued in respect of the original notes being exchanged. Interest on the original notes being exchanged in the exchange offer will cease to accrue on the date of completion of the exchange offer.

In all cases, issuance of exchange securities for original securities that are accepted for exchange pursuant to the exchange offer will be made only after timely receipt by the exchange agent of:

- the certificates representing the original securities, or a timely confirmation of book-entry transfer of the original securities into the exchange agent's account at the applicable book-entry transfer facility;

- a properly completed and duly executed letter of transmittal, or, in the case of a book-entry tender, an agent's message; and

- all other required documents.

If any tendered original securities are not accepted for any reason or if original securities are submitted for a greater principal amount than the holder desires to exchange, such unaccepted or non-exchanged original securities will be returned without expense to the tendering holder of the original securities or, if the original securities were tendered by book-entry transfer, the non-exchanged original securities will be credited to an account maintained with the applicable book-entry transfer facility. In

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either case, the return of such original securities will be effected promptly after the expiration or termination of the exchange offer.

Book-Entry Transfer

The exchange agent has advised Lear that it will establish an account with respect to the original securities at Euroclear and Clearstream, Luxembourg as book-entry transfer facilities, for purposes of the exchange offer within two business days after the date of this prospectus. Any financial institution that is a participant in the book-entry transfer facility's system may make book-entry delivery of original securities by causing the book-entry transfer facility to transfer the original securities into the exchange agent's account at the facility in accordance with the facility's procedures for transfer. However, although delivery of original securities may be effected through book-entry transfer at the facility, a properly completed and duly executed letter of transmittal or an agent's message, and any other required documents, must nonetheless be transmitted to, and received by, the exchange agent at the address set forth below under "— Exchange Agent" prior to the expiration date.

Withdrawal Rights

You may withdraw tenders of original securities at any time prior to 5:00 p.m., New York City time, on the expiration date. Withdrawals may be made of any portion of such original securities in integral multiples of E1,000 principal amount.

For a withdrawal to be effective, a written notice of withdrawal must be received by the exchange agent at the address or, in the case of eligible institutions, at the facsimile number, set forth below under "— Exchange Agent" prior to 5:00 p.m., New York City time, on the expiration date. Any such notice of withdrawal must:

- specify the name of the person who tendered the original securities to be withdrawn;

- identify the original securities to be withdrawn, including the certificate number or numbers and principal amount of the original securities;

- contain a statement that the holder is withdrawing his election to have the original securities exchanged;

- be signed by the holder in the same manner as the original signature on the letter of transmittal by which the original securities were tendered, including any required signature guarantees, or be accompanied by documents of transfer to have the registrar with respect to the original securities (i.e., the trustee) register the transfer of such original securities in the name of the person withdrawing the tender; and

- specify the name in which such original securities are registered, if different from that of the person who tendered the original securities.

If original securities have been tendered pursuant to the procedure for book-entry transfer described above, any notice of withdrawal must specify the name and number of the account at the applicable book-entry transfer facility to be credited with the withdrawn original securities and otherwise comply with the procedures of the facility. All questions as to the validity, form, and eligibility, including time of receipt, of notices of withdrawal will be determined by Lear, whose determination will be final and binding on all parties. Any original securities so withdrawn will be deemed not to have been validly tendered for exchange for purposes of the exchange offer. Properly withdrawn original securities may be retendered by following the procedures described under "— Procedures for Tendering" above at any time prior to 5:00 p.m., New York City time, on the expiration date.

Conditions to the Exchange Offer

Lear need not exchange any original securities, may terminate the exchange offer or may waive any conditions to the exchange offer or amend the exchange offer, if any of the following conditions have occurred:

- the Securities and Exchange Commission's staff no longer allows the exchange securities to be offered for resale, resold and otherwise transferred by certain holders without compliance with the registration and prospectus delivery provisions of the Securities Act;

- a government body passes any law, statute, rule or regulation which, in Lear's opinion, prohibits or prevents the exchange offer; or

- the Securities and Exchange Commission or any state securities authority issues a stop order suspending the effectiveness of the registration statement or initiates or threatens to initiate a proceeding to suspend the effectiveness of the registration statement.

If Lear reasonably believes that any of the above conditions has occurred, it may (1) terminate the exchange offer, whether or not any original securities have been accepted for exchange, (2) waive any condition to the exchange offer or (3) amend the terms of the exchange offer in any respect. Lear's failure at any time to exercise any of these rights will not waive such rights, and each right will be deemed an ongoing right which may be asserted at any time or from time to time.

Exchange Agent

The Bank of New York has been appointed as the exchange agent for the exchange offer. The Bank of New York also acts as trustee under the indenture. All executed letters of transmittal should be directed to the exchange agent at the address set forth below. Questions and requests for assistance, and requests for additional copies of this prospectus or of the letter of transmittal should be directed to the exchange agent addressed as follows:

DELIVERY TO: THE BANK OF NEW YORK, EXCHANGE AGENT

By Hand or Overnight Delivery:

The Bank of New York

Lower Ground Floor
30 Cannon Street
London
EC4M 6XH
Attention: Carol Richardson
Facsimile Transmissions:
(Eligible Institutions Only)

011 44 207 964-6369 or

011 44 207 964-7294

Confirm by Telephone:

011 44 207 964-7235

For Information Call:

011 44 207 964-7235 or

011 44 207 964-7284 or
(212) 815-8387
By Registered or Certified Mail:

The Bank of New York

Lower Ground Floor
30 Cannon Street
London
EC4M 6XH
Attention: Carol Richardson

If you deliver the letter of transmittal to an address other than as set forth above or transmit instructions via facsimile other than as set forth above, such delivery or instructions will not be effective.

Fees and Expenses

Lear will not make any payment to brokers, dealers, or others for soliciting acceptances of the exchange offer. Lear will pay the estimated cash expenses to be incurred in connection with the exchange offer. Lear estimates these expenses, excluding the registration fee paid to the Securities and Exchange Commission, will be approximately $.

Accounting Treatment

Lear will not recognize any gain or loss for accounting purposes upon the consummation of the exchange offer. Lear will amortize the expense of the exchange offer over the term of the exchange securities under generally accepted accounting principles.

Transfer Taxes

Holders who tender their original securities for exchange will not be obligated to pay any related transfer taxes, except that holders who instruct Lear to register exchange securities in the name of, or request that original securities not tendered or not accepted in the exchange offer be returned to, a person other than the registered tendering holder will be responsible for the payment of any applicable transfer taxes on such transfer.

Restrictions on Transfer of Original Securities

The original securities were originally issued in a transaction exempt from registration under the Securities Act, and may be offered, sold, pledged, or otherwise transferred only:

- in the United States to a person whom the seller reasonably believes is a qualified institutional buyer, as defined in Rule 144A under the Securities Act;
- outside the United States in an offshore transaction in accordance with Rule 904 under the Securities Act;
- pursuant to an exemption from registration under the Securities Act provided by Rule 144, if available; or
- pursuant to an effective registration statement under the Securities Act.

The offer, sale, pledge, or other transfer of original securities must also be made in accordance with any applicable securities laws of any state of the United States, and the seller must notify any purchaser of the original securities of the restrictions on transfer described above. Holders of original securities who do not exchange their original securities for exchange securities pursuant to the exchange offer will continue to be subject to the restrictions on transfer of such original securities. Lear does not currently anticipate that it will register original securities under the Securities Act. See “Risk Factors — If you fail to exchange your original securities for exchange securities you will no longer have any registration rights with respect to your original securities.”

Transferability of Exchange Securities

Based on interpretations by the staff of the Securities and Exchange Commission, as set forth in no-action letters issued to third parties, Lear believes that exchange securities issued pursuant to the exchange offer may be offered for resale, resold, or otherwise transferred by holders that are not affiliates of Lear within the meaning of Rule 405 under the Securities Act, without compliance with the registration and prospectus delivery provisions of the Securities Act if such exchange securities are acquired in the ordinary course of such holders' business and such holders do not engage in, and have no arrangement or understanding with any person to participate in, a distribution of such exchange securities. However, the Securities and Exchange Commission has not considered the exchange offer in the context of a no-action letter. Lear cannot assure that the staff of the Securities and Exchange Commission would make a similar determination with respect to the exchange offer. If any holder of original securities is an affiliate of Lear or is engaged in or intends to engage in, or has any arrangement or understanding with any person to participate in a distribution of the exchange securities to be acquired pursuant to the exchange offer, such holder:

- cannot rely on the interpretations of the staff of the Securities and Exchange Commission set forth in the no-action letters referred to above; and
- must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any sale or transfer of the original securities or the exchange securities.

Each broker-dealer that is to receive exchange securities for its own account in exchange for original securities must represent that such original securities were acquired by such broker-dealer as a result of market-making activities or other trading activities and must acknowledge that it will deliver a prospectus in connection with any resale of the exchange securities. In addition, to comply with the securities laws of certain jurisdictions, if applicable, the exchange securities may not be offered or sold unless they have been registered or qualified for sale in such jurisdiction or an exemption from registration or qualification, with which there has been compliance, is available. See "Plan of Distribution."

Description of Other Material Indebtedness

Primary Credit Facilities

The following is a summary of the material provisions of our primary credit facilities. For further information regarding the terms and provisions of our primary credit facilities, including the definitions of terms that are not defined in this prospectus, please refer to the agreements relating to our primary credit facilities which have been filed as exhibits to the Registration Statement of which this prospectus is a part.

Amended and Restated Revolving Credit Facility. Our second amended and restated revolving credit facility currently provides for:

- borrowings in a principal amount of up to $1.7 billion outstanding at any one time;
- swing line loans in a maximum aggregate amount of $150 million, the commitment for which is part of the aggregate amended and restated revolving credit facility commitment;
- letters of credit in an aggregate face amount of up to $250 million, the commitment for which is part of the aggregate amended and restated revolving credit facility commitment; and
- multicurrency borrowings in a maximum aggregate amount of up to $500 million, the commitment for which is part of the aggregate amended and restated revolving credit facility commitment.

The entire unpaid balance under our amended and restated revolving credit facility will be payable on March 26, 2006. As of March 31, 2001, the amount outstanding under this facility was $214.5 million.

Other Credit Facilities. In addition to our amended and restated revolving credit facility, our primary credit facilities are comprised of:

- an additional revolving credit facility providing for borrowings of up to $500 million and maturing on May 4, 2004;
- a $500 million term loan with a final maturity of May 4, 2004, of which $50 million was repaid by us on October 31, 2000, the first scheduled amortization payment; and
- multicurrency borrowings in a maximum aggregate amount of up to $165 million, the commitment for which is part of the aggregate additional revolving credit facility commitment.

As of March 31, 2001, the amounts outstanding under the additional revolving credit facility and term loan were $0 and $450 million, respectively.

The loans under our amended and restated revolving credit facility, our additional revolving loans and our term loan are collectively referred to in this prospectus as the "Loans."

Interest. For purposes of calculating interest, the U.S. dollar Loans can be, at our election, ABR Loans or Eurodollar Loans or a combination thereof. ABR Loans bear interest at the higher of (a) The Chase Manhattan Bank's, or any replacement agent's, prime rate and (b) the U.S. federal funds rate plus 0.50%. Eurodollar Loans bear interest at the relevant Eurodollar Rate plus a margin based on the level of a specified financial ratio or Lear's credit ratings on its long-term senior unsecured debt.

Repayment. Subject to the provisions of our primary credit facilities, we may, from time to time, borrow, repay and reborrow under our amended and restated revolving credit facility and our additional revolving credit facility. Our term loan provides for scheduled repayments of $100 million in 2001, $125 million in 2002, $150 million in 2003 and $75 million in 2004.

We made a scheduled amortization payment in the amount of $50 million on October 31, 2000. Amounts repaid under our term loan may not be reborrowed. We can prepay our term loan at any time prior to maturity.

Security and Guarantees. With certain exceptions, the Loans are guaranteed by our direct and indirect domestic subsidiaries that account for 10% or more of our consolidated assets or revenues, on a

pro forma basis. With certain exceptions, the Loans are secured by a pledge to the agent of primary credit facilities for the ratable benefit of the banks party to our primary credit facilities of all or a portion of the capital stock of our subsidiaries comprising 10% or more of our consolidated assets or revenues, on a pro forma basis. The stock pledges also equally and ratably secure our obligations under term loans having an aggregate principal amount of $50 million. Pursuant to the terms of our primary credit facilities, the guarantees and the stock pledges may be released when and if:

- Lear attains "Release Status;"
- the agent has no actual knowledge of the existence of a default;
- Lear delivers an officer's certificate that such officer has obtained no knowledge of a default or an event or default; and
- the guarantees of the notes shall have been released or shall be released simultaneously with the guarantees of our primary credit facilities.

Under our primary credit facilities, "Release Status" is generally defined to exist at any time when the actual or implied rating of our senior long-term unsecured debt is at or above "BBB-" from Standard & Poor's Ratings Group and at or above "Baa3" from Moody's Investors Service, Inc.

Covenants. Our primary credit facilities contain financial covenants relating to ratios of consolidated operating profit to consolidated interest expense and of consolidated indebtedness to consolidated operating profit. Our primary credit facilities also contain restrictive covenants pertaining to the management and operation of Lear. The covenants include, among others, limitations on indebtedness, guarantees, mergers, acquisitions, fundamental corporate changes, asset sales, investments, loans and advances, liens, dividends and other stock payments, transactions with affiliates and optional payments and modification of debt instruments.

Events of Default. Our primary credit facilities provide for events of default customary in facilities of these types, including:

- failure to make payments when due;
- breach of certain covenants;
- breach of representations or warranties in any material respect when made;
- default under any agreement relating to debt for borrowed money in excess of $40 million in the aggregate;
- bankruptcy defaults;
- unsatisfied judgments in excess of $40 million;
- ERISA defaults;
- any security document or guarantee ceasing to be in full force and effect other than as otherwise contemplated by the relevant primary credit facility;
- the subordination provisions in the instruments under which subordinated debt, or any refinancings thereof, were created ceasing to be in full force and effect or enforceable to the same extent purported to be created thereby; and
- a change of control of Lear.

Senior Notes

We currently have outstanding $600 million of 7.96% senior notes due 2005 and $800 million of 8.11% senior notes due 2009 which will remain outstanding. The senior notes are unsecured obligations of Lear, ranking equal in right of payment with all of our other unsecured and unsubordinated indebtedness, and ranking senior in right of payment to our outstanding subordinated indebtedness and any of our future

subordinated indebtedness. In addition, the notes are structurally subordinated to indebtedness of our subsidiaries other than indebtedness of our subsidiaries which have guaranteed the obligations under the senior notes. Interest on the subordinated notes is payable in arrears semi-annually.

The repayment of the senior notes is guaranteed by our domestic subsidiaries which are guarantors under our primary credit facilities. The guarantees of repayment of the senior notes, unlike the guarantees of our primary credit facilities, are not secured by pledges of stock of our subsidiaries. Our secured creditors will have a claim on the assets which secure our obligations prior to any claims of holders of the senior notes against such assets.

The indenture governing the senior notes limits, among other things:

- the creation of liens; and
- certain sale and lease-back transactions.

The indenture does not contain any restriction upon indebtedness, whether secured or unsecured, that we, including any of our subsidiaries, may incur in the future. In addition, the indenture does not prohibit a transaction involving the merger, consolidation or sale of all or substantially all of our assets providing the surviving corporation is organized under the laws of the United States, the surviving corporation assumes the obligations under the senior notes and the indentures and no defaults existing immediately after giving effect to the transaction.

The 7.96% senior notes mature on May 15, 2005 and the 8.11% senior notes mature on May 15, 2009. The senior notes may, at our option, be redeemed in whole or in part at any time, on at least 30 days' but not more then 60 days' notice to each holder of the notes to be redeemed at the greater of (1) 100% of the principal amount of such notes, and (2) the sum of the present values of the remaining scheduled payments of principal and interest thereon from the redemption date to the maturity date discounted, to the redemption date on a semiannual basis, assuming a 360-day year consisting of 12 months of 30 days each, at the treasury rate (as defined in the indenture) plus 50 basis points, in each case, together with any interest accrued but not paid to the date of redemption.

Subordinated Notes

We currently have outstanding $136 million of 8.25% subordinated notes due 2002 and $200 million of 9.50% subordinated notes due 2006 which will remain outstanding. The subordinated notes are subordinated in right of payment to all of our existing and future senior indebtedness, including the exchange notes and our existing senior notes and obligations arising under our primary credit facilities. Interest on the subordinated notes is payable in arrears semi-annually.

The indentures governing the subordinated notes limit, among other things:

- the making of any Restricted Payment, as defined in the subordinated note indentures;
- the incurrence of indebtedness unless we satisfy a specified cash flow to interest expense coverage ratio;
- the creation of liens;
- the incurrence of payment restrictions affecting subsidiaries;
- entering into transactions with stockholders and affiliates;
- the sale of assets;
- the issuance of preferred stock; and
- the merger, consolidation or sale of all or substantially all of our assets.

The subordinated note indentures also provide that a holder of the subordinated notes may, under certain circumstances, have the right to require that we repurchase such holder's securities upon a change of

control of Lear at 101% of their principal amount plus accrued and unpaid interest, if any, to the date of repurchase.

The 8.25% subordinated notes mature on February 1, 2002 and may, at our option, be redeemed in whole or in part, on at least 30 days' but not more then 60 days' notice to each holder of the notes to be redeemed at 100% of their principal amount together with accrued and unpaid interest, if any, to the redemption date. The 9.50% subordinated notes mature on July 15, 2006 and may, at our option, be redeemed in whole or in part at any time on at least 30 days' but not more than 60 days' notice to each holder of the notes to be redeemed at specified redemption prices.

Other Debt

As of December 31, 2000, we had outstanding approximately $170 million of debt other than the debt under our primary credit facilities, our senior notes and our subordinated notes. This debt consisted primarily of a U.S. term loan, foreign subsidiary working capital indebtedness, industrial revenue bonds and capital leases. The U.S. term loan, having an aggregate principal amount of $50 million, is secured by an equal and ratable pledge of the subsidiary stock securing our primary credit facilities and guaranteed by the same domestic subsidiaries that guarantee the Loans under our primary credit facilities. The stock pledge shall be released when and if the stock pledge securing our primary credit facilities is released.

In November 2000, we entered into a receivables-backed securitization financing agreement. The permitted outstanding draws may vary based upon the amount of eligible receivables, as defined under each agreement. The financing agreements currently provide for a maximum of $300 million to be drawn on a committed basis for 364 days. Proceeds from any draw under the agreements will be used to reduce outstanding loans under our bank credit facilities. All draws under the agreements bear interest at a variable rate based on commercial paper rates. As of March 31, 2001, we had funded $300 million under the agreements.

Several of our European subsidiaries factor their accounts receivable with financial institutions subject to limited recourse provisions and are charged a discount fee. The amount of such factored receivables, at December 31, 2000, was approximately $212.1 million.

Description of Exchange Securities

General

The forms and terms of the exchange securities and the original securities are identical in all respects except that the registration rights and related liquidated damages provisions, and the transfer restrictions, applicable to the original securities do not apply to the exchange securities. Except where the context otherwise requires, references below to "notes" or "securities" are references to both original notes and exchange notes or both original securities and exchange securities, as the case may be.

The exchange securities will be issued under the indenture dated as of March 20, 2001, among Lear, the Guarantors and The Bank of New York, as trustee. The following discussion includes a summary of the material provisions of the indenture and the exchange securities. For further information regarding the terms and provisions of the indenture and exchange securities, including the definitions of certain terms and those terms made part of the indenture by the Trust Indenture Act, please refer to the indenture and form of exchange securities which we have filed as exhibits to the registration statement of which this prospectus is part.

The exchange notes will be limited to an aggregate principal amount of up to E250,000,000 in the form of 8 1/8% Series B Senior Notes due 2008. Unless previously redeemed or purchased and cancelled, we will repay the exchange notes at 100% of their principal amount together with accrued and unpaid interest thereon at maturity. We will pay principal of, interest on and any other amounts payable under the exchange notes in euros. The exchange notes will not be subject to a sinking fund and will not be convertible or exchangeable.

We may, without the consent of the holders of the exchange notes, create and issue additional notes ranking equally with the exchange notes that we are offering and otherwise similar in all respects to the exchange notes so that these additional notes will be consolidated and form a single series with the exchange notes that we are offering. No additional notes may be issued if an event of default under the indenture has occurred. The exchange notes are subject to the defeasance provisions as described below under "— Discharge of Indenture and Defeasance."

The exchange notes will mature on April 1, 2008. The exchange notes will bear interest from the date of issuance, at 8 1/8% per annum, payable semiannually in arrears on April 1 and October 1 of each year, commencing on October 1, 2001. Interest will be payable to the person in whose name an exchange note, or any predecessor exchange note, is registered, subject to certain exceptions set forth in the indenture, at the close of business on March 15 or

September 15, as the case may be, immediately preceding such April 1 or October 1. If any interest payment date for the exchange notes would otherwise be a day that is not a business day, then the interest payment date will be postponed to the following date that is a business day. Interest will not accrue as a result of any delayed payment. The term "business day" means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions are generally authorized or required by law or regulation to close in The City of New York, London or Luxembourg and for any place of payment outside of The City of New York, London and Luxembourg, in such place of payment. If interest is required to be calculated for any period other than from one scheduled interest payment date to the next interest payment date, it will be calculated on the basis of a 360-day year consisting of 12 months of 30 days each.

The original notes and the exchange notes constitute a single class of securities and will vote and consent together on all matters as one series, and neither the original notes nor the exchange notes will have the right to vote or consent as a class or series separate from one another on any matter.

The exchange notes will be issued only in registered form without coupons, in denominations of E1,000 and integral multiples thereof. To the extent described under "— Book-Entry Issuance", the principal of and interest on the exchange notes will be payable and transfer of the exchange notes will be registrable through Euroclear and Clearstream, Luxembourg.

The indenture does not contain any provisions that would limit our ability or the ability of the Guarantors to incur indebtedness or that would require the maintenance of financial ratios or specified levels of net worth or liquidity. In addition, the indenture does not contain any provisions that would require us to repurchase or redeem or otherwise modify the terms of any of the exchange securities upon a change in control or other events involving us that may adversely affect the creditworthiness of the exchange securities. However, the indenture does:

- provide that, subject to certain exceptions, neither we nor any of our restricted subsidiaries will subject our respective property or assets to any mortgage or other encumbrance unless the exchange notes are secured equally and ratably with such other indebtedness thereby secured; and

- contain certain limitations on the ability of us and our restricted subsidiaries to enter into certain sale and lease-back arrangements.

See "— Certain Covenants."

While the exchange notes are represented by a global note deposited with the common depositary for Clearstream, Luxembourg, and Euroclear, notices to holders may be given by delivery to Clearstream, Luxembourg and Euroclear and such notices shall be deemed to be given on the date of delivery to Clearstream, Luxembourg and Euroclear. The trustee will mail notices by first-class mail, postage prepaid, to each registered holder's last known address as it appears in the security register that the registrar maintains. The trustee will only mail these notices to the registered holder of the exchange notes. You will not receive notices regarding the exchange notes directly from us unless we reissue the exchange notes to you in fully certificated form.

The trustee will also publish notices regarding the exchange notes in a daily newspaper of general circulation in The City of New York and in London. In addition, if the exchange notes are listed on the Luxembourg Stock Exchange, and so long as the rules of the Luxembourg Stock Exchange require notice by publication, the trustee will publish notices regarding the exchange notes in a daily newspaper of general circulation in Luxembourg. We expect that publication will be made in The City of New York in The Wall Street Journal, in London in the Financial Times, and in Luxembourg in the Luxemburger Wort. If publication in Luxembourg is not practical, the trustee will publish these notices in an English language newspaper of general circulation elsewhere in Europe. Published notices will be deemed to have been given on the date they are published or, if published more than once, on the date of first publication. If publication as described above becomes impossible, the trustee may publish sufficient notice by alternate means that approximate the terms and conditions described in this paragraph.

The Bank of New York is the trustee under the indenture governing the exchange notes and will be the registrar and paying agent in the United States. As long as the exchange notes are listed on the Luxembourg Stock Exchange and the rules of the exchange require, we will maintain a listing agent, paying agent and transfer agent in Luxembourg. We have selected Kredietbank S.A. Luxembourgeoise to serve as the listing agent, paying agent and transfer agent for the exchange notes in Luxembourg. The Bank of New York — London Branch will be the paying agent and transfer agent in London.

Optional Redemption

The exchange notes may be redeemed as a whole at any time or in part from time to time, at our option, upon not less than 30 nor more than 60 days notice at a redemption price equal to the greater of (i) 100% of the principal amount of such Notes plus accrued interest to the redemption date; and (ii) as determined by an Independent Investment Banker, the sum of the present values of the remaining scheduled payments of principal and interest (exclusive of the interest accrued to the date of redemption) discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Bund Rate plus 50 basis points, plus accrued interest on the principal amount being redeemed to the redemption date.

Any notice to holders of the exchange notes of such a redemption needs to include the appropriate calculation of the redemption price, but does not need to include the redemption price itself. The actual redemption price will be set forth in an officers' certificate delivered to the trustee no later than two business days prior to the redemption date.

Status of Exchange Notes

The exchange notes will be unsecured obligations of ours, ranking equal in right of payment with all of our other unsecured and unsubordinated indebtedness, and ranking senior in right of payment to our outstanding subordinated indebtedness and any of our future subordinated indebtedness. In addition, the exchange notes will be structurally subordinated to indebtedness of our subsidiaries other than indebtedness of the Guarantors to the extent of assets of those subsidiaries. As of December 31, 2000, we and the Guarantors had $1.253 billion of secured indebtedness, including $1.174 billion under our Principal Credit Facilities. In addition, as of December 31, 2000 the total obligations of our subsidiaries which are not Guarantors were $2.025 billion.

Indebtedness under our Principal Credit Facilities is secured by pledges of all or a portion of the stock of certain of our subsidiaries, including the Guarantors. The exchange notes will not have the benefit of such pledges and the indenture does not contain any restriction upon indebtedness, whether secured or unsecured, that we, including any of our subsidiaries, may incur in the future.

Guarantees

Certain of our domestic subsidiaries (the "Guarantors") will irrevocably and unconditionally guarantee (each a "Guarantee") on a joint and several basis the punctual payment when due, whether at stated maturity, by acceleration or otherwise, all of our obligations under the indenture and the exchange

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notes, including our obligations to pay principal, premium, if any, and interest with respect to the exchange notes. Each of the Guarantees shall be a guarantee of payment and not of collection. The obligations of each Guarantor under its Guarantee are limited to the maximum amount which, after giving effect to all

other contingent and fixed liabilities of such Guarantor and after giving effect to any collections from or payment made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under its Guarantee can be guaranteed by such Guarantor without resulting in the obligations of such Guarantor under its Guarantee constituting a fraudulent conveyance or fraudulent transfer under applicable U.S. federal or state law. Notwithstanding the foregoing, there is a risk that the Guarantees will involve a fraudulent conveyance or transfer or otherwise be void, and thus will be unenforceable.

The Guarantors on the date of the indenture were Lear Operations Corporation, Lear Corporation Automotive Holdings, Lear Corporation EEDS and Interiors and Lear Seating Holdings Corp. #50. The indenture provides that each subsidiary that becomes a guarantor under our Principal Credit Facilities after the date of the indenture will become a Guarantor.

In the event that a subsidiary that is a Guarantor ceases to be a guarantor under our Principal Credit Facilities, such subsidiary will also cease to be a Guarantor, whether or not a Default or Event of Default is then outstanding, subject to reinstatement as a Guarantor in the event that such subsidiary should thereafter become a guarantor under our Principal Credit Facilities. A subsidiary may cease to be a Guarantor upon sale or other disposal of such subsidiary or otherwise. We are not restricted from selling or otherwise disposing of any of the Guarantors or any or all of the assets of any of the Guarantors.

The indenture provides that if the exchange notes are defeased in accordance with the terms of the indenture, including pursuant to a covenant defeasance, then the Guarantors shall be released and discharged of their obligations under the Guarantees. See “Description of Other Material Indebtedness — Primary Credit Facilities — Security and Guarantees.”

Certain Covenants

Limitation on Liens

The indenture provides that we will not, nor will we permit any of our Restricted Subsidiaries to, create, incur, assume or permit to exist any Lien on any of our or their respective properties or assets, whether now owned or hereafter acquired, or upon any income or profits therefrom, without effectively providing that the notes shall be equally and ratably secured until such time as such Indebtedness is no longer secured by such Lien, except:

(1) Permitted Liens;

(2) Liens on shares of capital stock of our Subsidiaries, and the proceeds thereof, securing obligations under the Principal Credit Facilities;

(3) Liens on receivables subject to a Receivable Financing Transaction;

(4) Liens arising in connection with industrial development bonds or other industrial development, pollution control or other tax-favored or government-sponsored financing transactions, *provided* that such Liens do not at any time encumber any property other than the property financed by such transaction and other property, assets or revenues related to the property so financed on which Liens are customarily granted in connection with such transactions, in each case, together with improvements and attachments thereto;

(5) Liens granted after the Closing Date on any of our assets or properties or any of our Restricted Subsidiaries to secure obligations under the exchange notes;

(6) Extensions, renewals and replacements of any Lien described in subsections (1) through (5) above; and

(7) Other Liens in respect of Indebtedness of Lear and our Restricted Subsidiaries in an aggregate principal amount at any time not exceeding 5% of Consolidated Assets at such time.

Limitation on Sale and Lease-Back Transactions

The indenture provides that we will not, nor will we permit any of its Restricted Subsidiaries to, enter into any sale and lease-back transaction for the sale and leasing back of any property or asset, whether now owned or hereafter acquired, or any of our Restricted Subsidiaries, except such transactions (1) entered into prior to the Closing Date, (2) for the sale and leasing back of any property or asset by us or one of our Restricted Subsidiaries to us or any other of our Restricted Subsidiaries, (3) involving leases for less than three years or (4) in which the lease for the property or asset is entered into within 120 days after the later of the date of acquisition, completion of construction or commencement of full operations of such property or asset, unless:

(a) Lear or such Restricted Subsidiary would be entitled under the “Limitation on Liens” covenant above to create, incur, assume or permit to exist a Lien on the assets to be leased in an amount at least equal to the Attributable Value in respect of such transaction without equally and ratably securing the exchange notes, or

(b) the proceeds of the sale of the assets to be leased are at least equal to their fair market value and the proceeds are applied to the purchase, acquisition, construction or refurbishment of assets or to the repayment of Indebtedness of us or any of our Restricted Subsidiaries which on the date of original incurrence had a maturity of more than one year.

Certain Definitions

The following terms shall have the meanings set forth below.

“Acquired Indebtedness” means Indebtedness of a Person or any of its Restricted Subsidiaries existing at the time such Person becomes a Restricted Subsidiary of Lear or assumed in connection with the acquisition of assets from such Person and not incurred by such Person in contemplation of such Person becoming a Restricted Subsidiary of Lear or such acquisition, and any refinancings thereof.

“Attributable Value” means, in connection with a sale and lease-back transaction, the lesser of (1) the fair market value of the assets subject to such transaction and (2) the present value, discounted at a rate per annum equal to the rate of interest implicit in the lease involved in such sale and lease-back transaction, as determined in good faith by us, of the obligations of the lessee for rental payments during the term of the related lease.

“Bund Rate” means the five day average of the daily fixing on the Frankfurt Stock Exchange of the rate for German Bund securities having a constant maturity most nearly equal to the period from the redemption date to the Maturity Date; provided, however, that if the period from the redemption date to the Maturity Date is not equal to the constant maturity of a German Bund security for which a weekly average yield is given, the Bund Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of German Bund securities for which such yields are given, except that if the period from the redemption date to the Maturity Date is less than one year, the weekly average yield on actually traded German Bund securities adjusted to a constant maturity of one year shall be used.

“Closing Date” means the date on which the original notes were issued.

"Consolidated Assets" means at a particular date, all amounts which would be included under total assets on a consolidated balance sheet of Lear and our Restricted Subsidiaries as at such date, determined in accordance with GAAP.

"Euro Government Obligations" means euro-denominated direct non-callable obligations of, or obligations guaranteed by, a member state of the European Union as of the date of the indenture, rated AAA or better by Standard & Poor's Rating Services and Aaa or better by Moody's Investors Service, Inc. for the payment of which guarantee or obligations the full faith and credit of such member state is pledged.

"Financing Lease" means (a) any lease of property, real or personal, the obligations under which are capitalized on a consolidated balance sheet of Lear and our Restricted Subsidiaries and (b) any other such lease to the extent that the then present value of the minimum rental commitment thereunder should, in accordance with GAAP, be capitalized on a balance sheet of the lessee.

"GAAP" means United States generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are applicable from time to time.

"Indebtedness" of a Person means all obligations which would be treated as liabilities upon a balance sheet of such Person prepared on a consolidated basis in accordance with GAAP.

"Independent Investment Banker" means any internationally recognized investment banking firm that in the ordinary course of business is a dealer in German Bund securities, that is not affiliated with us, appointed by the Trustee after consultation with us.

"Investment" by any Person means:

(1) all investments by such Person in any other Person in the form of loans, advances or capital contributions,

(2) all guarantees of Indebtedness or other obligations of any other Person by such Person,

(3) all purchases (or other acquisitions for consideration) by such Person of Indebtedness, capital stock or other securities of any other Person, and

(4) all other items that would be classified as investments, including, without limitation, purchases outside the ordinary course of business, on a balance sheet of such Person prepared in accordance with GAAP.

"Lien" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever, including, without limitation, any conditional sale or other title retention agreement or any Financing Lease having substantially the same economic effect as any of the foregoing.

"Permitted Liens" means:

(1) Liens for taxes not yet due or which are being contested in good faith by appropriate proceedings; *provided* that adequate reserves with respect thereto are maintained on the books of Lear or our Restricted Subsidiaries, as the case may be, in accordance with GAAP, or, in the case of Restricted Subsidiaries organized outside the United States, generally accepted accounting principles in effect from time to time in their respective jurisdictions of organization;

(2) statutory Liens of landlords, carriers, warehousemen, mechanics, materialmen, repairmen, suppliers or other like Liens arising in the ordinary course of business relating to obligations not overdue for a period of more than 60 days or which are bonded or being contested in good faith by appropriate proceedings;

(3) pledges or deposits in connection with workers' compensation, unemployment insurance and other social security legislation, including any Lien securing letters of credit issued in the ordinary course of business in connection therewith and deposits securing liabilities to insurance carriers under insurance and self-insurance programs;

(4) Liens, other than any Lien imposed by ERISA, incurred on deposits to secure the performance of bids, trade contracts, other than for borrowed money, leases, statutory obligations, surety and appeal bonds, performance bonds, utility payments and other obligations of a like nature incurred in the ordinary course of business;

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(5) easements, rights-of-way, restrictions and other similar encumbrances incurred which, in the aggregate, do not materially interfere with the ordinary conduct of the business of Lear and our Restricted Subsidiaries taken as a whole;

(6) attachment, judgment or other similar Liens arising in connection with court or arbitration proceedings fully covered by insurance or involving, individually or in the aggregate, no more than $40,000,000 at any one time, *provided* that the same are discharged, or that execution or enforcement thereof is stayed pending appeal, within 60 days or, in the case of any stay of execution or enforcement pending appeal, within such lesser time during which such appeal may be taken;

(7) Liens securing obligations, other than obligations representing indebtedness for borrowed money, under operating, reciprocal easement or similar agreements entered into in the ordinary course of business;

(8) statutory Liens and rights of offset arising in the ordinary course of business of Lear and our Restricted Subsidiaries;

(9) Liens in connection with leases or subleases granted to others and the interest or title of a lessor or sublessor, other than Lear or any of our Subsidiaries, under any lease; and

(10) Liens securing indebtedness in respect of interest rate agreement obligations or currency agreement obligations or commodity hedging arrangements entered into to protect against fluctuations in interest rates or exchange rates or commodity prices and not for speculative reasons.

"Person" means an individual, partnership, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, governmental authority or other entity of whatever nature.

"Principal Credit Facilities" means

(1) the Second Amended and Restated Credit and Guarantee Agreement, dated as of May 4, 1999, among Lear, Lear Corporation Canada Ltd., the Foreign Subsidiary Borrowers (as defined therein), the Lenders Party thereto, Bankers Trust Company and Bank of America National Trust & Savings Association, as Co-Syndication Agents, The Bank of Nova Scotia, as Documentation Agent and Canadian Administrative Agent, and The Chase Manhattan Bank, as General Administrative Agent;

(2) the Revolving Credit and Term Loan Agreement, dated as of May 4, 1999, among Lear, certain of its Foreign Subsidiaries, the Lenders parties thereto, Citicorp USA, Inc. and Morgan Stanley Senior Funding, Inc., as Co-Syndication Agents, Toronto Dominion (Texas), Inc., as Documentation Agent, the other Agents named therein, and The Chase Manhattan Bank, as Administrative Agent; and

(3) the Term Loan Agreement, dated November 17, 1998, between Lear and Toronto Dominion (Texas), Inc., as amended by that certain amendment dated as of May 4, 1999;

in each case, including any related notes, collateral documents, security documents, instruments and agreements entered into in connection therewith and, in each case, as the same may be amended, supplemented or otherwise modified (including any agreement extending the maturity of, increasing the total commitment under or otherwise restructuring all or any portion of the Indebtedness under any such agreement or any successor or replacement agreement), renewed, refunded, replaced, restated or refinanced from time to time.

"Receivable Financing Transaction" means any transaction or series of transactions involving a sale for cash of accounts receivable, without recourse based upon the collectibility of the receivables sold, by Lear or any of our Restricted Subsidiaries to a Special Purpose Subsidiary and a subsequent sale or pledge of such accounts receivable, or an interest therein, by such Special Purpose Subsidiary, in each case without any guarantee by Lear or any of our Restricted Subsidiaries, other than the Special Purpose Subsidiary.

"Restricted Subsidiary" means any Subsidiary other than a Unrestricted Subsidiary.

"Significant Subsidiary" means any Subsidiary which has:

(1) consolidated assets or in which Lear and our other Subsidiaries have Investments, equal to or greater than 5% of the total consolidated assets of Lear at the end of its most recently completed fiscal year, or

(2) consolidated net sales equal to or greater than 5% of the consolidated net sales of Lear for its most recently completed fiscal year.

"Special Purpose Subsidiary" means any wholly owned Restricted Subsidiary of Lear created by Lear for the sole purpose of facilitating a Receivable Financing Transaction.

"Subsidiary" of any Person means:

(1) a corporation a majority of whose capital stock with voting power, under ordinary circumstances, to elect directors is at the time, directly or indirectly, owned by such Person or by such Person and a subsidiary or subsidiaries of such Person or by a subsidiary or subsidiaries of such Person or

(2) any other Person (other than a corporation) in which such Person or such Person and a subsidiary or subsidiaries of such Person or a subsidiary or subsidiaries of such Persons, at the time, directly or indirectly, owns at least a majority voting interest under ordinary circumstances.

"Unrestricted Subsidiary" means any Subsidiary designated as such by the Board of Directors of Lear; *provided*, however, that at the time of any such designation by the Board of Directors, such Subsidiary does not constitute a Significant Subsidiary; and *provided*, further, that at the time that any Unrestricted Subsidiary becomes a Significant Subsidiary it shall cease to be an Unrestricted Subsidiary.

Consolidation, Merger and Sale of Assets

The indenture provides that we will not consolidate or merge with or into, or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of our assets to, any Person unless:

(1) the Person formed by or surviving any such consolidation or merger, if other than Lear, or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made, is a corporation organized and existing under the laws of the United States of America, any state thereof or the District of Columbia;

(2) the Person formed by or surviving any such consolidation or merger, if other than Lear, or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made, assumes all our obligations under the exchange notes and the indenture; and

(3) immediately after such transaction, and giving effect thereto, no Default, as defined in the indenture, or Event of Default shall have occurred and be continuing. Notwithstanding the foregoing, we may merge with another Person or acquire by purchase or otherwise all or any part of the property or assets of any other corporation or Person in a transaction in which we are the surviving entity.

Events of Default

The indenture provides that the following events will constitute Events of Default with respect to the notes:

(a) failure to pay principal of any note when due and payable at stated maturity, upon acceleration, redemption or otherwise;

(b) failure to pay any interest on any note when due, and the Default continues for 30 days;

(c) failure to comply with any of our other agreements of the notes or in the indenture, other than covenants or agreements included in the indenture solely for the benefit of any other series of

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notes, and the Default continues for the period of 30 days after either the trustee or the holders of at least 25% in principal amount of the then outstanding notes have given written notice as provided in the indenture;

(d) any Guarantee of the notes ceases to be in full force and effect or any Guarantor denies or disaffirms its obligations under its Guarantee of the notes, except, in each case, in connection with a release of a Guarantee in accordance with the terms of the indenture;

(e) the nonpayment at maturity or other default, beyond any applicable grace period, under any agreement or instrument relating to any other of our or our subsidiaries' indebtedness, the unpaid principal amount of which is not less than $40 million, which default results in the acceleration of the maturity of such indebtedness prior to its stated maturity or occurs at the final maturity thereof;

(f) the entry of any final judgment or orders against us or our Subsidiaries in excess of $40 million individually or in the aggregate, not covered by insurance, that is not paid, discharged or otherwise stayed, by appeal or otherwise, within 60 days after the entry of such judgments or orders; and

(g) certain events of bankruptcy, insolvency or reorganization of us or any of our Significant Subsidiaries.

If an Event of Default with respect to notes, other than an Event of Default relating to certain events of bankruptcy, insolvency or reorganization, in which case the unpaid principal amount of, and any accrued and unpaid interest on, all notes of are due and payable immediately, shall occur and be continuing, either the trustee or the holders of at least 25% in principal amount of the outstanding notes by notice, as provided in the indenture, may declare the unpaid principal amount of, and any accrued and unpaid interest on, all notes to be due and payable immediately. However, at any time after a declaration of acceleration with respect to notes has been made, but before a judgment or decree based on such acceleration has been obtained, the holders of a majority in principal amount of the outstanding notes may, under certain circumstances, rescind and annul such acceleration. For information as to waiver of defaults, see "Amendment, Supplement and Waiver" below.

The indenture provides that, subject to the duty of the trustee during an Event of Default to act with the required standard of care, the trustee will be under no obligation to exercise any of its rights or powers under the applicable indenture at the request or direction of any of the holders, unless such holders shall have offered to the trustee security or indemnity satisfactory to it. Subject to certain provisions, including those requiring security or indemnification of the trustee, the holders of a majority in principal amount of the outstanding notes 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 notes.

We will be required to furnish to the trustee under the indenture annually a statement as to the performance by us of our obligations under the indenture and as to any default in such performance.

Discharge of Indenture and Defeasance

We may terminate our obligations under the exchange notes, and the corresponding obligations under the indenture, when we irrevocably deposit with the trustee cash in euros, Euro Government Obligations or a combination thereof in an amount certified to be sufficient (without reinvestment thereof) to pay at maturity all outstanding exchange notes, including all interest thereon, other than destroyed, lost or stolen notes which have not been replaced or paid, and

(1) all outstanding exchange notes have been delivered, other than destroyed, lost or stolen notes which have not been replaced or paid, to the trustee for cancellation; or

(2) all outstanding exchange notes have become due and payable, whether at stated maturity, early redemption or otherwise, and, in either case, we have paid all other sums payable under the indenture.

In addition, we may terminate substantially all our obligations under the exchange notes, and the corresponding obligations under the indenture, if we deposit, or cause to be deposited with the trustee, in trust an amount of cash in euros or Euro Government Obligations maturing as to principal and interest in such amounts and at such times as are certified to be sufficient to pay principal of and interest on the then outstanding notes of such series to maturity or redemption, as the case may be, and

(1) such deposit will not result in a breach of, or constitute a Default under, the indenture;

(2) no Default or Event of Default shall have occurred and be continuing on the date of deposit and no bankruptcy Event of Default or event which with the giving of notice or the lapse of time would become a bankruptcy Event of Default shall have occurred and be continuing on the 91st day after such date;

(3) we deliver to the trustee an opinion of counsel to the effect that we have received from, or there has been published by, the United States Internal Revenue Service a ruling, or there has been a change in tax law, in either case to the effect that the holders of the notes will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of our exercise of such option and shall be subject to U.S. Federal income tax on the same amounts and in the same manner and at the same times as would have been the case if such option had not been exercised; and

(4) certain other conditions are met.

We shall be released from our obligations with respect to the covenants described under "— Certain Covenants" and certain other covenants contained in the indenture and any Event of Default occurring because of a Default with respect to such covenants as they related to the notes if we deposit, or cause to be deposited with the trustee, in trust an amount of cash in euros, Euro Government Obligations or a combination thereof certified to be sufficient to pay and discharge when due the entire unpaid principal of and interest on all outstanding notes, and

(1) such deposit will not result in a breach of, or constitute a Default under, the indenture;

(2) no Default or Event of Default shall have occurred and be continuing on the date of deposit and no bankruptcy Event of Default or event which with the giving of notice or the lapse of time would become a bankruptcy Event of Default shall have occurred and be continuing on the 91st day after such date;

(3) we deliver to the trustee an opinion of counsel to the effect that the holders of the notes will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of our exercise of such option and shall be subject to U.S. Federal income tax on the same amounts and in the same manner and at the same times as would have been the case if such option had not been exercised; and

(4) certain other conditions are met.

Upon satisfaction of such conditions, our obligations under the indenture with respect to the notes, other than with respect to the covenants and Events of Default referred to above, shall remain in full force and effect.

Notwithstanding the foregoing, no discharge or defeasance described above shall affect the following obligations to or rights of the holders of the notes subject to such discharge or defeasance:

(1) rights of substitution of mutilated, defaced, destroyed, lost or stolen exchange notes,

(2) rights of holders of exchange notes to receive payments of principal thereof and premium, if any, and interest thereon when due,

(3) the rights, obligations, duties and immunities of the trustee,

(4) rights of holders of notes as beneficiaries with respect to property deposited with the trustee and payable to all or any of them, and

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(5) our obligations to maintain an office or agency in respect of the exchange notes.

Transfer and Exchange

A holder may transfer or exchange notes in accordance with the indenture. The registrar for the exchange notes may require a holder, among other things, to furnish appropriate endorsements and transfer documents, and to pay any taxes and fees required by law or permitted by the indenture. The registrar is not required to transfer or exchange any exchange note selected for redemption or any exchange note for a period of 15 days before a selection of exchange notes to be redeemed. The registered holder of a exchange note shall be treated as the owner of it for all purposes.

Amendment, Supplement and Waiver

Subject to certain exceptions, the terms of the indenture or the exchange notes may be amended or supplemented by us and the trustee with the written consent of the holders of at least a majority in principal amount of such then outstanding notes together with any other notes issued under the indenture and any existing Default may be waived with the consent of the holders of at least a majority in principal amount of such notes then outstanding. Without the consent of any holder of the exchange notes, we and the trustee may amend the terms of the indenture or the exchange notes to:

- cure any ambiguity, defect or inconsistency,
- provide for the assumption of our obligations to holders of the notes by a successor corporation,
- provide for uncertificated notes in addition to certificated notes,
- make any change that does not adversely affect the rights of any holder of the exchange notes in any material respect,
- add to our covenants or take any other action for the benefit of the holders of the exchange notes;
- comply with any requirement of the Securities and Exchange Commission in connection with the qualification of the indenture under the Trust Indenture Act; or
- provide for additional series of notes.

Without the consent of each holder of the exchange notes, we may not:

- reduce the principal amount of exchange notes the holders of which must consent to an amendment, supplement or waiver of any provision of the indenture;
- reduce the rate or extend the time for payment of interest on any exchange note;
- reduce the principal of or change the stated maturity of any exchange notes;
- change the date on which any note may be subject to redemption, or reduce the redemption price therefor;
- make any exchange note payable in currency other than that stated in the exchange note;
- modify or change any provision of the indenture affecting the ranking of the exchange notes in a manner which adversely affects the holders thereof;
- impair the right of any holder to institute suit for the enforcement of any payment in or with respect to any exchange note;
- modify or change any provision of any Guarantee in a manner which adversely affects the holders of the exchange notes; or
- make any change in the foregoing amendment provisions which require each holder's consent.

The consent of the holders of notes is not necessary to approve the particular form of any proposed amendment to any indenture. It is sufficient if any consent approves the substance of the proposed amendment.

Regarding the Trustee

The indenture and provisions of the Trust Indenture Act incorporated by reference therein contain certain limitations on the rights of the trustee, should it become a creditor of Lear, to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim, as security or otherwise. The trustee and its affiliates may engage in, and will be permitted to continue to engage in, other transactions with us and our affiliates; provided, however, that if it acquires any conflicting interest, as defined in the Trust Indenture Act, it must eliminate such conflict or resign.

The holders of a majority in principal amount of the then outstanding exchange notes will have the right to direct, the time, method and place of conducting any proceeding for exercising any remedy available to the trustee. The Trust Indenture Act and the indenture provide that in case an Event of Default shall occur, and be continuing, the trustee will be required, in the exercise of its rights and powers, to use the degree of care and skill of a prudent man in the

conduct of his own affairs. Subject to such provision, the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request of any of the holders of the notes issued thereunder, unless they have offered to the trustee indemnity satisfactory to it.

Book-Entry Issuance

We will issue the exchange notes as one or more global notes registered in the name of a common depositary for Clearstream Banking, societe anonyme, Luxembourg, which is known as "Clearstream, Luxembourg," and Euroclear Bank S.A./ N.V., as the operator of the Euroclear system, which is known as "Euroclear". Investors may hold book-entry interests in the global notes through organizations that participate, directly or indirectly, in Clearstream, Luxembourg and/or Euroclear. Book-entry interests in the exchange notes and all transfers relating to the exchange notes will be reflected in the book-entry records of Clearstream, Luxembourg and Euroclear.

The distribution of the exchange notes will be cleared through Clearstream, Luxembourg and Euroclear. Any secondary market trading of book-entry interests in the exchange notes will take place through participants in Clearstream, Luxembourg and Euroclear and will settle in same-day funds. Owners of book-entry interests in the exchange notes will receive payments relating to their exchange notes in euro. Clearstream, Luxembourg and Euroclear have established electronic securities and payment transfer, processing, depositary and custodial links among themselves and others, either directly or through custodians and depositaries. These links allow securities to be issued, held and transferred among the clearing systems without the physical transfer of certificates. Special procedures to facilitate clearance and settlement have been established among these clearing systems to trade securities across borders in the secondary market.

The policies of Clearstream, Luxembourg and Euroclear will govern payments, transfers, exchange and other matters relating to the investor's interest in securities held by them. We have no responsibility for any aspect of the records kept by Clearstream, Luxembourg or Euroclear or any of their direct or indirect participants. We do not supervise these systems in any way.

Clearstream, Luxembourg and Euroclear and their participants perform these clearance and settlement functions under agreements they have made with one another or with their customers. You should be aware that they are not obligated to perform or continue to perform these procedures and may modify them or discontinue them at any time.

Except as provided below, owners of beneficial interest in the exchange notes will not be entitled to have the exchange notes registered in their names, will not receive or be entitled to receive physical delivery of the exchange notes in definitive form and will not be considered the owners or holders of the

exchange notes under the indenture governing the exchange notes,including for purposes of receiving any reports delivered by us or the trustee pursuant to the indenture. Accordingly, each person owning a beneficial interest in an exchange note must rely on the procedures of the depositary and, if that person is not a participant, on the procedures of the participant through which that person owns its interest, in order to exercise any rights of a holder of exchange notes.

We understand that Euroclear and Clearstream, Luxembourg each hold securities for their account holders and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders, thereby eliminating the need for physical movements of certificates and any risk from lack of simultaneous transfers of securities. Euroclear and Clearstream, Luxembourg each provide various services including safekeeping, administration, clearance and settlement of internationally traded securities lending and borrowing. Each of Euroclear and Clearstream, Luxembourg can settle securities transactions in any of more than 30 currencies, including Euro. Euroclear and Clearstream, Luxembourg each also deals with domestic securities markets in several countries through established depositary and custodial relationships. The respective participants of Euroclear and Clearstream, Luxembourg are worldwide financial institutions including underwriters, securities brokers and dealers, banks trust companies and clearing corporations and certain other organizations. Indirect access to both Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system. An account holder's overall contractual relations with either Euroclear or Clearstream, Luxembourg are governed by and the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any applicable law. Both Euroclear and Clearstream, Luxembourg act under these rules and operating procedures only on behalf of their respective account holders, and have no record of or relationship with any persons who are not direct account holders.

This description of the clearing systems reflects our understanding of the rules and procedures of Clearstream, Luxembourg and Euroclear as they are currently in effect. These systems could change their rules and procedures at any time. We have obtained the information in this section concerning Clearstream, Luxembourg and Euroclear and their book-entry systems and procedures from sources that we believe to be reliable, but we take no responsibility for the accuracy of this information.

Clearstream, Luxembourg

Clearstream, Luxembourg is incorporated as a bank under Luxembourg law. Clearstream, Luxembourg holds securities for its customers and facilitates the clearance and settlement of securities transactions between Clearstream, Luxembourg customers through electronic book-entry changes in customer accounts, thus eliminating the need for physical movement of certificates. Clearstream, Luxembourg provides to its customers, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg interfaces with domestic markets in a number of countries. Clearstream, Luxembourg has established an electronic bridge with Euroclear Bank S.A./ N.V., the operator of Euroclear, to facilitate settlement of trades between Clearstream, Luxembourg and Euroclear.

As a registered bank in Luxembourg, Clearstream, Luxembourg is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector. Clearstream, Luxembourg customers are recognized financial institutions around the world, including securities brokers and dealers, banks, trust companies and clearing corporations. In the United States, Clearstream, Luxembourg customers are limited to securities brokers and dealers. Other institutions that maintain a custodial relationship with a Clearstream, Luxembourg customer may obtain indirect access to Clearstream, Luxembourg.

Euroclear

The Euroclear system was created in 1968 to hold securities for participants of Euroclear and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment, thus eliminating the need for physical movement of certificates and the risk from lack of

simultaneous transfers of securities and cash. Transactions may now be settled in many currencies, including U.S. dollars. Euroclear includes various other services including securities lending and borrowing, and interfaces with domestic markets in several countries.

Euroclear was created in 1968 to hold securities for its participants and to clear and settle transactions between its participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear includes various other services, including securities lending and borrowing, and interfaces with domestic markets in

several countries. The Euroclear Systems is owned by Euroclear Clearance System Public Limited Company (ECSplc) and operated through a license agreement by Euroclear Bank S.A./N.V., a bank incorporated under the laws of the Kingdom of Belgium (the "Euroclear Operator").

Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries. Indirect access to Euroclear is also available to others that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

The Euroclear Operator is regulated and examined by the Belgian Banking and Finance Commission and the National Bank of Belgium.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law (collectively, the "Terms and Conditions"). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear participants and has no record of or relationship with Persons holding through Euroclear participants.

Clearance and Settlement Procedures

We understand that investors that hold their debt securities through Clearstream, Luxembourg or Euroclear accounts will follow the settlement procedures that are applicable to eurobonds in registered form. Debt securities will be credited to the securities custody accounts of Clearstream, Luxembourg and Euroclear participants on the business day following the settlement date for value on the settlement date. They will be credited either free of payment or against payment for value on the settlement date.

We understand that secondary market trading between Clearstream, Luxembourg and/or Euroclear participants will occur in the ordinary way following the applicable rules and operating procedures of Clearstream, Luxembourg and Euroclear. Secondary market trading will be settled using procedures applicable to eurobonds in registered form.

You should be aware that investors will only be able to make and receive deliveries, payments and other communications involving the exchange notes through Clearstream, Luxembourg and Euroclear on business days. Those systems may not be open for business on days when banks, brokers and other institutions are open for business in the United States.

In addition, because of time-zone differences, there may be problems with completing transactions involving Clearstream, Luxembourg and Euroclear on the same business day as in the United States. U.S. investors who wish to transfer their interests in the exchange notes, or to make or receive a payment or delivery of the exchange notes, on a particular day may find that the transactions will not be performed until the next business day in Luxembourg or Brussels, depending on whether Clearstream, Luxembourg or Euroclear is used.

Clearstream, Luxembourg or Euroclear will credit payments to the cash accounts of participants in Clearstream, Luxembourg or Euroclear in accordance with the relevant systemic rules and procedures, to the extent received by its depositary. Clearstream, Luxembourg or the Euroclear Operator, as the case may be, will take any other action permitted to be taken by a holder under the indenture on behalf of a

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Clearstream, Luxembourg or Euroclear participant only in accordance with its relevant rules and procedures.

Clearstream, Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of the exchange notes among participants of Clearstream, Luxembourg and Euroclear. However, they are under no obligation to perform or continue to perform those procedures, and they may discontinue or alter those procedures at any time.

Same-Day Settlement and Payment

We will make payments of principal, interest and any other amounts payable on the exchange notes in immediately available funds or the equivalent. Secondary market trading between Clearstream, Luxembourg and Euroclear participants will occur in accordance with the applicable rules and operating procedures of Clearstream, Luxembourg and Euroclear and will be settled using the procedures applicable to eurobonds in immediately available funds. We can give no assurance as to the effect, if any, of settlement in immediately available funds on trading activity, if any, in the exchange notes.

Certificated Exchange Notes

We will issue exchange notes to you in certificated registered form only if:

- the depositary is no longer willing or able to discharge its responsibilities properly, and we have not appointed a qualified successor within 90 days; or
- an event of default has occurred and is continuing under the indenture; or
- we decide to discontinue the book-entry system.

If any of the three events occurs, the trustee will reissue the exchange notes in fully certificated registered form and will recognize the registered holders of the certificated exchange notes as holders under the indenture.

In the event that we issue certificated securities under the limited circumstances described above, and the exchange notes are listed on the Luxembourg Stock Exchange at that time, then holders of certificated securities may transfer their exchange notes in whole or in part upon the surrender of the certificate to be transferred, together with a completed and executed assignment form endorsed on the definitive exchange note and subject to the other applicable terms and conditions of the indenture, at, as the case may be, the offices of the transfer agent in The City of New York or London or at the main office of the transfer agent in Luxembourg. Copies of this assignment form may be obtained at the offices of the transfer agents in The City of New York and London and at the main office of the transfer agent in Luxembourg. Each time that we transfer or exchange a new exchange note in certificated form for another note in certificated form, and after the transfer agent receives a completed assignment form and any other applicable and required documentation, we will make available for delivery the new definitive exchange note at, as the case may be, the offices of the transfer agent in The City of New York or London or at the main office of the transfer agent in Luxembourg. Alternatively, at the option of the person requesting the transfer or exchange, we will mail, at that person's risk, the new definitive exchange note to the address of that person that is specified in the assignment form. In addition, if we issue exchange notes in certificated form and the exchange notes are listed on the Luxembourg Stock Exchange at that time, then we will make payments of principal of, interest on and any other amounts payable under the exchange notes to holders in whose names the exchange notes in certificated form are registered at the close of business on the record date for these payments. If the exchange notes are issued in certificated form, we will make payments of principal and any redemption payments against the surrender of these certificated exchange notes at, as the case may be, the offices of the paying agent in The City of New York or London or, as long as the exchange notes are listed on the Luxembourg Stock Exchange, at the main office of the paying agent in Luxembourg.

Unless and until we issue the exchange notes in fully certificated, registered form,

- you will not be entitled to receive a certificate representing your interest in the exchange notes;
- all references in this prospectus to actions by holders will refer to actions taken by the depositary upon instructions from their direct participants; and
- all references in this prospectus to payments and notices to holders will refer to payments and notices to the depositary, as the registered holder of the exchange notes, for distribution to you in accordance with its policies and procedures.

If we issue the exchange notes in certificated registered form, so long as the exchange notes are listed on the Luxembourg Stock Exchange, we will maintain a paying agent and a transfer agent in Luxembourg. We will also publish a notice in Luxembourg in the Luxemburger Wort if we change the paying agent or the transfer agent in Luxembourg.

Notices

The trustee will mail notices by first class mail, postage prepaid, to each registered holder's last known address as it appears in the security register that the registrar maintains. The trustee will only mail these notices to the registered holder of the exchange notes, unless we reissue the exchange notes to you or your nominees in fully certificated form.

In addition, if the exchange notes are listed on the Luxembourg Stock Exchange, and the rules of the Luxembourg Stock Exchange require notice by publication, the trustee will publish notices regarding the exchange notes in a daily newspaper of general circulation in Luxembourg. We expect that this newspaper will be the Luxemburger Wort. If publication in Luxembourg is not practical, the trustee will publish these notices elsewhere in Europe. Published notices will be deemed to have been given on the date they are published. If publication as described above becomes impossible, then the trustee may publish sufficient notice by alternate means that approximate the terms and conditions described in this paragraph.

Replacement of Notes

If any mutilated note is surrendered to the trustee, we will execute and the trustee will authenticate and deliver in exchange for such mutilated note a new note of the same series and principal amount. If the trustee and we receive evidence to our mutual satisfaction of the destruction, loss or theft of any note and any security or indemnity required by them, then we shall execute and the trustee shall authenticate and deliver, in lieu of such destroyed, lost or stolen note, a new note of the same series and principal amount. All expense associated with issuing the new note shall be borne by the owner of the mutilated, destroyed, lost or stolen note.

Prescription

Under New York's statute of limitations, any legal action to enforce our payment obligations evidenced by the exchange notes must be commenced within six years after payment is due. Thereafter our payment obligations will generally become unenforceable.

Further Issues

We may from time to time, without notice to or the consent of the registered holders of the notes, create and issue further notes ranking equally with the notes in all respects (or in all respects other than the payment of interest accruing prior to the issue date of such further notes or except for the first payment of interest following the issue date of such further notes). Such further notes may be consolidated and form a single series with the original notes and the exchange notes and have the same terms as to status, redemption or otherwise as the original notes and the exchange notes.

Governing Law

The indenture, the notes and the Guarantees will be governed by, and will be construed in accordance with the laws of, the State of New York.

United States Federal Income Tax Considerations

The following general discussion summarizes the material U.S. federal income tax aspects of the exchange offer to holders of original securities. The discussion is for general information purposes only, is limited to U.S. federal income tax consequences of the exchange offer, and does not consider the aspects of the ownership and dispositions of the original securities or exchanged securities. A discussion of the U.S. federal income tax consequences of holding and disposing of the securities is contained in the offering material with respect to the original securities.

This discussion does not consider the impact, if any, of the holder's personal circumstances on the tax consequences of the exchange offer to such holder. The discussion also does not address the U.S. federal income tax consequences of holders subject to special treatment under U.S. federal income tax laws, such as dealers in securities or foreign currency, tax-exempt entities, banks, thrifts, insurance companies, persons that hold the outstanding notes as part of a straddle, a hedge against currency risk, a conversion transaction, or other risk reduction transactions, or persons that have a functional currency other than the U.S. dollar and investors in pass-through entities. In addition, this discussion does not describe any state, local, or foreign tax consequences from the exchange.

This discussion is based upon the Internal Revenue Code, existing and proposed regulations thereunder, Internal Revenue Service ("IRS") rulings and pronouncements and judicial decisions now in effect, all of which are subject to change, possibly on a retroactive basis. The discussion herein does not foreclose the possibility of a contrary decision by the IRS or a court of competent jurisdiction, or of a contrary position by the IRS or Treasury Department in regulations or rulings issued in the future.

Holders of original securities should consult their own tax advisors regarding the application of U.S. federal income tax laws, as well as the tax laws of any state, local, or foreign jurisdiction, to the exchange offer (and to holding and disposing of the securities) in light of their particular circumstances.

The exchange of original securities for the exchanged securities under the terms of the exchange offer should not constitute a taxable exchange. As a result, (1) a holder should not recognize taxable gain or loss as result of exchanging original securities for the exchanged securities under the terms of the exchange offer, (2) the holder's holding period of the exchanged securities should include the holding period of the original securities exchanged for the exchanged securities, and (3) a holder's adjusted tax basis in the exchanged securities should be the same as the adjusted tax basis, immediately before the exchange, of the original securities exchanged for the exchanged securities.

Plan of Distribution

Each broker-dealer that receives exchange securities for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such exchange securities. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange securities received in exchange for original securities where such original securities were acquired as a result of market-making activities or other trading activities. Lear has agreed that, for a period of 180 days after the expiration date, it will make this prospectus, as amended or supplemented, available to any broker-dealer for use in connection with any such resale.

Lear will not receive any proceeds from any sale of exchange securities by broker-dealers. Exchange securities received by broker-dealers for their own account pursuant to the exchange offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the exchange securities, or through a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices, or at negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-dealer or the purchasers of any such exchange securities. Any broker-dealer that resells exchange securities that were received by it for its own account pursuant to the exchange offer and any broker or dealer that participates in a distribution of such exchange securities may be deemed to be an “underwriter” within the meaning of the Securities Act and any profit on any such resale of exchange securities and any commission or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The letter of transmittal states that, by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an “underwriter” within the meaning of the Securities Act.

Lear has agreed, for a period of 180 days after the expiration date to promptly send additional copies of this prospectus and any amendment or supplement to this prospectus to any broker-dealer that requests such documents in the letter of transmittal. Lear has also agreed to pay all expenses incident to the exchange offer and will indemnify the holders of the securities, including any broker-dealers, against certain liabilities, including liabilities under the Securities Act to the extent they arise out of or are based upon:

(1) any untrue statement or alleged untrue statement of a material fact contained in the registration statement or prospectus, or

(2) an omission or alleged omission to state in the registration statement or the prospectus a material fact that is necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

This indemnification obligation does not extend to statements or omissions in the registration statement or prospectus made in reliance upon and in conformity with written information pertaining to the holder that is furnished to Lear by or on behalf of the holder.

General Listing Information

1. Application has been made to list the exchange notes on the Luxembourg Stock Exchange. Our Restated Certificate of Incorporation and Bylaws and a legal notice relating to the issue of the exchange notes have been deposited with the Chief Registrar of the District Court of Luxembourg (Greffier en Chef du Tribunal d’Arrondissement de et a Luxembourg) where copies may be obtained on request.

2. We have obtained all consents, approvals and authorizations (if any) which are necessary at the date of this prospectus in connection with the issue and performance of the exchange notes. Our board of directors has authorized issuance of the exchange notes and circulation of this prospectus pursuant to resolutions adopted on February 15, 2001.

3. As of the date of this prospectus, we are not involved in any legal, litigation or arbitration proceedings (including any such proceedings which are pending or threatened of which we are aware) which are material in the context of the issue of the exchange notes.

4. Throughout the term of the exchange notes, copies of our Restated Certificate of Incorporation, Bylaws and the indenture (incorporating forms of the global notes) may be inspected and our most recent quarterly and annual financial statements may be obtained free of charge at the office of Kredietbank S.A. Luxembourgeoise, the paying agent in Luxembourg.

5. Except as disclosed in this prospectus, as of the date of this prospectus, there has been no material adverse change in our consolidated financial position since December 31, 2000.

6. We expect the exchange notes will be accepted for clearance by Clearstream Banking S.A. and by Euroclear Bank S.A./N.V. as operator of the Euroclear System. The exchange notes will have a new common code and a new International Securities Identification Number.

Legal Matters

Winston & Strawn, New York, New York, will pass upon certain legal matters relating to the validity of the issuance of the exchange securities offered hereby.

Experts

The financial statements and schedule of Lear incorporated by reference in this prospectus and elsewhere in the registration statement have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their reports with respect thereto, and are included herein in reliance upon the authority of said firm as experts in giving said reports.

The financial statements of the Seating Business formerly of the Delphi Interior Systems Division of Delphi Automotive Systems Corporation as of December 31, 1997 and 1996 and for each of the three years in the period ended December 31, 1997, incorporated by reference in this prospectus from Lear’s Current Report on Form 8-K/A dated September 1, 1998 have been audited by Deloitte and Touche LLP, independent auditors, as stated in their report, which is incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

Lear Corporation

E250,000,000 8 1/8% SENIOR NOTES DUE 2008

PROSPECTUS

, 2001

PART II

Information Not Required in Prospectus

Item 20. ***Indemnification of Directors and Officers.***

Section 145 of the Delaware General Corporation Law permits a corporation to 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, by reason of the fact that he is or was a director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action. In an action brought to obtain a judgment in the corporation's favor, whether by the corporation itself or derivatively by a stockholder, the corporation may only indemnify for expenses, including attorney's fees, actually and reasonably incurred in connection with the defense or settlement of such action, and the corporation may not indemnify for amounts paid in satisfaction of a judgment or in settlement of the claim. In any such action, no such person shall have been adjudged liable to the corporation except as claim was brought. In any type of proceeding, the indemnification may extend to judgments, fines and amounts paid in settlement, actually and reasonably incurred in connection with such other proceeding, as well as to expenses.

The statute does not permit indemnification unless the person seeking indemnification has acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the corporation and, in the case of criminal actions or proceedings, the person had no reasonable cause to believe his conduct was unlawful. The statute contains additional limitations applicable to criminal actions and to actions brought by or in the name of the corporation. The determination as to whether a person seeking indemnification has met the required standard of conduct is to be made (1) by a majority vote of a quorum of disinterested members of the board of directors, (2) by independent legal counsel in a written opinion, if such a quorum does not exist or if the disinterested directors so direct, or (3) by the stockholders.

The Certificate of Incorporation and Bylaws of Lear and each of the subsidiary guarantors require Lear or such subsidiary guarantor, as the case may be, to indemnify its directors to the fullest extent permitted under Delaware law. Pursuant to employment agreements entered into by Lear with certain of its executive officers and other key employees, Lear must indemnify such officers and employees in the same manner and to the same extent that, Lear is required to indemnify its directors under the Lear's Bylaws. The Certificate of Incorporation of Lear and each of the subsidiary guarantors limits the personal liability of a director to the corporation or its stockholders to damages for breach of the director's fiduciary duty.

Lear has purchased insurance on behalf of its directors and officers against certain liabilities that may be asserted against, or incurred by, such persons in their capacities as directors or officers of the registrant, or that may arise out of their status as directors or officers of the registrant, including liabilities under the federal and state securities laws.

Item 21. ***Exhibits and Financial Data Schedules.***

(A) Exhibits

The following is a list of all the exhibits filed as part of the Registration Statement.

Exhibit Number	Exhibit
3.1	Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 30, 1996).
3.2	Amended and Restated By-laws of the Company (incorporated by reference to Exhibit 99.3 to the Company's Current Report on Form 8-K filed March 2, 2000).
3.3	Certificate of Incorporation of Lear Operations Corporation (incorporated by reference to Exhibit 3.3 to the Company's Registration Statement on Form S-4 filed on June 22, 1999).
3.4	By-laws of Lear Operations Corporation (incorporated by reference to Exhibit 3.4 to the Company's Registration Statement on Form S-4 filed on June 22, 1999).
3.5	Certificate of Incorporation of Lear Corporation Automotive Holdings (incorporated by reference to Exhibit 3.5 to the Company's Registration Statement on Form S-4 filed on June 22, 1999).
3.6	By-laws of Lear Corporation Automotive Holdings (incorporated by reference to Exhibit 3.6 to the Company's Registration Statement on Form S-4 filed on June 22, 1999).
**3.7	Certificate of Incorporation of Lear Corporation EEDS and Interiors.
**3.8	By-laws of Lear Corporation EEDS and Interiors.
**3.9	Certificate of Incorporation of Lear Seating Holdings Corp. #50.
**3.10	By-laws of Lear Seating Holdings Corp. #50.
4.1	Indenture dated as of July 1, 1996 by and between the Company and the Bank of New York, as trustee, relating to the 9 1/2% Subordinated Notes due 2006 (incorporated by reference to Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 28, 1996).
4.2	Indenture dated as of February 1, 1994 by and between Lear and The First National Bank of Boston, as Trustee, relating to the 8 1/4% Subordinated Notes (incorporated by reference to Exhibit 4.1 to the Company's Transition Report on Form 10-K filed on March 31, 1994).
4.3	Indenture dated as of May 15, 1999, by and among Lear Corporation as Issuer, the Guarantors party thereto from time to time and the Bank of New York as Trustee (incorporated by reference to Exhibit 10.8 to the Company's Quarterly Report on Form 10-Q for the quarter ended April 3, 1999).
4.4	Supplemental Indenture No. 1 to Indenture dated as of May 15, 1999, by and among Lear Corporation as Issuer, the Guarantors party thereto, from time to time and the Bank of New York as Trustee (incorporated by reference to Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 1, 2000).
*4.5	Indenture dated as of March 20, 2001 by and among Lear Corporation as Issuer, the Guarantors party thereto from time to time and the Bank of New York as Trustee, relating to the 8 1/8% Senior Notes due 2008, including the form of exchange note attached thereto.
**5.1	Opinion of Winston & Strawn.
*10.1	Third Amended and Restated Credit and Guarantee Agreement, dated as of March 26, 2001, among Lear Corporation, Lear Canada, the Foreign Subsidiary Borrowers (as defined therein), the Lenders Party thereto, Bank of America, N.A., Citibank, N.A. and Deutsche Banc Alex Brown Inc., as Syndication Agent, The Bank of Nova Scotia, as Documentation Agent and Canadian Administrative Agent, The Other Agents Named in Schedule IX thereto and The Chase Manhattan Bank, as General Administrative Agent.

Exhibit Number	Exhibit
*10.2	Amended and Restated Revolving Credit and Term Loan Agreement, dated as of March 26, 2001, among Lear Corporation, the Foreign Subsidiary Borrowers (as defined therein), the Lenders party thereto, Citicorp USA, Inc. as Syndication Agent, Toronto Dominion (Texas), Inc., as Documentation Agent the Other Agents Named in Schedule IX thereto and Chase Manhattan Bank, as Administrative Agent.
10.3	Employment Agreement dated July 5, 2000 between the Company and Kenneth L. Way (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 1, 2000).
10.4	Employment Agreement dated July 5, 2000 between the Company and Robert E. Rossiter (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 1, 2000).
10.5	Employment Agreement dated July 5, 2000 between the Company and James H. Vandenberghe (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 1, 2000).
10.6	Employment Agreement dated July 5, 2000 between the Company and Donald J. Stebbins (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 1, 2000).
10.7	Employment Agreement dated July 5, 2000 between the Company and Douglas G. DelGrosso (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 1, 2000).
10.8	Lear's 1992 Stock Option Plan (incorporated by reference to Exhibit 10.7 to the Company's Annual Report on Form 10-K for the year ended June 30, 1993).
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*23.2	Consent of Deloitte and Touche LLP.
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*99.2	Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
*99.3	Form of Letter to Clients.

* Filed herewith.
** To be filed by Amendment.

(B) Financial Statement Schedules

Schedules are omitted since the information required to be submitted has been included in the Supplemental Consolidated Financial Statements of Lear or the notes thereto, or the required information is not applicable.

Item 22. ***Undertakings***

The Registrant 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 of 1933;

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

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

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

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

(4) to respond to requests for information that is incorporated by reference into the prospectus pursuant to Item 4, 10(b), 11, or 13 of this form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(5) to supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

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

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Lear Corporation has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Southfield, State of Michigan, on the 20th day of April, 2001.

Lear Corporation

By: /s/ ROBERT E. ROSSITER

Robert E. Rossiter
President and Chief Executive Officer

POWER OF ATTORNEY

Each of the undersigned hereby appoints Donald J. Stebbins and Joseph F. McCarthy and each of them (with full power to act alone), as attorneys and agents for the undersigned, with full power of substitution, for and in the name, place and stead of the undersigned, to sign and file with the Securities and Exchange Commission under the Securities Act any and all amendments and exhibits to this Registration Statement and any and all applications, instruments and other documents to be filed with the Securities and Exchange Commission pertaining to the registration of the securities covered hereby, with full power and authority to do and perform any and all acts and things whatsoever requisite or desirable.

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

Signature	Title	Date
/s/ KENNETH L. WAY Kenneth L. Way	Chairman of the Board	April 20, 2001
/s/ ROBERT E. ROSSITER Robert E. Rossiter	President and Chief Executive Officer and Director	April 20, 2001
/s/ JAMES H. VANDENBERGHE James H. Vandenberghe	Vice Chairman	April 20, 2001
/s/ DONALD J. STEBBINS Donald J. Stebbins	Senior Vice President and Chief Financial Officer	April 20, 2001
/s/ DAVID C. WAJSGRAS David C. Wajsgras	Vice President and Corporate Controller	April 20, 2001
/s/ DAVID BING David Bing	Director	April 20, 2001
/s/ LARRY W. MCCURDY Larry W. McCurdy	Director	April 20, 2001
/s/ IRMA B. ELDER Irma B. Elder	Director	April 20, 2001
/s/ ROY E. PARROTT Roy E. Parrott	Director	April 20, 2001

Signature	Title	Date
/s/ ROBERT W. SHOWER Robert W. Shower	Director	April 20, 2001
/s/ DAVID P. SPALDING David P. Spalding	Director	April 20, 2001
/s/ JAMES A. STERN James A. Stern	Director	April 20, 2001

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Lear Operations Corporation has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Southfield, State of Michigan, on the 20th day of April, 2001.

Lear Operations Corporation

By: /s/ JOSEPH F. MCCARTHY

Joseph F. McCarthy
Vice President, Secretary and
General Counsel

POWER OF ATTORNEY

Each of the undersigned hereby appoints Donald J. Stebbins and Joseph F. McCarthy and each of them (with full power to act alone), as attorneys and agents for the undersigned, with full power of substitution, for and in the name, place and stead of the undersigned, to sign and file with the Securities and Exchange Commission under the Securities Act any and all amendments and exhibits to this Registration Statement and any and all applications, instruments and other documents to be filed with the Securities and Exchange Commission pertaining to the registration of the securities covered hereby, with full power and authority to do and perform any and all acts and things whatsoever requisite or desirable.

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

Signature	Title	Date
/s/ KENNETH L. WAY Kenneth L. Way	Chairman of the Board and Chief Executive Officer	April 20, 2001
/s/ JAMES H. VANDENBERGHE James H. Vandenberghe	Executive Vice President, Chief Financial Officer and Director	April 20, 2001
/s/ JOSEPH F. MCCARTHY Joseph F. McCarthy	Vice President, Secretary, General Counsel and Director	April 20, 2001

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Lear Corporation Automotive Holdings, has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Southfield, State of Michigan, on the 20th day of April, 2001.

Lear Corporation Automotive Holdings

By: /s/ JOSEPH F. MCCARTHY

Joseph F. McCarthy
Vice President and Secretary

POWER OF ATTORNEY

Each of the undersigned hereby appoints Donald J. Stebbins and Joseph F. McCarthy and each of them (with full power to act alone), as attorneys and agents for the undersigned, with full power of substitution, for and in the name, place and stead of the undersigned, to sign and file with the Securities and Exchange Commission under the Securities Act any and all amendments and exhibits to this Registration Statement and any and all applications, instruments and other documents to be filed with the Securities and Exchange Commission pertaining to the registration of the securities covered hereby, with full power and authority to do and perform any and all acts and things whatsoever requisite or desirable.

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

Signature	Title	Date
/s/ JAMES H. VANDENBERGHE James H. Vandenberghe	President and Director	April 20, 2001
/s/ DONALD J. STEBBINS Donald J. Stebbins	Vice President, Chief Financial Officer, Assistant Secretary and Director	April 20, 2001
/s/ JOSEPH F. MCCARTHY Joseph F. McCarthy	Vice President, Secretary and Director	April 20, 2001
/s/ DOUGLAS G. DELGROSSO Douglas G. DelGrosso	Vice President and Director	April 20, 2001

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Lear Corporation EEDS and Interiors, has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Southfield, State of Michigan, on the 20th day of April, 2001.

Lear Corporation EEDS and Interiors

By: /s/ JOSEPH F. MCCARTHY

Joseph F. McCarthy
Vice President and Secretary

POWER OF ATTORNEY

Each of the undersigned hereby appoints Donald J. Stebbins and Joseph F. McCarthy and each of them (with full power to act alone), as attorneys and agents for the undersigned, with full power of substitution, for and in the name, place and stead of the undersigned, to sign and file with the Securities and Exchange Commission under the Securities Act any and all amendments and exhibits to this Registration Statement and any and all applications, instruments and other documents to be filed with the Securities and Exchange Commission pertaining to the registration of the securities covered hereby, with full power and authority to do and perform any and all acts and things whatsoever requisite or desirable.

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

Signature	Title	Date
/s/ JAMES H. VANDENBERGHE James H. Vandenberghe	President and Director	April 20, 2001
/s/ DONALD J. STEBBINS Donald J. Stebbins	Vice President, Chief Financial Officer, Assistant Secretary and Director	April 20, 2001
/s/ JOSEPH F. MCCARTHY Joseph F. McCarthy	Vice President, Secretary and Director	April 20, 2001
/s/ DOUGLAS G. DELGROSSO	Vice President and Director	April 20, 2001

Douglas G. DelGrosso

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Lear Seating Holdings Corp. #50, has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Southfield, State of Michigan, on the 20th day of April, 2001.

Lear Seating Holdings Corp. #50

By: /s/ JOSEPH F. MCCARTHY

Joseph F. McCarthy
Secretary and General Counsel

POWER OF ATTORNEY

Each of the undersigned hereby appoints Donald J. Stebbins and Joseph F. McCarthy and each of them (with full power to act alone), as attorneys and agents for the undersigned, with full power of substitution, for and in the name, place and stead of the undersigned, to sign and file with the Securities and Exchange Commission under the Securities Act any and all amendments and exhibits to this Registration Statement and any and all applications, instruments and other documents to be filed with the Securities and Exchange Commission pertaining to the registration of the securities covered hereby, with full power and authority to do and perform any and all acts and things whatsoever requisite or desirable.

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

Signature	Title	Date
/s/ JAMES H. VANDENBERGHE	President and Director	April 20, 2001
James H. Vandenberghe /s/ DONALD J. STEBBINS	Vice President and Director	April 20, 2001
Donald J. Stebbins /s/ JOSEPH F. MCCARTHY	Secretary, General Counsel and Director	April 20, 2001
Joseph F. McCarthy		

EXHIBIT INDEX

Exhibit Number	Exhibit
3.1	Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to the Company’s Quarterly Report on Form 10-Q for the quarter ended March 30, 1996).
3.2	Amended and Restated By-laws of the Company (incorporated by reference to Exhibit 99.3 to the Company’s Current Report on Form 8-K filed March 2, 2000).
3.3	Certificate of Incorporation of Lear Operations Corporation (incorporated by reference to Exhibit 3.3 to the Company’s Registration Statement on Form S-4 filed on June 22, 1999).
3.4	By-laws of Lear Operations Corporation (incorporated by reference to Exhibit 3.4 to the Company’s Registration Statement on Form S-4 filed on June 22, 1999).
3.5	Certificate of Incorporation of Lear Corporation Automotive Holdings (incorporated by reference to Exhibit 3.5 to the Company’s Registration Statement on Form S-4 filed on June 22, 1999).
3.6	By-laws of Lear Corporation Automotive Holdings (incorporated by reference to Exhibit 3.6 to the Company’s Registration Statement on Form S-4 filed on June 22, 1999).
**3.7	Certificate of Incorporation of Lear Corporation EEDS and Interiors.
**3.8	By-laws of Lear Corporation EEDS and Interiors.
**3.9	Certificate of Incorporation of Lear Seating Holdings Corp. #50.
**3.10	By-laws of Lear Seating Holdings Corp. #50.
4.1	Indenture dated as of July 1, 1996 by and between the Company and the Bank of New York, as trustee, relating to the 9 1/2% Subordinated Notes due 2006 (incorporated by reference to Exhibit 4.1 to the Company’s Quarterly Report on Form 10-Q for the quarter ended September 28, 1996).
4.2	Indenture dated as of February 1, 1994 by and between Lear and The First National Bank of Boston, as Trustee, relating to the 8 1/4% Subordinated Notes (incorporated by reference to Exhibit 4.1 to the Company’s Transition Report on Form 10-K filed on March 31, 1994).
4.3	Indenture dated as of May 15, 1999, by and among Lear Corporation as Issuer, the Guarantors party thereto from time to time and the Bank of New York as Trustee (incorporated by reference to Exhibit 10.8 to the Company’s Quarterly Report on Form 10-Q for the quarter ended April 3, 1999).
4.4	Supplemental Indenture No. 1 to Indenture dated as of May 15, 1999, by and among Lear Corporation as Issuer, the Guarantors party thereto, from time to time and the Bank of New York as Trustee (incorporated by reference to Exhibit 4.1 to the Company’s Quarterly Report on Form 10-Q for the quarter ended July 1, 2000).
*4.5	Indenture dated as of March 20, 2001 by and among Lear Corporation as Issuer, the Guarantors party thereto from time to time and the Bank of New York as Trustee, relating to the 8 1/8% Senior Notes due 2008, including the form of exchange note attached thereto.
**5.1	Opinion of Winston & Strawn.
*10.1	Third Amended and Restated Credit and Guarantee Agreement, dated as of March 26, 2001, among Lear Corporation, Lear Canada, the Foreign Subsidiary Borrowers (as defined therein), the Lenders Party thereto, Bank of America, N.A., Citibank, N.A. and Deutsche Banc Alex Brown Inc., as Syndication Agent, The Bank of Nova Scotia, as Documentation Agent and Canadian Administrative Agent, The Other Agents Named in Schedule IX thereto and The Chase Manhattan Bank, as General Administrative Agent.
*10.2	Amended and Restated Revolving Credit and Term Loan Agreement, dated as of March 26, 2001, among Lear Corporation, the Foreign Subsidiary Borrowers (as defined therein), the Lenders party thereto, Citicorp USA, Inc. as Syndication Agent, Toronto Dominion (Texas), Inc., as Documentation Agent the Other Agents Named in Schedule IX thereto and Chase Manhattan Bank, as Administrative Agent.

Exhibit

Number	Exhibit
10.3	Employment Agreement dated July 5, 2000 between the Company and Kenneth L. Way (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended July 1, 2000).
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*99.2	Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
*99.3	Form of Letter to Clients.

* Filed herewith.

** To be filed by Amendment.

Exhibit 4.5

INDENTURE

among

LEAR CORPORATION,

as Issuer,

THE GUARANTORS PARTY HERETO FROM TIME TO TIME,

as Guarantors,

and

THE BANK OF NEW YORK,

as Trustee

Up to E500,000,000

8 1/8% Senior Notes due 2008

Dated as of March 20, 2001

CROSS-REFERENCE TABLE*

Trust Indenture Act Section	Indenture Section
310(a)(1)	7.10
(a)(2)	7.10
(a)(3)	n/a
(a)(4)	n/a
(a)(5)	7.10
(b)	7.03; 7.10
(c)	n/a
311(a)	7.11
(b)	7.11
(c)	n/a
312(a)	2.06
(b)	11.03
(c)	11.03
313(a)	7.06
(b)(1)	n/a
(b)(2)	7.06; 7.07
(c)	7.06; 11.02
(d)	7.06
314(a)(1),(2),(3)	4.03; 11.05
(a)(4)	4.04
(b)	n/a
(c)(1)	11.04
(c)(2)	11.04
(c)(3)	n/a
(d)	n/a
(e)	11.05
(f)	n/a
315(a)	7.01(b)
(b)	7.05; 11.02
(c)	7.01(a)
(d)	7.01(c)
(e)	6.11
316(a)(last sentence)	2.12
(a)(1)(A)	6.05
(a)(1)(B)	6.04
(a)(2)	n/a
(b)	6.07
(c)	9.04
317(a)(1)	6.08
(a)(2)	6.09
(b)	2.04
318(a)	11.01
(b)	n/a
(c)	11.01

"n/a" means not applicable.

*This Cross-Reference Table shall not, for any purpose, be deemed to be a part of the Indenture.

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Indenture, dated as of March 20, 2001, among Lear Corporation, a Delaware corporation (the "Company"), as issuer, the companies listed on the signature pages hereto that are subsidiaries of the Company (the "Guarantors"), and The Bank of New York, a New York banking corporation, as trustee (the "Trustee").

RECITALS OF THE COMPANY AND THE GUARANTORS

The Company has duly authorized the execution and delivery of this Indenture to provide for the issuance of its 8 1/8% Senior Notes due 2008, and, if and when issued in exchange for Initial Notes as provided in the Registration Rights Agreement (as defined herein), its 8 1/8% Series B Senior Notes due 2008.

The Guarantors have duly authorized the execution and delivery of this Indenture to provide guarantees of the Notes and of certain of the obligations of the Company hereunder.

All things necessary to make this Indenture a valid agreement of the Company and the Guarantors, in accordance with its terms, have been done.

Upon the issuance of the Exchange Notes, if any, or the effectiveness of any Shelf Registration Statement (as defined herein), this Indenture shall be subject to, and shall be governed by, the provisions of the Trust Indenture Act of 1939, as amended, that are required or deemed to be part of and to govern indentures qualified thereunder.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Notes by the Holders thereof, it is mutually covenanted and agreed for the equal and ratable benefit of the Holders of the Initial Notes, and if and when issued, the Exchange Notes, as follows:

ARTICLE I

DEFINITIONS AND INCORPORATION BY REFERENCE

SECTION 1.01. Definitions.

"Acquired Indebtedness" means Indebtedness of a Person or any of its Restricted Subsidiaries existing at the time such Person becomes a Restricted Subsidiary of the Company or assumed in connection with the acquisition of assets from such Person and not incurred by such Person in contemplation of such Person becoming a Restricted Subsidiary of the Company or such acquisition, and any refinancings thereof.

"Additional Interest" means additional interest as defined in Section 4(a) of the Registration Rights Agreement.

"Additional Notes" means, 8 1/8% Series A, Series B or any other series of Senior Notes due 2008 issued from time to time after the Issue Date under the terms of this Indenture (other than issuances pursuant to Section 2.07, 2.08, 2.09, 2.10, 2.13, 3.06, or 9.05 of this Indenture and other than Exchange Notes issued pursuant to an exchange offer for other Notes outstanding under this Indenture).

"Affiliate" means, when used with reference to the Company or another Person, any Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, the Company or such other Person, as the case may be. For the purposes of this definition, "control" when used with respect to any specified Person means the power to direct or cause the direction of management or policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative of the foregoing.

"Agent" means any Registrar, Paying Agent, authenticating agent, listing agent or co-Registrar.

"Attributable Value" means, in connection with a sale and lease-back transaction, the lesser of (1) the fair market value of the assets subject to such transaction and (2) the present value, discounted at a rate per annum equal to the rate of interest implicit in the lease involved in such sale and lease-back transaction, as determined in good faith by the Company, of the obligations of the lessee for rental payments during the term of the related lease.

"Bankruptcy Law" means Title 11 of the U.S. Code or any similar federal or state law for the relief of debtors.

"Board of Directors" means, with respect to any Person, the Board of Directors of such Person or any duly authorized committee of such Board of Directors.

"Board Resolution" means a copy of a resolution certified by the secretary or an assistant secretary of such Person to have been duly adopted by the Board of Directors of such Person or any duly authorized committee thereof and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"Bund Rate" means the five-day average of the daily fixing on the Frankfurt Stock Exchange of the rate for German Bund securities having a constant maturity most nearly equal to the period from the Redemption Date to the Maturity Date; provided, however, that if the period from the Redemption Date to the Maturity Date is not equal to the constant maturity of a German Bund security for which a weekly average yield is given, the Bund Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of German Bund securities for which such yields are given, except that if the period from the Redemption Date to the Maturity Date is less than one year, the weekly average yield on actually traded German Bund securities adjusted to a constant maturity of one year shall be used.

"Business Day" means a day that is not a Legal Holiday.

"Clearstream" means Clearstream Banking, societe anonyme, Luxembourg, formerly Cedelbank.

"Common Depositary" means the Person designated as the common depository by the Depositary, which shall initially be The Bank of New York - London.

"Company" means the party named as the Company in the first paragraph of this Indenture until one or more successor corporations shall have become such pursuant to the applicable provisions of this Indenture, and thereafter means such successors.

"Consolidated" or "consolidated" means, when used with reference to any amount, such amount determined on a consolidated basis in accordance with GAAP, after the elimination of intercompany items.

"Consolidated Assets" means at a particular date, all amounts which would be included under total assets on a consolidated balance sheet of the Company and its Restricted Subsidiaries as at such date, determined in accordance with GAAP.

"Corporate Trust Office" means the office of the Trustee at which at any particular time its corporate services business shall be principally administered, which office at the date of execution of this Indenture is located at 101 Barclay Street, Floor 21W, New York, New York 10286.

"Custodian" means any receiver, trustee, assignee, liquidator, sequestrator or similar official under any Bankruptcy Law.

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

"Depositary" means Euroclear or Clearstream or a successor agency to either or both of them.

"Dollar" or the symbol "$" each mean the lawful currency of the United States of America.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, or any successor statute.

"Euro" and the symbol "E" each mean the lawful currency of the participating member states of the European Economic and Monetary System.

"Euroclear" means Euroclear Bank, S.A./N.V., as operator of the Euroclear System.

"Euro Government Obligations" means euro-denominated direct non-callable obligations of, or obligations guaranteed by, a member state of the European Union as of the date of this Indenture, rated AAA or better by Standard & Poor's Rating Services and Aaa or better by Moody's Investors Service, Inc. for the payment of which guarantee or obligations the full faith and credit of such member state is pledged.

"Event of Default" has the meaning specified in Section 6.01.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, or any successor statute.

"Exchange Notes" refers to (i) the 8 1/8% Series B Notes due 2008 to be issued pursuant to this Indenture in connection with a registration pursuant to the Registration Rights Agreement and (ii) Additional Notes, if any, issued in the form of 8 1/8% Series B or any other series of Senior Notes due 2008 pursuant to a registration statement filed with the SEC under the Securities Act, in each case substantially in the form of Exhibit A.

"Exchange Offer" means, subject to the terms of the Registration Rights Agreement, the offer by the Company to the Holders of the opportunity to exchange their Initial Notes for Exchange Notes pursuant to a registration statement declared effective by the SEC.

"Financing Lease" means (i) any lease of property, real or personal, the obligations under which are capitalized on a consolidated balance sheet of the Company and its Restricted Subsidiaries and (ii) any other such lease to the extent that the then present value of the minimum rental commitment thereunder should, in accordance with GAAP, be capitalized on a balance sheet of the lessee.

"GAAP" means United States generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are applicable from time to time.

"Global Notes" has the meaning specified in Section 2.01.

"Guarantee" means the guarantee of the Notes by each Guarantor under Article X hereof.

"Guarantor" means (i) each of the Subsidiaries of the Company which have executed this Indenture as a Guarantor as of the date hereof, and (ii) each of the Company's Subsidiaries, whether formed, created or acquired before or after the date hereof, which become a guarantor of Notes pursuant to the provisions of this Indenture.

"Holder" means the Person in whose name a Note is registered on the Registrar's books.

"Indebtedness" of a Person means all obligations which would be treated as liabilities upon a balance sheet of such Person prepared on a consolidated basis in accordance with GAAP.

"Indenture" means this Indenture, as amended, supplemented or modified from time to time.

"Independent Investment Banker" means any internationally recognized investment banking firm that in the ordinary course of business is a dealer in German Bund securities, that is not affiliated with the Company, appointed by the Trustee after consultation with the Company.

"Initial Notes" refers to (i) E250,000,000 aggregate principal amount of 8 1/8%% Series A Senior Notes due 2008 issued on the Issue Date, and (ii) Additional Notes, if any, issued in the form of 8 1/8% Series A Senior Notes or any other series of Senior Notes due 2008 in a transaction exempt from the registration requirements of the Securities Act, in each case substantially in the form of Exhibit A.

"Institutional Accredited Investor" means an institution that is an "accredited investor" as that term is defined in Rule 501(a)(1), (2) or (7) under the Securities Act.

"Interest Payment Date" means each of April 1 and October 1

"Investment" by any Person means:

(i) all investments by such Person in any other Person in the form of loans, advances or capital contributions;

(ii) all guarantees of Indebtedness or other obligations of any other Person by such Person;

(iii) all purchases (or other acquisitions for consideration) by such Person of Indebtedness, capital stock or other securities of any other Person;

(iv) all other items that would be classified as investments (including, without limitation, purchases outside the ordinary course of business) on a balance sheet of such Person prepared in accordance with GAAP.

"Issue Date" means the date of original issuance of the Initial Notes.

"Legal Holiday" has the meaning specified in Section 11.07.

"Lien" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, any conditional sale or other title retention agreement or any Financing Lease having substantially the same economic effect as any of the foregoing).

"Maturity Date" means April 1, 2008.

"Non-U.S. Persons" means a person who is not a "U.S. person" (as defined in Regulation S).

"Notes" means the Initial Notes and the Exchange Notes issued under this Indenture.

"Obligations" means all obligations for principal, premium, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"Officer" of any Person means the Chairman of the Board, the Chief Executive Officer, the President, any Vice President, the Treasurer, the Secretary or the Controller of such Person.

"Officers' Certificate" means a certificate signed by two Officers or by an Officer and an Assistant Treasurer, Assistant Secretary or Assistant Controller of any Person.

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

"Participants" has the meaning specified in Section 2.08.

"Paying Agent" has the meaning specified in Section 2.04.

"Permitted Liens" means:

(i) Liens for taxes not yet due or which are being contested in good faith by appropriate proceedings; provided that adequate reserves with respect thereto are maintained on the books of the Company or its Restricted Subsidiaries, as the case may be, in accordance with GAAP (or, in the case of Restricted Subsidiaries organized outside the United States, generally accepted accounting principles in effect from time to time in their respective jurisdictions of organization);

(ii) statutory Liens of landlords, carriers, warehousemen, mechanics, materialmen, repairmen, suppliers or other like Liens arising in the ordinary course of business relating to obligations not overdue for a period of more than 60 days or which are bonded or being contested in good faith by appropriate proceedings;

(iii) pledges or deposits in connection with workers' compensation, unemployment insurance and other social security legislation, including any Lien securing letters of credit issued in the ordinary course of business in connection therewith and deposits securing liabilities to insurance carriers under insurance and self-insurance programs;

(iv) Liens (other than any Lien imposed by ERISA) incurred on deposits to secure the performance of bids, trade contracts (other than for borrowed money), leases, statutory obligations, surety and appeal bonds, performance bonds, utility payments and other obligations of a like nature incurred in the ordinary course of business;

(v) easements, rights-of-way, restrictions and other similar encumbrances incurred which, in the aggregate, do not materially interfere with the ordinary conduct of the business of the Company and its Restricted Subsidiaries taken as a whole;

(vi) attachment, judgment or other similar Liens arising in connection with court or arbitration proceedings fully covered by insurance or involving, individually or in the aggregate, no more than $40,000,000 at any one time, provided that the same are discharged, or that execution or enforcement thereof is stayed pending appeal, within 60 days or, in the case of any stay of execution or enforcement pending appeal, within such lesser time during which such appeal may be taken;

(vii) Liens securing obligations (other than obligations representing Indebtedness for borrowed money) under operating, reciprocal easement or similar agreements entered into in the ordinary course of business;

(viii) statutory Liens and rights of offset arising in the ordinary course of business of the Company and its Restricted Subsidiaries;

(ix) Liens in connection with leases or subleases granted to others and the interest or title of a lessor or sublessor (other than the Company or any of its Subsidiaries) under any lease; and

(x) Liens securing indebtedness in respect of interest rate agreement obligations or currency agreement obligations or commodity hedging arrangements entered into to protect against fluctuations in interest rates or exchange rates or commodity prices and not for speculative reasons.

"Person" means an individual, partnership, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, governmental authority or other entity of whatever nature.

"Physical Notes" has the meaning specified in Section 2.01.

"Principal Credit Facilities" means:

(i) the Second Amended and Restated Credit and Guarantee Agreement, dated as of May 4, 1999, among the Company, Lear Corporation Canada Ltd., the Foreign Subsidiary Borrowers (as defined therein), the Lenders Party thereto, Bankers Trust Company and Bank of America National Trust & Savings Association, as Co-Syndication Agents, The Bank of Nova Scotia, as Documentation Agent and Canadian Administrative Agent, and The Chase Manhattan Bank, as General Administrative Agent;

(ii) the Revolving Credit and Term Loan Agreement, dated as of May 4 1999, among the Company, certain of its Foreign Subsidiaries, the Lenders parties thereto, Citicorp USA, Inc. and Morgan Stanley Senior Funding, Inc., as Co-Syndication Agents, Toronto Dominion (Texas), Inc., as Documentation Agent, the other Agents named therein, and The Chase Manhattan Bank, as Administrative Agent; and

(iii) the Term Loan Agreement, dated November 17, 1998, between the Company and Toronto Dominion (Texas), Inc., as amended by that certain amendment dated as of May 4, 1999,

in the case of each agreement listed in clauses (i) through (iii), including any related notes, collateral documents, security documents, instruments and agreements entered into in connection therewith and, in each case, as the same may be amended, supplemented or otherwise modified (including any agreement extending the maturity of, increasing the total commitment under or otherwise restructuring all or any portion of the Indebtedness under any such agreement or any successor or replacement agreement), renewed, refunded, replaced, restated or refinanced from time to time.

"Qualified Institutional Buyer" has the meaning set forth in Rule 144A.

"Receivable Financing Transaction" means any transaction or series of transactions involving a sale for cash of accounts receivable, without recourse based upon the collectibility of the receivables sold, by the Company or any of its Restricted Subsidiaries to a Special Purpose Subsidiary and a subsequent sale or pledge of such accounts receivable (or an interest therein) by such Special Purpose Subsidiary, in each case without any guarantee by the Company or any of its Restricted Subsidiaries (other than the Special Purpose Subsidiary).

"Redemption Date" means, with respect to any Notes to be redeemed, the date fixed for such redemption pursuant to this Indenture.

"Redemption Price" means the redemption price fixed in accordance with the terms of the Notes, plus accrued and unpaid interest, if any, to the date fixed for redemption.

"Register" has the meaning specified in Section 2.04.

"Registrar" has the meaning specified in Section 2.04.

"Registration Rights Agreement" means (i) with respect to the Initial Notes issued on the Issue Date, the Registration Rights Agreement, dated March 20, 2001, among the Company, the Guarantors and Salomon Brothers International Limited, Deutsche Bank AG, Credit Suisse First Boston (Europe) Limited, Chase Securities Inc., Lehman Brothers International (Europe), Merrill Lynch International, Bank Of America International Limited, BNP Paribas Securities Corp., Mizuho International plc, Scotia Capital (USA) Inc. and TD Securities Limited and (ii) with respect to each issuance of Additional Notes in a transaction exempt from the registration requirements of the Securities Act, the registration rights agreement among the Company, the Guarantors and the Person purchasing the Additional Notes.

"Regulation S Global Notes" has the meaning specified in Section 2.01.

"Regulation S Permanent Global Notes" has the meaning specified in Section 2.01.

"Regulation S Physical Notes" has the meaning specified in Section 2.01.

"Regulation S Temporary Global Notes" has the meaning specified in Section 2.01.

"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 the Persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred 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.

"Restricted Period" has the meaning specified in Section 2.01.

"Restricted Subsidiary" means any Subsidiary other than a Unrestricted Subsidiary.

"Rule 144A Global Notes" has the meaning specified in Section 2.01.

"SEC" means the Securities and Exchange Commission and any government agency succeeding to its functions.

"Securities Act" means the Securities Act of 1933, as amended, or any successor statute.

"Shelf Registration Statement" means the Shelf Registration Statement as defined in the Registration Rights Agreement.

"Significant Subsidiary" means any Subsidiary which has:

(i) consolidated assets or in which the Company and its other Subsidiaries have Investments, equal to or greater than 5% of the total consolidated assets of the Company at the end of its most recently completed fiscal year; or

(ii) consolidated net sales equal to or greater than 5% of the consolidated net sales of the Company for its most recently completed fiscal year.

"Special Purpose Subsidiary" means any wholly owned Restricted Subsidiary of the Company created by the Company for the sole purpose of facilitating a Receivable Financing Transaction.

"Subsidiary" of any Person means:

(i) a corporation a majority of whose capital stock with voting power, under ordinary circumstances, to elect directors is at the time, directly or indirectly, owned by such Person or by such Person and a subsidiary or subsidiaries of such Person or by a subsidiary or subsidiaries of such Person; or

(ii) any other Person (other than a corporation) in which such Person or such Person and a subsidiary or subsidiaries of such Person or a subsidiary or subsidiaries of such Persons, at the time, directly or indirectly, own at least a majority voting interest under ordinary circumstances.

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

"Transfer Restricted Securities" means securities that bear or are required to bear the legend set forth in Section 2.02(a)(i).

"Transfer Restricted Securities Legend" means the legend initially set forth on the Notes in the form set forth in Section 2.02(a)(i).

"Trustee" means the party named as such in this Indenture until a successor replaces it and thereafter, means the successor.

"Unrestricted Subsidiary" means any Subsidiary designated as such by the Board of Directors of the Company; provided, however, that at the time of any such designation by the Board of Directors, such Subsidiary does not constitute a Significant Subsidiary; and provided, further, that at the time that any Unrestricted Subsidiary becomes a Significant Subsidiary it shall cease to be an Unrestricted Subsidiary.

"U.S. Physical Notes" has the meaning specified in Section 2.01.

SECTION 1.02. 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:

"indenture securities" means the Notes;

"indenture security holder" means a Holder;

"indenture to be qualified" means this Indenture;

"indenture trustee" or "institutional trustee" means the Trustee; and

"obligor" on the Notes means the Company and any other obligor on the indenture securities.

All other TIA terms used in this Indenture that are defined by the TIA, defined by TIA reference to another statute or defined by SEC rule have the meanings assigned to them by such definitions.

SECTION 1.03. Rules of Construction.

Unless the context otherwise requires:

(i) a term has the meaning assigned to it;

(ii) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(iii) "or" is not exclusive;

(iv) "including" means including without limitation;

(v) words in the singular include the plural, and in the plural include the singular;

(vi) provisions apply to successive events and transactions; and

(vii) statements relating to the payment of principal and interest shall include the payment of premium and Additional Interest (if any).

ARTICLE II

THE NOTES

SECTION 2.01. Form and Dating.

The Notes and the Trustee's certificate of authentication shall be substantially in the form annexed hereto as Exhibit A with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture. The Notes may have notations, legends or endorsements required by law or stock exchange agreements to which the Company is subject. Each Note shall be dated the date of its authentication.

The Notes shall be in minimum denominations of E1,000 and integral multiples thereof. The terms and provisions contained in the form of the Note annexed hereto as Exhibit A shall constitute, and are hereby expressly made, a part of this Indenture. To the extent applicable, the Company and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby.

Notes offered and sold to Qualified Institutional Buyers in reliance on Rule 144A under the Securities Act shall be (i) issued initially only in the form of one or more permanent global Notes in registered form, registered in the name of the Common Depositary, without interest coupons (each, a "Rule 144A Global Note"), (ii) duly executed by the Company and authenticated by the Trustee as hereinafter provided and (iii) deposited with the Common Depositary, as custodian for the Depositary. Rule 144A Global Notes shall be substantially in the form set forth in Exhibit A attached hereto (including the text and schedule called for by footnotes 1 and 6 thereto). The aggregate principal amount of the Rule 144A Global Notes may from time to time be increased or decreased by adjustments made on the records of the Registrar, in accordance with the instructions given by the Holder thereof, as hereinafter provided.

Notes offered and sold outside the United States to persons other than "U.S. persons", as defined in Regulation S under the Securities Act ("Non-U.S. Persons"), in reliance on Regulation S under the Securities Act shall be (i) issued initially only in the form of one or more temporary global Notes in registered form, registered in the name of the Common Depositary, without interest coupons (each, a "Regulation S Temporary Global Note"), (ii) duly executed by the Company and authenticated by the Trustee as hereinafter provided and (iii) deposited with the Common Depositary, as custodian for the Depositary. Regulation S Temporary Global Notes shall be substantially in the form set forth in Exhibit A attached hereto (including the text and schedule called for by footnotes 1 and 6 thereto). Prior to the 40th day following the later of commencement of the offering of the Notes and the Issue Date (such period through and including the 40th day, the "Restricted Period"), beneficial interests in the Regulation S Temporary Global Note may only be held through the Depositary, and any resale or transfer of such interests to U.S. persons shall not be permitted during such period unless such resale or transfer is made in accordance with the procedures set forth in this Article II, including, without limitation, receipt by the Trustee of a written certification from the transferor of the beneficial interest in the form provided herein to the effect that such transfer is being made to (i) a person whom the transferor reasonably believes is a Qualified Institutional Buyer within the meaning of Rule 144A under the Securities Act in a transaction meeting the requirements of such Rule or (ii) an Institutional Accredited Investor purchasing for its own account or for the account of such an Institutional Accredited Investor, subject to delivery of the letters and opinions contemplated by this Indenture.

At any time after Restricted Period, upon receipt by the Trustee and the Company of a certificate substantially in the form of Exhibit B attached hereto, one or more permanent global Notes in registered form, registered in the name of the Common Depositary, without interest coupons (each, a "Regulation S Permanent Global Note", and together with the Regulation S Temporary Global Notes, the "Regulation S Global Notes"), shall be (i) duly executed by the Company and authenticated by the Trustee as hereinafter provided and (ii) deposited with the Common Depositary, as custodian for the Depositary or its nominee, and the Registrar shall reflect on its books and records the date and a decrease in the principal amount of the Regulation S Temporary Global Notes in an amount equal to the principal amount of the beneficial interest in the Regulation S Temporary Global Notes transferred. Regulation S Permanent Global Notes shall be substantially in the forms set forth in Exhibit A attached hereto (including the text and schedule called for by footnotes 1 and 5 thereto). The aggregate principal amount of the Regulation S Global Notes may from time to time be increased or decreased by adjustments made on the records of the Registrar, as hereinafter provided.

The Rule 144A Global Notes and the Regulation S Global Notes are sometimes referred to herein as the "Global Notes."

Notes transferred to Institutional Accredited Investors and Notes issued in exchange for interests in the Rule 144A Global Notes pursuant to Section 2.08(e) shall be issued in the form of permanent certificated Notes (the "U.S. Physical Notes") in registered form. Notes issued in exchange for interests in the Regulation S Global Notes pursuant to Section 2.08(e) shall be in the form of permanent certificated Notes (the "Regulation S Physical Notes", and together with the U.S. Physical Notes, the "Physical Notes") in registered form. The Physical Notes shall be substantially in the form set forth in Exhibits A attached hereto.

Global Notes or Physical Notes issued as Exchange Notes shall not bear the legend called for by footnote 2 of Exhibit A attached hereto, and shall bear the reference to "Series B" called for by footnotes 3 and 5 of Exhibit A attached hereto.

The definitive Notes shall be typed, printed, lithographed or engraved or produced by any combination of these methods or may be produced in any other manner permitted by the rules of any securities exchange on which the Notes may be listed, all as determined by the Officers executing such Notes, as evidenced by their execution of such Notes.

SECTION 2.02. Restrictive Legends.

(a) Transfer Restricted Securities Legend.

(i) Except as permitted by the clauses (ii), (iii) and (iv) of this Section 2.02(a), each Note certificate evidencing Global Notes and Physical Notes (and all Notes issued in exchange therefor and substitution thereof) shall bear the following Transfer Restricted Securities Legend:

THE NOTE EVIDENCED HEREBY HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS, AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) OR (B) IT IS AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT) (AN "INSTITUTIONAL ACCREDITED INVESTOR") OR (C) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT; (2) AGREES THAT IT WILL NOT, PRIOR TO EXPIRATION OF THE HOLDING PERIOD APPLICABLE TO SALES OF THE NOTE EVIDENCED HEREBY UNDER RULE 144(k) UNDER THE SECURITIES ACT (OR ANY SUCCESSOR PROVISION), RESELL OR OTHERWISE TRANSFER THE NOTE EVIDENCED HEREBY EXCEPT (A) TO LEAR CORPORATION OR ANY SUBSIDIARY THEREOF, (B) TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, (C) TO AN INSTITUTIONAL ACCREDITED INVESTOR THAT, PRIOR TO SUCH TRANSFER, FURNISHES TO THE BANK OF NEW YORK, AS TRUSTEE (OR A SUCCESSOR TRUSTEE, AS APPLICABLE), AND A SIGNED LETTER CONTAINING CERTAIN REPRESENTATIONS AND AGREEMENTS RELATING TO THE RESTRICTIONS ON TRANSFER OF THE NOTE EVIDENCED HEREBY (THE FORM OF WHICH LETTER CAN BE OBTAINED FROM SUCH TRUSTEE OR A SUCCESSOR TRUSTEE, AS APPLICABLE), AN OPINION OF COUNSEL ACCEPTABLE TO LEAR CORPORATION THAT SUCH TRANSFER IS

IN COMPLIANCE WITH THE SECURITIES ACT, (D) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 UNDER THE SECURITIES ACT, (E) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (F) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT (AND WHICH CONTINUES TO BE EFFECTIVE AT THE TIME OF SUCH TRANSFER); AND (3) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THE NOTE EVIDENCED HEREBY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. IN CONNECTION WITH ANY TRANSFER OF THE NOTE EVIDENCED HEREBY PRIOR TO EXPIRATION OF THE HOLDING PERIOD APPLICABLE TO SALES OF THE NOTE EVIDENCED HEREBY UNDER RULE 144(K) UNDER THE SECURITIES ACT (OR ANY SUCCESSOR PROVISION), THE HOLDER MUST CHECK THE APPROPRIATE BOX SET FORTH ON THE REVERSE HEREOF RELATING TO THE MANNER OF SUCH TRANSFER AND SUBMIT THIS CERTIFICATE TO THE BANK OF NEW YORK, AS TRUSTEE (OR A SUCCESSOR TRUSTEE, AS APPLICABLE). IF THE PROPOSED TRANSFEREE IS AN INSTITUTIONAL ACCREDITED INVESTOR OR A PURCHASER WHO IS NOT A U.S. PERSON, THE HOLDER MUST, PRIOR TO SUCH TRANSFER, FURNISH TO THE BANK OF NEW YORK, AS TRUSTEE (OR A SUCCESSOR TRUSTEE, AS APPLICABLE), SUCH CERTIFICATIONS, LEGAL OPINIONS OR OTHER INFORMATION AS IT MAY REASONABLY REQUIRE TO CONFIRM THAT SUCH TRANSFER IS BEING MADE PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION", "UNITED STATES" AND "U.S. PERSON" HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT.

(ii) Upon any sale or transfer of a Transfer Restricted Security in compliance with Rule 144 under the Securities Act or pursuant to an effective registration statement under the Securities Act, the Registrar shall permit the Holder thereof to exchange such Transfer Restricted Security for a Note that does not bear the Transfer Restricted Securities Legend, and shall rescind any restriction on the transfer of such Transfer Restricted Security.

(iii) After the expiration of the Restricted Period and upon receipt by the Company and the Trustee of a certificate substantially in the form of Exhibit B attached hereto, the Registrar shall permit the Holder thereof to exchange a Regulation S Temporary Global Note which bears the Transfer Restricted Securities Legend for a Regulation S Permanent Global which does not bear such legend, and shall rescind any restriction on the transfer of the Regulation S Permanent Global Notes.

(iv) Notwithstanding the foregoing, upon consummation of the Exchange Offer, the Company shall issue, and upon receipt of an authentication order in accordance with Section 2.03 hereof, the Trustee shall authenticate the Exchange Notes in exchange for the Initial Notes accepted for exchange in the Exchange Offer, and the Registrar shall rescind any restriction on the transfer of such security.

(b) Global Note Legend. Each Global Note, whether or not an Exchange Note, shall also bear the following legend on the face thereof:

THIS NOTE IS A GLOBAL CERTIFICATE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A COMMON DEPOSITARY OR A NOMINEE OF A COMMON DEPOSITARY. THIS NOTE IS NOT EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE COMMON DEPOSITARY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS NOTE (OTHER THAN A TRANSFER OF THIS NOTE AS A WHOLE TO A COMMON DEPOSITARY OR A NOMINEE OF THE COMMON DEPOSITARY OR TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

THIS NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (I) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTIONS 2.01, 2.07, 2.08, 2.09 AND 3.03, OF THE INDENTURE, (II) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.07 OF THE INDENTURE, (III) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.14 OF THE INDENTURE AND (IV) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR COMMON DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY.

SECTION 2.03. Execution and Authentication.

Two Officers shall sign the Notes for the Company by manual or facsimile signature. If an Officer whose signature is on a Note no longer holds that office at the time the Note is authenticated, the Note shall be valid nevertheless.

A Note shall not be valid until authenticated by the manual signature of the Trustee. The signature shall be conclusive evidence that the Note has been authenticated under this Indenture.

The Trustee shall, upon a written order of the Company signed by one Officer of the Company, authenticate for original issue (i) Initial Notes on the Issue Date in aggregate principal amount not to exceed E250,000,000, (ii) Additional Notes not to exceed E250,000,000 in aggregate principal amount in accordance with Section 2.18, and (iii) upon completion of an Exchange Offer (and thereafter as appropriate), Exchange Notes for like principal amount of Initial Notes, including any Additional Notes, in accordance with the Registration Rights Agreement and Section 2.07 hereof. The aggregate principal amount of Notes outstanding at any time shall not exceed E500,000,000, except as provided in Section 2.10.

The Trustee may appoint an authenticating agent reasonably acceptable to the Company to authenticate Notes. Unless limited by the terms of such appointment, an authenticating agent may authenticate Notes 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 of the Company.

SECTION 2.04. Registrar and Paying Agent.

The Company shall maintain an office or agency where Notes may be presented for registration of transfer or for exchange (the "Registrar") and an office or agency where Notes may be presented for payment (the "Paying Agent"). The Registrar shall keep a register of the Notes (the "Register") and of their transfer and exchange. The Company may appoint one or more co-Registrars and one or more additional Paying Agents. The term "Paying Agent" includes any additional paying agent and the term "Registrar" includes any additional registrar. The Company may change any Paying Agent or Registrar without prior notice to any Holder. So long as the Notes are listed on the Luxembourg Stock Exchange and the rules of such exchange require, the Company shall maintain an office or agency in Luxembourg.

The Company shall enter into an appropriate agency agreement with any Agent not a party to this Indenture, which shall incorporate the terms of the TIA and implement the terms of this Indenture which relate to such Agent. The Company shall give prompt written notice to the Trustee of the name and address of any Agent who is not a party to this Indenture. If the Company fails to appoint or maintain another entity as Registrar or Paying Agent, the Trustee shall act as such. The Company or any Affiliate of the Company may act as Paying Agent or Registrar; provided, however, that none of the Company, its Subsidiaries or the Affiliates of the foregoing shall act (i) as Paying Agent in connection with redemptions, offers to purchase, discharges and defeasance, as otherwise specified in this Indenture, and (ii) as Paying Agent or Registrar if a Default or Event of Default has occurred and is continuing. So long as the Notes are listed on the Luxembourg Stock Exchange and the rules of such exchange require, the Company will maintain a listing agent, Paying Agent and transfer agent in Luxembourg.

The Company hereby initially appoints the (i) Trustee as Registrar and Paying Agent in the United States, (ii) Kredietbank S.A. Luxembourgeoise as listing agent, Paying Agent and transfer agent in Luxembourg, and (iii) The Bank of New York - London Branch as Paying Agent and transfer agent in London.

SECTION 2.05. Paying Agent to Hold Assets in Trust.

Not later than 11:00 a.m. (London time) on each due date of the principal and interest on any Notes, the Company shall deposit with one or more Paying Agents money in immediately available funds sufficient to pay such principal and interest so becoming due. The Company shall require each Paying Agent other than the Trustee to agree in writing that the Paying Agent shall hold in trust for the benefit of Holders or the Trustee all assets held by the Paying Agent for the payment of principal of and interest on the Notes (whether such money has been paid to it by the Company or any other obligor on the Notes, including any Guarantor) and shall notify the Trustee of any failure by the Company (or any other obligor on the Notes, including any Guarantor) in making any such payment. While any such failure continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee and to account for any funds disbursed. 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 of the Company) shall have no further liability for the money so paid over to the Trustee.

If the Company or any Subsidiary of the Company or any Affiliate of any of them acts as Paying Agent, it shall, prior to or on each due date of any principal of or interest on the Notes, segregate and hold in a separate trust fund for the benefit of the Holders a sum of money sufficient with monies held by all other Paying Agents, to pay such principal or interest so becoming due until such sum of money shall be paid to such Holders or otherwise disposed of as provided in this Indenture, and will promptly notify the Trustee of its actions or failure to act.

SECTION 2.06. Holder 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 Holders and shall otherwise comply with Section 312(a) of the TIA. If the Trustee is not the Registrar, the Company shall furnish to the Trustee prior to or on each Interest Payment Date for the Notes and at such other times as the Trustee may request in writing a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of Holders, relating to such Interest Payment Date or request, as the case may be.

SECTION 2.07. General Provisions Relating to Transfer and Exchange.

The Notes are issuable only in registered form. A Holder may transfer a Note only by written application to the Registrar or another transfer agent stating the name of the proposed transferee and otherwise complying with the terms of this Indenture. No such transfer shall be effected until, and such transferee shall succeed to the rights of a Holder only upon, final acceptance and registration of the transfer by the Registrar in the Register. Prior to the registration of any transfer by a Holder as provided herein, the Company, the Trustee, and any agent of the Company shall treat the person in whose name the Note is registered as the owner thereof for all purposes whether or not the Note shall be overdue, and neither the Company, the Trustee, nor any such agent shall be affected by notice to the contrary. Furthermore, any Holder of a Global Note shall, by acceptance of such Global Note, agree that transfers of beneficial interests in such Global Note may be effected only through a book-entry system maintained by the Holder of such Global Note (or its agent) and that ownership of a beneficial interest in the Note shall be required to be reflected in a book-entry. Notwithstanding the foregoing, in the case of a Transfer Restricted Security, a beneficial interest in a Global Note being transferred in reliance on an exemption from the registration requirements of the Securities Act other than in accordance with Rule 144, Rule 144A and Regulation S may only be transferred for a Physical Note.

When Notes are presented to the Registrar or another transfer agent with a request to register the transfer or to exchange them for an equal principal amount of Notes of other authorized denominations (including an exchange of Notes for Exchange Notes), the Registrar shall register the transfer or make the exchange as requested if its requirements for such transactions are met (including that such Notes are duly endorsed or accompanied by a written instrument of transfer duly executed by the Holder thereof or by an attorney who is authorized in writing to act on behalf of the Holder); provided that no exchanges of Notes for Exchange Notes shall occur until an exchange offer registration statement shall have been declared effective by the SEC and that any Notes that are exchanged for Exchange Notes shall be cancelled by the Trustee. Subject to Section 2.03, to permit registrations of transfers and exchanges, the Company shall execute and the Trustee shall authenticate Notes at the Registrar's request. No service charge shall be made for any registration of transfer or exchange or redemption of the Notes, 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 taxes or other similar governmental charge payable upon exchanges pursuant to Section 2.13, 3.06 or 9.05 hereof).

Neither the Registrar nor any other transfer agent nor the Company shall be required to:

(i) issue, register the transfer of or exchange any Note during a period beginning at the opening of business 15 Business Days before the day of any selection of Notes for redemption under Section 3.02 hereof and ending at the close of business on the day of selection; or

(ii) register the transfer of or exchange any Note so selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part.

Each Holder agrees to indemnify the Company and the Trustee against any liability that may result from the transfer, exchange or assignment of such Holder's Notes in violation of any provision of this Indenture and/or applicable United States Federal or state securities law.

The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Note other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of, this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

SECTION 2.08. Book-Entry Provisions for Global Notes.

(a) The Rule 144A Global Notes and Regulation S Global Notes initially shall:

(i) be registered in the name of the Common Depositary as the nominee of the Depositary;

(ii) be delivered to the Common Depositary as custodian for the Depositary; and

(iii) bear legends as set forth in Section 2.02 hereof.

Members of, or participants in, the Depositary ("Participants") shall have no rights under this Indenture with respect to any Global Note held on their behalf by the Depositary, or the Common Depositary as its custodian, or under such Global Note, and the Common Depositary may be treated by the Company, the Trustee and any agent of the Company or the Trustee as the absolute owner of such Global Note for all purposes whatsoever. Notwithstanding the foregoing, nothing contained herein shall prevent the Company, the Trustee or any agent of the Company or the Trustee, from giving effect to any written certification, proxy or other authorization furnished by the Depositary or Common Depositary or impair, as between the Depositary and the Participants, the operation of customary practices governing the exercise of the rights of a Holder of any Note.

(b) Transfers of a Global Note shall be limited to transfers of such Global Note in whole, but not in part, to the Depositary, its successors or their respective nominees. Beneficial owners may transfer their interests in Global Notes in accordance with the rules and procedures of the Depositary and the provisions of Section 2.09 hereof.

(c) Any beneficial interest in one of the Global Notes that is transferred to a person who takes delivery in the form of an interest in another Global Note will, upon transfer, cease to be an interest in such Global Note and become an interest in such other Global Note and, accordingly, will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to beneficial interests in such other Global Note for as long as it remains such an interest.

(d) The registered Holder of a Global Note may grant proxies and otherwise authorize any Person, including Participants and Persons that may hold interests through Participants, to take any action which a Holder is entitled to take under this Indenture or the Notes.

(e) If at any time:

(i) the Company notifies the Trustee in writing that the Depositary is no longer willing or able to continue to act as Depositary for the Global Notes, and a successor depositary for the Global Notes is not appointed by the Company within 90 days of such notice or cessation;

(ii) the Company, at its option, notifies the Trustee in writing that it elects to cause the issuance of the Notes in definitive form under this Indenture in exchange for all or any part of the Notes represented by a Global Note or Global Notes; or

(iii) an Event of Default has occurred and is continuing and the Registrar has received a request from the Depositary,

subject to this Section 2.08(e), the Depositary shall, or shall instruct the Common Depository to surrender such Global Note or Global Notes to the Trustee for cancellation and then the Company shall execute, and the Trustee shall authenticate and deliver in exchange for such Global Note or Global Notes, U.S. Physical Notes and Regulation S Physical Notes, as applicable, in an aggregate principal amount equal to the principal amount of such Global Note or Global Notes. Such Physical Notes shall be registered in such names as the Depositary shall identify in writing as the beneficial owners of the Notes represented by such Global Note or Notes (or any nominee thereof).

(f) Notwithstanding the foregoing, in connection with any transfer of a portion of the beneficial interests in a Global Note to beneficial owners pursuant to paragraph (e) of this Section 2.08, the Registrar shall reflect on its books and records the date and a decrease in the principal amount of such Global Note in an amount equal to the principal amount of the beneficial interest in such Global Note to be transferred, and the Company shall execute, and the Trustee shall authenticate and deliver, one or more U.S. Physical Notes or Regulation S Physical Notes, as the case may be, of like tenor and amount.

SECTION 2.09. Special Transfer Provisions.

Unless and until an Initial Note (1) is exchanged for an Exchange Note, (2) transferred after the time period referred to in Rule 144(k) under the Securities Act or (3) otherwise sold in connection with an effective registration statement pursuant to the Registration Rights Agreement, the following provisions shall apply:

(a) Transfers to Institutional Accredited Investors which are not Qualified Institutional Buyers. The following provisions shall apply with respect to the registration of any proposed transfer of a Note to any Institutional Accredited Investor which is not a Qualified Institutional Buyer (excluding Non-U.S. Persons):

(i) The Registrar shall register the transfer if the proposed transferee has delivered to the Trustee (A) a certificate substantially in the form of Exhibit C attached hereto and (B) an opinion of counsel acceptable to the Company that such transfer is in compliance with the Securities Act.

(ii) If Note to be transferred consists of a Physical Note, upon receipt by the Registrar of the documents referred to in the preceding sentence, and the Company shall execute and the Trustee shall authenticate and deliver, a new U.S. Physical Note registered in the name of the transferee and the Trustee shall cancel the Physical Note presented for transfer.

(iii) If the proposed transferor is a Participant holding a beneficial interest in the Rule 144A Global Notes, upon receipt by the Registrar of the documents required by subclause (a)(i) above and instructions given in accordance with the procedures of the Depositary and of the Registrar, the Registrar shall reflect on its books and records the date and a decrease in the principal amount of the Rule 144A Global Notes in an amount equal to the principal amount of the beneficial interest in the Rule 144A Global Notes to be transferred, and the Company shall

execute, and the Trustee shall authenticate and deliver, one or more U.S. Physical Notes of like tenor and amount.

(iv) If the proposed transferor is a Participant holding a beneficial interest in the Regulation S Temporary Global Notes, upon receipt by the Registrar of the documents required by subclause (a)(i) above and instructions given in accordance with the procedures of the Registrar and of the Depositary, the Registrar shall reflect on its books and records the date and a decrease in the principal amount of the Regulation S Temporary Global Notes in an amount equal to the principal amount of the beneficial interest in the Regulation S Temporary Global Notes to be transferred, and the Company shall execute, and the Trustee shall authenticate and deliver, one or more U.S. Physical Notes of like tenor and amount.

(b) Transfers to Qualified Institutional Buyers. The following provisions shall apply with respect to the registration of any proposed transfer of a Note to a Qualified Institutional Buyer (excluding Non-U.S. Persons):

(i) If the Note to be transferred consists of (x) either Regulation S Physical Notes prior to the removal of the Transfer Restricted Securities Legend or U.S. Physical Notes, the Registrar shall register the transfer if such transfer is being made by a proposed transferor who has checked the box provided for on the form of Note stating or has otherwise advised the Company and the Registrar in writing that the sale has been made in compliance with the provisions of Rule 144A to a transferee who has signed the certification provided for on the form of Note stating or has otherwise advised the Company and the Registrar in writing that:

(A) it is purchasing the Note for its own account or an account with respect to which it exercises sole investment discretion, in each case for investment and not with a view to distribution;

(B) it and any such account is a Qualified Institutional Buyer within the meaning of Rule 144A;

(C) it is aware that the sale to it is being made in reliance on Rule 144A;

(D) it acknowledges that it has received such information regarding the Company as it has requested pursuant to Rule 144A or has determined not to request such information; and

(E) it is aware that the transferor is relying upon its foregoing representations in order to claim the exemption from registration provided by Rule 144A; or

or (y) an interest in the Rule 144A Global Notes, the transfer of such interest may be effected only through the book entry system maintained by the Depositary.

(ii) If the proposed transferee is a Participant, and the Note to be transferred consists of U.S. Physical Notes, upon receipt by the Registrar of the documents referred to in clause (i) above and instructions given in accordance with the procedures of the Depositary and the Registrar, the Registrar shall reflect on its books and records the date and an increase in the principal amount of Rule 144A Global Notes in an amount equal to the principal amount of the

U.S. Physical Notes to be transferred, and the Trustee shall cancel the U.S. Physical Notes so transferred.

(iii) If the proposed transferee is a Participant and the Note to be transferred consists of a beneficial interest in the Regulation S Temporary Global Notes, upon receipt by the Registrar of the documents referred to in clause (i) above and instructions given in accordance with the procedures of the Registrar and the Depositary, the Registrar shall reflect on its books and records the date and an increase in the principal amount of the Rule 144A Global Notes in an amount equal to the principal amount of the Regulation S Temporary Global Notes to be transferred, and the Trustee shall decrease the amount of the Regulation S Temporary Global Notes in a corresponding amount.

(c) Transfers to Non-U.S. Persons of U.S. Physical Notes and Interests in Rule 144A Global Notes. (i) The Registrar shall register any proposed transfer to a Non-U.S. Person of a U.S. Physical Note or an interest in Rule 144A Global Notes only upon receipt of a certificate from the proposed transferor substantially in the form of Exhibit D attached hereto.

(ii) (a) If the proposed transferor is a Participant holding a beneficial interest in the Rule 144A Global Notes, upon receipt by the Registrar of the documents, if any, required by paragraph (i) above and instructions in accordance with the procedures of the Depositary and of the Registrar, the Registrar shall reflect on its books and records the date and a decrease in the principal amount of the Rule 144A Global Notes in an amount equal to the principal amount of the beneficial interest in the Rule 144A Global Notes to be transferred, (b) if the proposed transferor is a holder of U.S. Physical Notes, the Trustee shall cancel the U.S. Physical Notes so transferred, and (c) if the proposed transferee is a Participant, upon receipt by the Registrar of instructions given in accordance with the procedures of the Depositary and of the Registrar, the Registrar shall reflect on its books and records the date and an increase in the principal amount of the Regulation S Global Notes in an amount equal to the principal amount of the U.S. Physical Notes or the Rule 144A Global Notes, as the case may be, to be transferred.

(d) Transfers to Non-U.S. Persons of Interests in the Regulation S Temporary Global Notes. The Registrar shall register the transfer of any interest in a Regulation S Temporary Global Note to Non-U.S. Persons if the proposed transferor has delivered to the Registrar a certificate substantially in the form of Exhibit D attached hereto.

(e) Transfers of Interests in the Regulation S Permanent Global Notes. The Registrar shall register the transfer of interests in Regulation S Permanent Global Notes without requiring any additional certification.

(f) Transfer Restricted Securities Legend. Upon the transfer, exchange or replacement of Notes not bearing the Transfer Restricted Securities Legend, the Registrar shall deliver Notes that do not bear the Transfer Restricted Securities Legend. Upon the transfer, exchange or replacement of Notes bearing the Transfer Restricted Securities Legend, the Registrar shall deliver only Notes that bear the Transfer Restricted Securities Legend unless (A) the circumstances described in clauses (ii), (iii) and (iv) of Section 2.02(a) exist or (ii) there is delivered to the Registrar an Opinion of Counsel reasonably satisfactory to the Company and the Trustee to the effect that neither such legend nor the related restrictions on transfer are required in order to maintain compliance with the provisions of the Securities Act.

(g) Certain Transfers in Connection with and After the Exchange Offer. Notwithstanding any other provision of this Indenture:

(i) no Exchange Note may be exchanged by the Holder thereof for an Initial Note;

(ii) accrued and unpaid interest on the Initial Notes being exchanged in the Exchange Offer shall be due and payable on the next Interest Payment Date for the Exchange Notes following the Exchange Offer and shall be paid to the Holder on the relevant record date of the Exchange Notes issued in respect of the Initial Note being exchanged; and

(iii) interest on the Initial Note being exchanged in the Exchange Offer shall cease to accrue on the date of completion of the Exchange Offer and interest on the Exchange Notes to be issued in the Exchange Offer shall accrue from the date of the completion of the Exchange Offer.

(h) General. By its acceptance of any Note bearing the Transfer Restricted Securities Legend, each Holder of such a Note acknowledges the restrictions on transfer of such Note set forth in this Indenture and agrees that it will transfer such Note only as provided in this Indenture. The Registrar shall not register a transfer of any Note unless such transfer complies with the restrictions on transfer of such Note set forth in this Indenture. The Registrar shall be entitled to receive and rely on written instructions from the Company verifying that such transfer complies with such restrictions on transfer. In connection with any transfer of Notes, each Holder agrees by its acceptance of the Notes to furnish the Registrar or the Company such certifications, legal opinions or other information as either of them may reasonably require to confirm that such transfer is being made pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act; provided that the Registrar shall not be required to determine (but may rely on a determination made by the Company with respect to) the sufficiency of any such certifications, legal opinions or other information.

The Registrar shall retain copies of all letters, notices and other written communications received pursuant to Section 2.08 hereof or this Section 2.09. The Company shall have the right to inspect and make copies of all such letters, notices or other written communications at any reasonable time upon the giving of reasonable written notice to the Registrar.

SECTION 2.10. Replacement Notes.

If a mutilated Note is surrendered to the Trustee or if the Holder of a Note claims that the Note has been lost, destroyed or wrongfully taken, the Company shall issue and the Trustee shall authenticate a replacement Note if the requirements of the Trustee and the Company are met; provided that, if any such Note has been called for redemption in accordance with the terms thereof, the Trustee may pay the Redemption Price thereof on the Redemption Date without authenticating or replacing such Note. The Trustee or the Company may, in either case, require the Holder to provide an indemnity bond sufficient in the judgment of each of the Trustee and the Company to protect the Company, the Trustee or any Agent from any loss which any of them may suffer if a Note is replaced or if the Redemption Price therefor is paid pursuant to this Section 2.10. The Company may charge the Holder who has lost a Note for its expenses in replacing a Note.

Every replacement Note is an obligation of the Company and shall be entitled to the benefits of this Indenture equally and proportionately with any and all other Notes duly issued hereunder.

SECTION 2.11. Outstanding Notes.

The Notes outstanding at any time are all the Notes authenticated by the Trustee, except for (i) those cancelled by it, (ii) those delivered to it for cancellation and (iii) those described in this Section as not outstanding.

If a Note is replaced pursuant to Section 2.10 hereof, it ceases to be outstanding and interest ceases to accrue unless the Trustee receives proof satisfactory to it that the replaced Note is held by a bona fide purchaser.

If all principal of and interest on any Note are considered paid under Section 4.01 hereof, such Note ceases to be outstanding and interest on it ceases to accrue.

Except as provided in Section 2.12 hereof, a Note does not cease to be outstanding because the Company or an Affiliate of the Company holds such Note.

SECTION 2.12. Treasury Notes.

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by the Company or an Affiliate of the Company shall be considered as though they are not outstanding, except that for the purposes of determining whether the Trustee shall be protected in relying on any such direction, waiver or consent, only Notes which such Trustee actually knows are so owned shall be so disregarded.

SECTION 2.13. Temporary Notes.

Until definitive Notes are ready for delivery, the Company may prepare and execute, and the Trustee shall authenticate upon a written order of the Company signed by one Officer of the Company, temporary Notes. Temporary Notes shall be substantially in the form of definitive Notes but may have variations that the Company considers appropriate for temporary Notes. Without unreasonable delay, the Company shall prepare, and the Trustee shall authenticate, definitive Notes in exchange for temporary Notes. Holders of temporary Notes shall be entitled to all of the benefits of this Indenture.

SECTION 2.14. Cancellation.

The Company at any time may deliver Notes to the Trustee for cancellation. The Registrar and Paying Agent shall forward to the Trustee any Notes surrendered to them for registration of transfer, exchange, payment or repurchase. The Trustee shall cancel all Notes surrendered for registration of transfer, exchange, payment, repurchase, redemption, replacement or cancellation and shall return such cancelled Notes to the Company upon the Company's written request (subject to the record retention requirements of the Exchange Act). The Company may not issue new Notes to replace Notes that it has paid or that have been delivered to the Trustee for cancellation.

SECTION 2.15. ISIN Numbers and Common Codes.

The Company in issuing the Notes may use "ISIN" numbers or Common Codes (if then generally in use), and the Trustee shall use the same in notices of redemption or exchange as a convenience to Holders; provided that any such notice shall state that no representation is made as to the correctness of such numbers either as printed on the Notes or as contained in any such notice and that reliance may be placed only on the other identification numbers printed on the Notes, 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 ISIN numbers or Common Codes.

SECTION 2.16. Defaulted Interest.

If the Company fails to make a payment of interest on the Notes, it shall pay such defaulted interest plus (to the extent lawful) any interest payable on the defaulted interest, in any lawful manner. It may elect to pay

such defaulted interest, plus any such interest payable on it, to the Persons who are Holders of such Notes on which the interest is due on a subsequent special record date. The Company shall notify the Trustee in writing of the amount of defaulted interest proposed to be paid on each such Note. The Company shall fix any such record date and payment date for such payment. At least 15 days before any such record date, the Company shall mail to Holders affected thereby a notice that states the record date, Interest Payment Date, and amount of such interest to be paid.

SECTION 2.17. Special Record Dates.

The Company may, but shall not be obligated to, set a record date for the purpose of determining the identity of Holders of Notes entitled to consent to any supplement, amendment or waiver permitted by this Indenture. If a record date is fixed, the Holders of Notes outstanding on such record date, and no other Holders, shall be entitled to consent to such supplement, amendment or waiver or revoke any consent previously given, whether or not such Holders remain Holders after such record date. No consent shall be valid or effective for more than 90 days after such record date unless consents from Holders of the principal amount of Notes required hereunder for such amendment or waiver to be effective shall have also been given and not revoked within such 90-day period.

SECTION 2.18. Issuance of Additional Notes.

The Company shall be entitled to issue Additional Notes in aggregate principal amount not to exceed E250,000,000 under this Indenture which shall have identical terms as the Notes issued on the Issue Date, other than with respect to the date of issuance, issue price, and amount of interest payable on the first payment date applicable thereto (and, if such Additional Notes shall be issued in the form of Exchange Notes, other than with respect to transfer restrictions); provided however, no Additional Notes may be issued if an Event of Default has occurred and is continuing. The Initial Notes issued on the Issue Date, any Additional Notes and all Exchange Notes issued in exchange therefor shall be treated as a single class for all purposes under this Indenture.

With respect to any Additional Notes, the Company shall set forth in a resolution of its Board of Directors and in a Officers' Certificate, a copy of each of which shall be delivered to the Trustee, the following information:

(1) the aggregate principal amount of such Additional Notes to be authenticated and delivered pursuant to this Indenture;

(2) the issue price, the issue date and the ISIN number or Common Code of such Additional Notes and the amount of interest payable on the first payment date applicable thereto; provided, however, that no Additional Notes may be issued at a price that would cause such Additional Notes to have "original issue discount" within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended; and

(3) whether such Additional Notes shall be Notes bearing the Transfer Restricted Securities Legend and issued in the form of Initial Notes or shall be unrestricted notes issued in the form of Exchange Notes.

ARTICLE III

REDEMPTION

SECTION 3.01. Notices to Trustee.

If the Company elects to redeem Notes pursuant to the redemption provision of Section 3.07 hereof, it shall notify the Trustee of the intended Redemption Date, the principal amount of Notes to be redeemed, the ISIN numbers or Common Codes of the Notes to be redeemed, and the Redemption Price.

The Company shall give each notice provided for in this Section 3.01 and an Officers' Certificate at least 30 days before the Redemption Date (unless a shorter period shall be satisfactory to the Trustee), except with respect to notice of the Redemption Price. An Officers' Certificate containing the Redemption Price determined as of a date not more than five Business Days prior to the Redemption Date shall be delivered to the Trustee no later than two Business Days prior to the Redemption Date.

SECTION 3.02. Selection of Notes to Be Redeemed.

If fewer than all the Notes are to be redeemed, the Trustee shall select the Notes to be redeemed from the outstanding Notes by a method that complies with the requirements of any exchange on which the Notes are listed, or, if the Notes are not listed on an exchange, on a pro rata basis or by lot or in accordance with any other method the Trustee considers fair and appropriate.

Notes and portions thereof that the Trustee selects shall be in amounts equal to the minimum authorized denomination for Notes to be redeemed or any integral multiple thereof. Provisions of this Indenture that apply to Notes called for redemption also apply to portions of Notes called for redemption. The Trustee shall notify the Company promptly in writing of the Notes or portions of Notes to be called for redemption.

SECTION 3.03. Notice of Redemption.

At least 30 days but not more than 60 days before the Redemption Date, the Company shall mail a notice of redemption by first-class mail to each Holder whose Notes are to be redeemed at the address of such Holder appearing in the Register. So long as the Notes are listed on the Luxembourg Stock Exchange, any such notice to the Holders of the relevant Notes shall also be published in a daily newspaper of general circulation in Luxembourg (which is expected to be the Luxembourg Wort).

The notice shall identify the Notes to be redeemed and shall state:

(i) the Redemption Date;

(ii) the method being used to determine the Redemption Price;

(iii) if fewer than all outstanding Notes are to be redeemed, the portion of the principal amount of the Notes to be redeemed and that, after the Redemption Date, upon surrender of such Note, a new Note in principal amount equal to the unredeemed portion will be issued;

(iv) the name and address of each Paying Agent;

(v) that Notes called for redemption must be surrendered to the Paying Agent to collect the Redemption Price;

(vi) that, unless the Company defaults in payment of the Redemption Price, interest on Notes called for redemption ceases to accrue interest on and after the Redemption Date; and

(vii) the ISIN number or Common Code, if any, of the Notes to be redeemed.

At the Company's written request, the Trustee shall give the notice of redemption in the Company's name and at its expense. The notice mailed in the manner herein provided shall be conclusively presumed to have been duly given when mailed to the Holder or, when first published, as applicable, whether or not the Holder receives such notice. In any case, failure to give such notice by mail or any defect in the notice to the Holder of any Notes shall not affect the validity of the proceeding for the redemption of any other Notes.

SECTION 3.04. Effect of Notice of Redemption.

Once notice of redemption is mailed, Notes called for redemption become due and payable on the Redemption Date at the Redemption Price. Upon surrender to the Paying Agent, such Notes shall be paid at the Redemption Price.

SECTION 3.05. Deposit of Redemption Price.

Prior to or no later than 10:00 a.m. (London time) on the Redemption Date, the Company shall deposit with the Trustee or with the Paying Agent an amount of money sufficient to pay the Redemption Price of all Notes to be redeemed on that date. The Paying Agent shall promptly return to the Company any amount of money not required for that purpose.

SECTION 3.06. Notes Redeemed in Part.

Upon surrender of a Note that is redeemed in part, the Company shall execute and the Trustee shall authenticate for the Holder at the expense of the Company, a new Note equal in principal amount to the unredeemed portion of the Note surrendered.

SECTION 3.07. Optional Redemption.

(a) The Company may, at its option, redeem the Notes, in whole, at any time, or in part, from time to time, at the Redemption Price equal to the greater of:

(i) 100% of the principal amount of the Notes being redeemed; and

(ii) as determined by an Independent Investment Banker, the sum of the present values of the remaining scheduled payments of principal and interest (exclusive of the interest accrued to the Redemption Date) on the Notes being redeemed from the Redemption Date to the Maturity Date discounted to the Redemption Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Bund Rate plus 50 basis points.

plus, any interest accrued but not paid to the Redemption Date.

(b) For purposes of this optional redemption provision, the following terms have the following definitions:

"Bund Rate" means the five-day average of the daily fixing on the Frankfurt Stock Exchange of the rate for German Bund securities having a constant maturity most nearly equal to the period from the Redemption Date

to the Maturity Date; provided, however, that if the period from the Redemption Date to the Maturity Date is not equal to the constant maturity of a German Bund security for which a weekly average yield is given, the Bund Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of German Bund securities for which such yields are given, except that if the period from the Redemption Date to the Maturity Date is less than one year, the weekly average yield on actually traded German Bund securities adjusted to a constant maturity of one year shall be used.

"Independent Investment Banker" means any internationally recognized investment banking firm that in the ordinary course of business is a dealer in German Bund securities, that is not affiliated with the Company, appointed by the Trustee after consultation with the Company.

ARTICLE IV

COVENANTS

SECTION 4.01. Payment of Notes.

The Company shall pay, or cause to be paid, the principal of and interest on the Notes on the dates and in the manner provided in this Indenture and the Notes. Principal and interest shall be considered paid on the date due if the Paying Agent, if other than the Company, a Subsidiary of the Company or any Affiliate of any of them, holds as of 11:00 a.m. (London time) on that date immediately available funds designated for and sufficient to pay all principal and interest then due. If the Company or any Subsidiary of the Company or any Affiliate of any of them acts as Paying Agent, principal or interest shall be considered paid on the due date if the entity acting as Paying Agent complies with the second paragraph of Section 2.05 hereof.

The Company shall pay interest on overdue principal and interest on overdue installments of interest, to the extent lawful, at the rate per annum specified therefor in the Notes.

Notwithstanding anything to the contrary contained in this Indenture, the Company may, to the extent it is required to do so by law, deduct or withhold income or other similar taxes imposed by the United States of America from principal or interest payments hereunder.

SECTION 4.02. Maintenance of Office or Agency.

The Company shall maintain in the Borough of Manhattan, The City of New York and London, England, an office or agency (which may be an office of the Trustee or an affiliate of the Trustee or Registrar) where the Notes may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Company in respect of the Notes and this Indenture may be served and, so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of such exchange require, the Company shall maintain an office or agency in Luxembourg. The Company shall give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company fails to maintain any such required office or agency or fails to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the principal Corporate Trust Office of the Trustee.

The Company may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in the Borough of Manhattan, The City of New York, London, England and, so long as the Notes are listed on the Luxembourg Stock Exchange, and the rules of such exchange

require, in Luxembourg for such purposes. The Company shall give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

The Company hereby designates (i) the principal Corporate Trust Office of the Trustee as its office or agency in The Borough of Manhattan, The City of New York, (ii) Kredietbank S.A. Luxembourgeoise as its office or agency in Luxembourg and (iii) The Bank of New York - London Branch as its office or agency in London as such offices or agencies of the Company in accordance with Section 2.04 hereof.

SECTION 4.03. Reports.

(a) 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; provided, however, the Company shall not be required to deliver to the Trustee any materials for which the Company has sought and received confidential treatment by the SEC. The Company also shall comply with the other provisions of Section 314(a) of the TIA. 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 Officers' Certificates).

(b) If at any time the Company is not subject to Section 13 or Section 15(d) of the Exchange Act, upon the request of a Holder of Notes, the Company will promptly furnish or cause the Trustee to furnish to such Holder or to a prospective purchaser of a Note designated by such Holder, as the case may be, the information, if any, required to be delivered by it pursuant to Rule 144A(d)(4) under the Securities Act to permit compliance with Rule 144A in connection with resales of the Notes.

SECTION 4.04. Compliance Certificate.

The Company shall deliver to the Trustee, within 120 days after the end of each fiscal year of the Company starting with the Company's fiscal year ending December 31, 2001, an Officers' Certificate stating that in the course of the performance by the signers of their duties as officers of the Company, they would normally have knowledge of any failure by the Company to comply with all conditions, or Default by the Company with respect to any covenants, under this Indenture, and further stating whether or not they have knowledge of any such failure or Default and, if so, specifying each such failure or Default and the nature thereof. For purposes of this Section, such compliance shall be determined without regard to any period of grace or requirement of notice provided for in this Indenture. The certificate need not comply with Section 11.04 hereof.

SECTION 4.05. Taxes.

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

SECTION 4.06. Corporate Existence.

Subject to Article V hereof, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect (i) its corporate existence and (ii) the material rights (charter and statutory), licenses and franchises of the Company and its Subsidiaries taken as a whole; provided, however, that the Company shall not be required to preserve any such right, license or franchise if the Board of Directors or

management of the Company determines that the preservation thereof is no longer in the best interests of the Company, and that the loss thereof is not adverse in any material respect to the Holders.

SECTION 4.07. Limitation on Liens.

The Company shall not, nor shall it permit any of its Restricted Subsidiaries to, create, incur, assume or permit to exist any Lien on any of its or their respective properties or assets, whether now owned or hereafter acquired, or upon any income or profits therefrom, without effectively providing that the Notes shall be equally and ratably secured until such time as such Indebtedness is no longer secured by such Lien, except:

(i) Permitted Liens;

(ii) Liens on shares of capital stock of Subsidiaries of the Company (and the proceeds thereof) securing obligations under the Principal Credit Facilities;

(iii) Liens on receivables subject to a Receivable Financing Transaction;

(iv) Liens arising in connection with industrial development bonds or other industrial development, pollution control or other tax-favored or government-sponsored financing transactions, provided that such Liens do not at any time encumber any property other than the property financed by such transaction and other property, assets or revenues related to the property so financed on which Liens are customarily granted in connection with such transactions (in each case, together with improvements and attachments thereto);

(v) Liens granted after the Issue Date on any assets or properties of the Company or any of its Restricted Subsidiaries to secure obligations under the Notes;

(vi) Extensions, renewals and replacements of any Lien described in subsections (i) through (v) above; and

(vii) Other Liens in respect of Indebtedness of the Company and its Restricted Subsidiaries in an aggregate principal amount at any time not exceeding 5% of Consolidated Assets at such time.

SECTION 4.08. Limitation on Sale and Lease-Back Transactions.

The Company shall not, nor shall it permit any of its Restricted Subsidiaries to, enter into any sale and lease-back transaction for the sale and leasing back of any property or asset, whether now owned or hereafter acquired, of the Company or any of its Restricted Subsidiaries (except such transactions (i) entered into prior to the Issue Date, (ii) for the sale and leasing back of any property or asset by the Company or a Restricted Subsidiary of the Company to the Company or any other Restricted Subsidiary of the Company, (iii) involving leases for less than three years or (iv) in which the lease for the property or asset is entered into within 120 days after the later of the date of acquisition, completion of construction or commencement of full operations of such property or asset) unless:

(a) the Company or such Restricted Subsidiary would be entitled under Section 4.07 hereof to create, incur, assume or permit to exist a Lien on the assets to be leased in an amount at least equal to the Attributable Value in respect of such transaction without equally and ratably securing the Notes; or

(b) the proceeds of the sale of the assets to be leased are at least equal to their fair market value and the proceeds are applied to the purchase, acquisition, construction or refurbishment of assets or to the repayment of Indebtedness of the Company or any of its Restricted Subsidiaries which on the date of original incurrence had a maturity of more than one year.

ARTICLE V

MERGER, ETC.

SECTION 5.01. When Company May Merge, etc.

The Company shall not consolidate or merge with or into, or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its assets to, any Person unless:

(i) the Person formed by or surviving any such consolidation or merger (if other than the Company), or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made, is a corporation organized and existing under the laws of the United States of America, any state thereof or the District of Columbia;

(ii) the Person formed by or surviving any such consolidation or merger (if other than the Company), or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made, assumes by supplemental indenture satisfactory in form to the Trustee all of the obligations of the Company under the Notes and this Indenture; and

(iii) immediately after such transaction, and giving effect thereto, no Default or Event of Default shall have occurred and be continuing.

Notwithstanding the foregoing, the Company may merge with another Person or acquire by purchase or otherwise all or any part of the property or assets of any other corporation or Person in a transaction in which the surviving entity is the Company.

SECTION 5.02. Successor Corporation Substituted.

Upon any consolidation or merger, or any sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all the assets of the Company in accordance with Section 5.01 hereof, the successor corporation formed by such consolidation or into which the Company is merged or to which such sale, assignment, transfer, 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 corporation had been named as the Company herein. In the event of any such sale or conveyance, but not any such lease, the Company or any successor corporation which thereafter will have become such in the manner described in this Article V shall be discharged from all obligations and covenants under the Notes and this Indenture and may be dissolved, wound up or liquidated.

ARTICLE VI

DEFAULTS AND REMEDIES

SECTION 6.01. Events of Default.

An "Event of Default" with respect to the Notes occurs when any of the following occurs:

(i) failure by the Company to pay principal of any Note when due and payable at stated maturity, upon acceleration, redemption or otherwise;

(ii) failure by the Company to pay any interest on any Note when due, and the Default continues for 30 days;

(iii) failure by the Company or any Guarantor to comply with any of its other agreements or covenants in, or provisions of, the Notes or this Indenture, other than covenants or agreements included in this Indenture solely for the benefit of any other series of notes, and the Default continues for the period and after the notice specified below;

(iv) any Guarantee of the Notes ceases to be in full force and effect or any Guarantor denies or disaffirms its obligations under its Guarantee of the Notes, except, in each case, in connection with a release of a Guarantee in accordance with the terms of this Indenture;

(v) the nonpayment at maturity or other default, beyond any applicable grace period, under any agreement or instrument relating to any other Indebtedness of the Company or any of its Subsidiaries, the unpaid principal amount of which is not less than $40 million, which default results in the acceleration of the maturity of such Indebtedness prior to its stated maturity or occurs at the final maturity thereof,

(vi) the entry of any final judgment or orders against the Company or any of its Subsidiaries in excess of $40 million individually or in the aggregate, not covered by insurance, that is not paid, discharged or otherwise stayed, by appeal or otherwise, within 60 days after the entry of such judgments or orders; and

(vii) the Company or a Significant Subsidiary pursuant to or within the meaning of any Bankruptcy Law:

(a) commences a voluntary case or proceeding;

(b) consents to the entry of an order for relief against it in an involuntary case or proceeding;

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

(d) makes a general assignment for the benefit of its creditors; or

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

(a) is for relief against the Company or any Significant Subsidiary in an involuntary case or proceeding;

(b) appoints a Custodian for the Company or any Significant Subsidiary or for all or substantially all of its property; or

(c) orders the winding up or liquidation of the Company or any Significant Subsidiary,

and any such order or decree under this clause (viii) remains unstayed and in effect for 60 days.

A Default under clause (iii) of this Section 6.01 is not an Event of Default until the Trustee notifies the Company in writing, or the Holders of at least 25% in principal amount of the outstanding Notes notify the Company and the Trustee in writing, of the Default, and the Company does not cure the Default within 30 days after receipt of the notice. The notice must specify the Default, demand that it be remedied and state that the notice is a "Notice of Default".

SECTION 6.02. Acceleration.

If an Event of Default with respect to outstanding Notes (other than an Event of Default specified in clause (vii) or (viii) of Section 6.01 hereof) occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the outstanding Notes, by written notice to the Company, may declare due and payable 100% of the principal amount of all Notes plus any accrued and unpaid interest to the date of payment. Upon a declaration of acceleration, such principal (or such lesser amount) and accrued and unpaid interest to the date of payment shall be due and payable. If an Event of Default specified in clause (vii) or (viii) of Section 6.01 hereof occurs, all unpaid principal and accrued interest on the Notes shall become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.

The Holders of a majority in principal amount of the outstanding Notes by written notice to the Trustee may rescind and annul an acceleration and its consequences if (i) all existing Events of Default, other than the nonpayment of principal (or such lesser amount) of or interest on the Notes which have become due solely because of the acceleration, have been cured or waived and (ii) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction.

SECTION 6.03. Other Remedies.

If an Event of Default with respect to outstanding Notes occurs and is continuing, the Trustee may pursue any available remedy by proceeding at law or in equity to collect the payment of principal of or interest on the Notes or to enforce the performance of any provision of the Notes or this Indenture, including, without limitation, seeking recourse against any Guarantor.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder in exercising any right or remedy accruing upon the Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. No remedy is exclusive of any other remedy. All remedies are cumulative to the extent permitted by law.

SECTION 6.04. Waiver of Past Defaults.

Subject to Sections 6.07 and 9.02 hereof, the Holders of at least a majority in principal amount of the outstanding Notes by notice to the Trustee may waive an existing Default or Event of Default except a Default or Event of Default in the payment of the principal of or interest on any Note (provided, however, that, subject to Section 6.07, the Holders of a majority in principal amount of the then outstanding Notes may rescind an acceleration and its consequences, including any related payment default that resulted from such acceleration). When a Default or Event of Default is waived, it is deemed cured and ceases.

SECTION 6.05. Control by Majority.

The Holders of at least a majority in principal amount of the outstanding Notes may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on it. However, the Trustee may refuse to follow any direction that (i) conflicts with law or this Indenture, (ii) the Trustee determines may be unduly prejudicial to the rights of other Holders or (iii) may involve the Trustee in personal liability. The Trustee may take any other action which it deems proper which is not inconsistent with any such direction.

SECTION 6.06. Limitation on Suits.

Subject to the provisions of Section 6.07 hereof, no Holder of Notes may pursue any remedy with respect to this Indenture or the Notes unless:

(i) the Holder gives to the Trustee written notice stating that an Event of Default is continuing;

(ii) the Holders of at least 25% in principal amount of the outstanding Notes make a written request to the Trustee to pursue the remedy;

(iii) such Holder or Holders offer to the Trustee indemnity satisfactory to the Trustee against any loss, liability, cost or expense;

(iv) the Trustee does not comply with the request within 60 days after receipt of the request and the offer of indemnity; and

(v) during such 60-day period, the Holders of at least a majority in principal amount of the outstanding Notes do not give the Trustee a direction inconsistent with the request.

A Holder may not use this Indenture to prejudice the rights of another Holder or to obtain a preference or priority over another Holder.

SECTION 6.07. Rights of Holders To Receive Payment.

Notwithstanding any other provision of this Indenture, the right of any Holder of a Note to receive payment of principal of or interest, if any, on the Note on or after the respective due dates expressed or provided for in the Note, or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of the Holder.

SECTION 6.08. Collection Suit by Trustee.

If an Event of Default specified in Section 6.01(i) or (ii) hereof occurs and is continuing with respect to Notes, the Trustee may recover judgment in its own name and as trustee of an express trust against the Company (and any other obligor on the Notes, including any Guarantor) for the whole amount of principal and accrued interest, if any, remaining unpaid on the outstanding Notes (and the related Guarantees), together with (to the extent lawful) interest on overdue principal and interest, and such further amount as shall be sufficient to cover the costs and, to the extent lawful, expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel and any other amounts due the Trustee under Section 7.07 hereof.

SECTION 6.09. Trustee May File Proofs of Claim.

The Trustee may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee and the Holders allowed in any judicial proceeding relative to the Company (or any other obligor upon the Notes, including any Guarantor), its creditors or its property and shall be entitled and empowered to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same, and any custodian in any such judicial proceedings 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 to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07 hereof. Nothing contained in this Indenture 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 Notes 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 6.10. Priorities.

If the Trustee collects any amount of money pursuant to this Article VI, it shall pay out the money in the following order:

First: to the Trustee, its agents and attorneys for amounts due under Section 7.07 hereof, including payment of all compensation, expense and liabilities incurred, and all advances made by the trustee and the costs and expenses of collection;

Second: to Holders for amounts due and unpaid on the Notes for principal and interest, if any, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal and interest, respectively; and

Third: to the Company or any other obligors on the Notes, as their interests may appear, or to such party as a court of competent jurisdiction may direct.

The Trustee, upon prior written notice to the Company, may fix a record date and payment date for any payment to Holders pursuant to this Section 6.10. The Trustee shall notify the Company in writing reasonably in advance of any such record date and payment date.

SECTION 6.11. Undertaking for Costs.

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 or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.07 hereof or a suit by Holders of more than 10% in principal amount of the outstanding Notes.

SECTION 6.12. Stay, Extension and Usury Laws.

The Company and each Guarantor covenants (to the extent that it may lawfully do so) that it shall 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, that may affect the covenants or

the performance of this Indenture; and the Company and each Guarantor (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it shall not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but shall suffer and permit the execution of every such power as though no such law has been enacted.

ARTICLE VII

TRUSTEE

SECTION 7.01. Duties of Trustee.

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

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

(1) the Trustee need perform only those duties that are specifically set forth in this Indenture or the TIA, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; provided, however, that in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall examine the certificates and opinions to determine whether or not, on their face, they conform to the requirements of this Indenture (but need not investigate or confirm the accuracy of 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 wilful misconduct except that:

(1) this paragraph does not limit the effect of paragraph (b) of this Section 7.01;

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

(3) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05 hereof.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b), (c) and (e) of this Section 7.01.

(e) No provision of this Indenture shall require the Trustee to expend or risk its own funds or incur any liability. The Trustee may refuse to perform any duty or exercise any right or power unless it receives indemnity satisfactory to it against any loss, liability, cost or expense (including, without limitation, reasonable fees of counsel).

(f) The Trustee shall not be obligated to pay interest on any money or other assets received by it unless otherwise agreed in writing with the Company. Assets held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

(g) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney at the sole cost of the Company and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation;

(h) 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 Notes and this Indenture;

(i) 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; and

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

SECTION 7.02. Rights of Trustee.

Subject to Section 315(a) through (d) of the TIA:

(a) The Trustee may rely on any document or other writing believed by it to be genuine and to have been signed or presented by the proper person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel, or both. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on the Officers' Certificate or Opinion of Counsel.

(c) The Trustee may act through attorneys and agents and shall not be responsible for the misconduct or negligence of any attorney or agent appointed with due care.

(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 the rights or powers conferred upon it by this Indenture, unless the Trustee's conduct constitutes negligence.

(e) The Trustee may consult with counsel of its selection and the advice of such counsel as to matters of law shall be full and complete authorization and protection in respect of any action taken, omitted or suffered by it hereunder in good faith and in accordance with the advice or opinion of such counsel.

(f) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Company shall be sufficient if signed by an Officer of the Company.

(g) the Trustee may request that the Company deliver an Officers' Certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture, which Officers' Certificate may be signed by any person authorized to sign an Officers' Certificate, including any person specified as so authorized in any such certificate previously delivered and not superseded.

SECTION 7.03. Individual Rights of Trustee.

The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Company or any Affiliate of the Company with the same rights it would have if it were not Trustee. However, in the event that the Trustee acquires any conflicting interest (as such term is defined in Section 3.10(b) of the TIA), it must eliminate such conflict within 90 days, apply to the SEC for permission to continue as trustee (to the extent permitted under Section 310(b) of the TIA) or resign. Any agent may do the same with like rights and duties. the Trustee is also subject to Sections 7.10 and 7.11 hereof.

SECTION 7.04. Money Held in Trust.

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

SECTION 7.05. Trustee's Disclaimer.

The Trustee or any Agent (i) makes no representation as to the validity or adequacy of this Indenture, the Notes or the Guarantees, (ii) is not be accountable for the Company's use of the proceeds from the Notes, and (iii) is not be responsible for any statement in the Notes other than its certificate of authentication.

SECTION 7.06. Notice of Defaults.

If a Default or Event of Default with respect the Notes occurs and is continuing, and if it is actually known to the Trustee, the Trustee shall mail to Holders a notice of the Default or Event of Default within 90 days after the occurrence thereof. Except in the case of a Default or Event of Default in payment of any such Note, the Trustee may withhold the notice if and so long as it in good faith determines that withholding the notice is in the interests of the Holders.

SECTION 7.07. Reports by Trustee to Holders.

The Trustee shall transmit to Holders such reports concerning the Trustee and its actions under this Indenture as may be required by Section 313 of the TIA at the times and in the manner provided by the TIA, which initially shall be not less than every twelve months commencing on March 21, 2001 and may be dated as of a date up to 75 days prior to such transmission.

A copy of each report at the time of its mailing to Holders shall be filed with the SEC, if required, and each stock exchange, if any, on which the Notes are listed. The Company shall promptly notify the Trustee when the Notes become listed or delisted on any stock exchange.

SECTION 7.08. Compensation and Indemnity.

The Company shall pay to the Trustee from time to time such compensation as shall be agreed in writing between the Company and the Trustee for its services hereunder. 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 reasonable disbursements, advances and expenses incurred by it, including in particular, but without limitation, those incurred in connection with the enforcement of any remedies hereunder. Such expenses may include the reasonable fees and out-of-pocket expenses of the Trustee's agents and counsel.

Except as set forth in the next paragraph, the Company shall indemnify and hold harmless the Trustee and any predecessor trustee against any and all loss and liability or expense, including taxes (other than taxes based upon, measured by or determined by the income of the Trustee) incurred by it arising out of or in connection with the acceptance or administration of the trust under this Indenture. The Trustee shall notify the Company promptly of any claim for which it may seek indemnity. The Company shall defend such claim and the Trustee shall cooperate in such defense. The Trustee may have separate counsel and the Company shall pay the reasonable fees and out-of-pocket expenses of such counsel.

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

To secure the Company's payment obligations in this Section 7.07, the Trustee shall have a lien prior to the Notes on all money or property held or collected by the Trustee, except that held in trust to pay the principal of and interest on particular Notes. The Trustee's right to receive payment of any amounts due under this Section 7.07 will not be subordinate to any other liability or indebtedness of the Company.

The Company's payment obligations pursuant to this Section 7.07 shall survive the satisfaction and discharge of this Indenture. When the Trustee incurs expenses or renders services after an Event of Default specified in clause (vii) or (viii) of Section 6.01 hereof occurs, the expenses and the compensation for the services are intended to constitute expenses of administration under any Bankruptcy Law.

The provisions of this Section shall survive the termination of this Indenture.

SECTION 7.09. 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 7.09.

The Trustee may resign and be discharged from the trust hereby created with respect to the Notes by so notifying the Company in writing. The Holders of a majority in principal amount of the then outstanding Notes may remove the Trustee by so notifying the Trustee and the Company in writing. The Company must remove the Trustee if:

(i) the Trustee fails to comply with Section 7.11 hereof or Section 310 of the TIA;

(ii) 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;

(iii) a Custodian or public officer takes charge of the Trustee or its property; or

(iv) the Trustee becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of the Trustee for any reason, the Company shall promptly appoint a successor Trustee. The Trustee shall be entitled to payment of its fees and reimbursement of its expenses while acting as Trustee. Within one year after the successor Trustee takes office, the Holders of at least a majority in principal amount of then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Company.

Any Holder of Notes may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee if the Trustee fails to comply with Section 7.11 hereof.

If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation or removal, the resigning or removed Trustee, as the case may be, may petition, at the expense of the Company, any court of competent jurisdiction for 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. Thereupon the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. The Company shall mail a notice of the successor Trustee's succession to the Holders. The retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee, subject to the lien provided for in Section 7.07 hereof. Notwithstanding replacement of the Trustee pursuant to this Section 7.08, the Company's obligations under Section 7.07 hereof shall continue for the benefit of the retiring Trustee with respect to expenses, losses and liabilities incurred by it prior to such replacement.

In case of the appointment hereunder of a successor Trustee, the Company, the retiring Trustee and the Trustee shall execute and deliver an indenture supplemental hereto wherein each successor Trustee shall accept such appointment and which shall:

(i) contain such provisions as shall be necessary of desirable to transfer and confirm to, and to vest in, the Trustee all the rights, powers, trusts and duties of the retiring Trustee to which the appointment of such successor Trustee relates;

(ii) contain such provisions as shall be necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee; and

(iii) add to or change any of the provisions of this Indenture as shall be necessary or desirable to provide for or facilitate the administration of the trusts hereunder by the Trustees.

Upon the execution and deliver of such supplemental Indenture, the resignation or removal of the retiring Trustee shall become effective to the extent provided therein and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Notes to which the appointment of such successor Trustee relates.

SECTION 7.10. Successor Trustee by Merger, Etc.

Subject to Section 7.11 hereof, if the Trustee consolidates with, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation or national banking association, the successor entity without any further act shall be the successor Trustee.

SECTION 7.11. Eligibility; Disqualification.

The Trustee shall at all times satisfy the requirements of Section 310(a)(1), (2) and (5) of the TIA. The Trustee shall at all times have a combined capital and surplus of at least $100 million as set forth in its most recent published annual report of condition. The Trustee is subject to Section 310(b) of the TIA.

SECTION 7.12. Preferential Collection of Claims Against the Company.

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

SECTION 7.13. 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 received 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.

SECTION 7.14. Appointment of Co-Trustee

(a) Notwithstanding any other provisions of this Indenture, at any time, for the purpose of meeting any legal requirement of any relevant jurisdiction, the Trustee shall have the power and may execute and deliver all instruments necessary to appoint one or more Persons to act as a co-trustee or co-trustees, or separate trustee or separate trustee, in such capacity and for the benefit of the Holders, subject to the other provisions of this Section, such powers, duties, obligations, rights and trusts as the Trustee may consider necessary or desirable. No co-trustee or separate trustee hereunder shall be required to meet the terms of eligibility as a successor trustee under Section 7.11 and no notice to Holders of the appointment of any co-trustee or separate trustee shall be required under Section 7.09 hereof.

(b) Every separate trustee and co-trustee shall, to the extent permitted by law, be appointed and act subject to the following provisions and conditions:

(i) all rights, powers, duties and obligations conferred or imposed upon the Trustee shall be conferred or imposed upon and exercised or performed by the Trustee under this Indenture and such separate trustee or co-trustee jointly (it being understood that such separate trustee or co-trustee is not authorized to act separately without the Trustee joining in such act except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed the Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations shall be exercised and performed singly by such separate trustee or co-trustee, but solely at the direction of the Trustee);

(ii) no trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder; and

(iii) the Trustee may at any time accept the resignation of or remove any separate trustee or co-trustee.

(c) Any notice, request or other writing given to the Trustee shall be deemed to have been given to each of the then separate trustees and co-trustees, as effectively as if given to each of them. Every instrument appointing any separate trustee or co-trustee shall refer to this Indenture and the conditions of this Article VII.

(d) Any separate trustee or co-trustee may at any time constitute the Trustee its agent or attorney-in-fact with full power and authority, to the extent not prohibited by law, to do any lawful act under or in respect of this Indenture on its behalf and in its name. If any separate trustee or co-trustee shall die, become incapable or acting, resign or be removed, all of its rights, remedies and trusts shall vest in and be exercised by the Trustee, to the extent permitted by law, without the appointment of a new or successor trustee.

(e) To the extent any co-trustee or separate trustee is not an affiliate of the Trustee, the appointment of the co-trustee shall be subject to the prior written consent of the Company, which consent shall not be reasonably withheld.

ARTICLE VIII

DISCHARGE OF INDENTURE

SECTION 8.01. Satisfaction and Discharge of Indenture.

This Indenture shall cease to be of further effect (except as to any surviving rights of registration of transfer or exchange of Notes herein expressly provided for), and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when:

(i) either:

(a) all Notes previously authenticated and delivered (other than Notes which have been destroyed, lost or stolen and which have been replaced or paid) have been delivered to the Trustee for cancellation; or

(b) all such Notes not previously delivered to the Trustee for cancellation have become due and payable (whether at stated maturity, early redemption or otherwise);

and, in the case of clause (b) above, the Company has 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 Notes, cash in Euros and/or Euro 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 principal of and interest on all the Notes on the dates such payments of principal or interest are due to maturity or redemption;

(ii) the Company has paid or caused to be paid all other sums payable hereunder by the Company with respect to the Notes; and

(iii) 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 with respect to the Notes have been complied with.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee under Section 7.07 hereof shall survive, and, if money will have been deposited with the Trustee pursuant to subclause (b) of clause (i) of this Section, the obligations of the Trustee under Sections 8.02 and 8.05 hereof shall survive.

SECTION 8.02. Application of Trust Funds; Indemnification.

(a) Subject to the provisions of Section 8.05 hereof, all money and Euro Government Obligations deposited with the Trustee pursuant to Section 8.01, 8.03 or 8.04 hereof and all money received by the Trustee in respect of Euro Government Obligations deposited with the Trustee pursuant to Sections 8.01, 8.03 or 8.04 hereof, shall be held in trust and applied by it, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or through any 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.

(b) The Company shall pay and shall indemnify the Trustee against any tax, fee or other charge imposed on or assessed against Euro Government Obligations deposited pursuant to Sections 8.01, 8.03 or 8.04 hereof or the interest and principal received in respect of such obligations other than any payable by or on behalf of Holders.

(c) The Trustee shall deliver or pay to the Company from time to time upon the request of the Company any Euro Government Obligations or money held by it as provided in Sections 8.01, 8.03 or 8.04 hereof 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 Euro Government Obligations or money were deposited or received. This provision shall not authorize the sale by the Trustee of any Euro Government Obligations held under this Indenture.

SECTION 8.03. Legal Defeasance.

The Company and the Guarantors shall be deemed to have been discharged from their obligations with respect to all of the outstanding Notes and the related Guarantees on the 91st day after the date of the deposit referred to in subparagraph (a) hereof, and the provisions of this Indenture, as it relates to such outstanding Notes and the related Guarantees, shall no longer be in effect (and the Trustee, at the expense of the Company, shall, upon the request of the Company, execute proper instruments acknowledging the same), except as to:

(i) the rights of Holders of Notes to receive, solely from the trust funds described in subparagraph (a) hereof, payments of the principal of or interest on the outstanding Notes on the date such payments are due;

(ii) the Company's obligations with respect to such Notes under Sections 2.04, 2.05, 2.07, 2.08, 2.09 and 2.10 hereof; and

(iii) the rights, powers, trust and immunities of the Trustee hereunder and the duties of the Trustee under Section 8.02 hereof and the duty of the Trustee to authenticate Notes issued on registration of transfer of exchange;

provided that the following conditions shall have been satisfied:

(a) 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 Notes, cash in Euros and/or Euro 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 principal of and interest on all the Notes on the dates such payments of principal or interest are due to maturity or redemption;

(b) such deposit will not result in a breach or violation of, or constitute a Default under, this Indenture;

(c) no Default or Event of Default shall have occurred and be continuing on the date of such deposit and 91 days shall have passed after the deposit has been made, and, during such 91 day period, no Default specified in Section 6.01(vii) or (viii) hereof with respect to the Company occurs which is continuing at the end of such period;

(d) the Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel to the effect that (A) the Company has received from, or there has been published by, the Internal Revenue Service a ruling, or (B) since the date of execution of this Indenture, there has been a change in the applicable U.S. federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the Holders will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such deposit, defeasance and discharge and will be subject to U.S. 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;

(e) 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 over any other creditors of the Company or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Company;

(f) 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

(g) the Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the defeasance contemplated by this Section 8.03 have been complied with.

SECTION 8.04. Covenant Defeasance.

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 4.03(a), 4.04, 4.05, 4.07, 4.08 and 10.06 hereof as well as any additional covenants contained in a supplemental indenture hereto (and the failure to comply with any such provisions shall not constitute a Default or Event of Default under Section 6.01 hereof) and the occurrence of any event described in clause (iii) of Section 6.01 hereof shall not constitute a

Default or Event of Default hereunder, provided that the following conditions shall have been satisfied:

(i) With reference to this Section 8.04, the Company has deposited, or caused to be deposited, irrevocably (except as provided in Section 8.05 hereof) with the Trustee as trust funds in trust, specifically pledged as security for, and dedicated solely to, the benefit of the Holders, cash in Euros and/or Euro Government Obligations which through the payment of principal and interest 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 on all the Notes on the dates such payments of principal and interest are due to maturity or redemption;

(ii) Such deposit will not result in a breach or violation of, or constitute a Default under, this Indenture;

(iii) No Default or Event of Default with respect to the Notes shall have occurred and be continuing on the date of such deposit and 91 days shall have passed after the deposit has been made, and, during such 91 day period, no Default with respect to the Notes specified in Section 6.01(vii) or (viii) hereof with respect to the Company occurs which is continuing at the end of such period;

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

(v) 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 Notes over any other creditors of the Company or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Company;

(vi) 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

(vii) 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 8.04 have been complied with.

SECTION 8.05. 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 or interest that remains unclaimed for two years after the date upon which such payment shall have become due. After payment to the Company, Holders 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, SUPPLEMENTS AND WAIVERS

SECTION 9.01. Without Consent of Holders.

Without the consent of any Holder, the Company, the Guarantors and the Trustee may, at any time, amend this Indenture, the Notes or the Guarantees to:

(i) cure any ambiguity, defect or inconsistency, provided that such change does not adversely affect the rights hereunder of any Holder in any material respect;

(ii) provide for uncertificated Notes in addition to certificated Notes;

(iii) provide for the assumption of the Company's obligations to the Holders of Notes in the case of a merger or consolidation pursuant to Article V hereof;

(iv) comply with requirements of the SEC in order to effect or maintain the qualification of this Indenture under the TIA, provided that such change does not adversely affect the rights hereunder of any Holder in any material respect;

(v) make any change that does not adversely affect in any material respect the rights hereunder of any Holder;

(vi) add to the covenants of the Company and the Guarantors for the benefit of the Holders or to surrender any right or power herein conferred upon the Company or the Guarantors;

(vii) add a Guarantor or remove a Guarantor in respect to the Notes which, in accordance with the terms of this Indenture, ceases to be liable in respect of its Guarantee;

(viii) secure the Notes;

(ix) provide for the issuance of the Exchange Notes, which will have terms substantially identical in all material respects to the Initial Notes (except that (i) such Exchange Notes shall not contain terms with respect to transfer restrictions and shall be registered under the Securities Act and (ii) certain provisions relating to an increase in the stated rate of interest thereon shall be eliminated) and which will be treated, together with any outstanding Initial Notes, as a single issue of securities; or

(x) provide for issuances of Additional Notes.

SECTION 9.02. With Consent of Holders.

Except as provided below in this Section 9.02, this Indenture, the Notes or the Guarantees may be amended or supplemented, and noncompliance in any particular instance with any provision of this Indenture, the Notes or the Guarantees may be waived, in each case with the written consent of the Holders of at least a majority in principal amount of the then outstanding Notes.

Without the consent of each Holder of Notes, an amendment or waiver under this Section 9.02 may not:

(i) reduce the principal amount of Notes the Holders of which must consent to an amendment, supplement or waiver of any provision of this Indenture;

(ii) reduce the rate of or extend the time for payment of interest on any Note;

(iii) reduce the principal of or change the stated maturity of any Notes;

(iv) change the date on which any Note may be subject to redemption, or reduce the redemption price therefor;

(v) make any Note payable in currency other than that stated in the Note;

(vi) modify or change any provision of this Indenture affecting the ranking of the Notes in a manner which adversely affects the Holders thereof;

(vii) impair the right of any Holder to institute suit for the enforcement of any payment in or with respect to any Note;

(viii) modify or change any provision of any Guarantee in a manner which adversely affects the Holders of the Notes; or

(ix) make any change in the foregoing amendment and waiver provisions which require each Holder's consent.

It shall not be necessary for the consent of the Holders under this Section 9.02 to approve the particular form of any proposed amendment or waiver, but it shall be sufficient if such consent approves the substance thereof.

After an amendment or waiver under this Section 9.02 becomes effective, the Company shall mail to Holders affected thereby a notice briefly describing the amendment or waiver. Any failure of the Company to mail such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such amended or supplemental indenture or waiver.

SECTION 9.03. Compliance with Trust Indenture Act.

Every amendment to this Indenture or the Notes shall be set forth in a supplemental indenture that complies with the TIA as then in effect.

SECTION 9.04. Revocation and Effect of Consents.

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder is a continuing consent by the Holder and every subsequent Holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note; provided, however, that unless a record date shall have been established pursuant to Section 2.17 hereof, any such Holder or subsequent Holder may revoke the consent as to its Note or portion of a Note if the Trustee receives written notice of revocation before the date the amendment, supplement or waiver becomes effective. An amendment, supplement or waiver becomes effective on receipt by the Trustee of consents from the Holders of the requisite percentage principal amount of the outstanding Notes, and thereafter shall bind every Holder of Notes; provided, however, if the amendment, supplement or waiver makes a change described in any of the clauses (i) through (ix) of Section 9.02 hereof, the amendment, supplement or waiver shall bind only each Holder of a Note which has

consented to it and every subsequent Holder of a Note or portion of a Note that evidences the same indebtedness as the consenting Holder's Note.

SECTION 9.05. Notation on or Exchange of Notes.

If an amendment, supplement or waiver changes the terms of a Note:

(a) the Trustee may require the Holder of a Note to deliver such Note to the Trustee, the Trustee may place an appropriate notation on the Note about the changed terms and return it to the Holder and the Trustee may place an appropriate notation on any Note thereafter authenticated; or

(b) if the Company or the Trustee so determines, the Company in exchange for the Note shall issue and the Trustee shall authenticate a new Note that reflects the changed terms.

Failure to make the appropriate notation or issue a new Note shall not affect the validity and effect of such amendment, supplement or waiver.

SECTION 9.06. Trustee to Sign Amendment, etc.

The Trustee shall sign any amendment authorized pursuant to this Article IX if the amendment does not adversely affect the rights, duties, liabilities or immunities of the Trustee. If it does, the Trustee may but need not sign it. In signing or refusing to sign such amendment, the Trustee shall be entitled to receive and shall be fully protected in relying upon an Officers' Certificate and an Opinion of Counsel as conclusive evidence that such amendment is authorized or permitted by this Indenture.

ARTICLE X

GUARANTEES

SECTION 10.01. Guarantees.

(a) Subject to the provisions of this Article X, each Guarantor, jointly and severally, irrevocably and unconditionally guarantees to each Holder of Notes and to the Trustee on behalf of the Holders:

(i) the due and punctual payment in full of principal of and interest on the Notes when due, whether at stated maturity, upon acceleration, redemption or otherwise;

(ii) the due and punctual payment in full of interest on the overdue principal of and, to the extent permitted by law, interest on the Notes; and

(iii) the due and punctual payment of all other Obligations of the Company and the other Guarantors to the Holders or the Trustee hereunder or under the Notes, including, without limitation, the payment of fees, expenses, indemnification or other amounts.

In case of the failure of the Company punctually to make any such principal or interest payment or the failure of the Company or any other Guarantor to pay any such other Obligation, each Guarantor agrees to cause any such payment to be made punctually when due, whether at stated maturity, upon acceleration, redemption or otherwise, and as if such payment were made by the Company and to perform any such other Obligation of the Company immediately. Each Guarantor further agrees to pay any and all expenses (including reasonable counsel fees

and expenses) incurred by the Trustee or the Holders in enforcing any rights under these Guarantees. The Guarantees under this Article X are guarantees of payment and not of collection.

(b) Each of the Company and the Guarantors waives diligence, presentment, demand of payment, filing of claims with a court in the event of merger, insolvency or bankruptcy of the Company or any other Guarantor, any right to require a proceeding first against the Company or any other Guarantor, protest or notice with respect to the Notes and all demands whatsoever, and covenants that these Guarantees shall not be discharged except by complete performance of the Obligations contained in the Notes and in this Indenture, or as otherwise specifically provided therein or herein.

(c) Each Guarantor waives and relinquishes:

(i) any right to require the Trustee, the Holders or the Company (each, a "Benefited Party") to proceed against the Company, the Subsidiaries of the Company or any other Person or to proceed against or exhaust any security held by a Benefited Party at any time or to pursue any other remedy in any secured party's power before proceeding against the Guarantors;

(ii) any defense that may arise by reason of the incapacity, lack of authority, death or disability of any other Person or Persons or the failure of a Benefited Party to file or enforce a claim against the estate (in administration, bankruptcy or any other proceeding) of any other Person or Persons;

(iii) demand, protest and notice of any kind (except as expressly required by this Indenture), including, but not limited to, notice of the existence, creation or incurrence of any new or additional indebtedness or obligation or of any action or non-action on the part of the Guarantors, the Company, the Subsidiaries of the Company, any Benefited Party, any creditor of the Guarantors, the Company or the Subsidiaries of the Company or on the part of any other Person whomsoever in connection with any obligations the performance of which are hereby guaranteed;

(iv) any defense based upon an election of remedies by a Benefited Party, including but not limited to an election to proceed against the Guarantors for reimbursement;

(v) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal;

(vi) any defense arising because of a Benefited Party's election, in any proceeding instituted under the Bankruptcy Law, of the application of Section 1111(b)(2) of the Bankruptcy Law; and

(vii) any defense based on any borrowing or grant of a security interest under Section 364 of the Bankruptcy Law.

(d) Each Guarantor further agrees that, as between such Guarantor, on the one hand, and Holders and the Trustee, on the other hand:

(i) for purposes of the relevant Guarantee, the maturity of the Obligations Guaranteed by such Guarantee may be accelerated as provided in Article VI, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the Obligations guaranteed thereby, and

(ii) in the event of any acceleration of such Obligations (whether or not due and payable) such Obligations shall forthwith become due and payable by such Guarantor for purposes of such Guarantee.

(e) The Guarantees shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment, or any part thereof, of principal of or interest on any of the Notes is rescinded or must otherwise be returned by the Holders or the Trustee upon the insolvency, bankruptcy or reorganization of the Company or any of the Guarantors, all as though such payment had not been made.

(f) Each Guarantor shall be subrogated to all rights of the Holders against the Company in respect of any amounts paid by such Guarantor pursuant to the provisions of the Guarantees or this Indenture; provided, however, that a Guarantor shall not be entitled to enforce or to receive any payments until the principal of and interest on all Notes issued hereunder shall have been paid in full.

SECTION 10.02. Obligations of Guarantors Unconditional.

Each Guarantor agrees that its Obligations hereunder shall be Guarantees of payment and shall be unconditional, irrespective of and unaffected by the validity, regularity or enforceability of the Notes or this Indenture, or of any amendment thereto or hereto, the absence of any action to enforce the same, the waiver or consent by any Holder or by the Trustee with respect to any provisions thereof or of this Indenture, the entry of any judgment against the Company or any other Guarantor or any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor.

SECTION 10.03. Limitation on Guarantors' Liability.

Each Guarantor, and by its acceptance hereof each Holder, confirms that it is the intention of all such parties that the Guarantee by such Guarantor pursuant to its Guarantee not constitute a fraudulent transfer or conveyance for purposes of the Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law. To effectuate the foregoing intention, the Holders and such Guarantor irrevocably agree that the Obligations of such Guarantor under this Article X shall be limited to the maximum amount as shall, after giving effect to all other contingent and fixed liabilities of such Guarantor and after giving effect to any collections from or payments made by or on behalf of any other Guarantor in respect of the Obligations of such other Guarantor under this Article X, result in the Obligations of such Guarantor under its Guarantee not constituting a fraudulent transfer or conveyance under applicable U.S. federal or state law.

SECTION 10.04. Releases of Guarantees.

(a) If the Notes are defeased in accordance with the terms of Article VIII of this Indenture, then each Guarantor shall be deemed to have been released from and discharged of its obligations under its Guarantee as provided in Article VIII hereof in respect of such Notes, subject to the conditions stated therein.

(b) In the event an entity that is a Guarantor ceases to be a guarantor under the Principal Credit Facilities, such entity shall also cease to be a Guarantor, whether or not a Default or an Event of Default is then outstanding. In connection with any Guarantor ceasing to be a Guarantor hereunder, the Company shall deliver to the Trustee an Officers' Certificate certifying that a Guarantor has ceased to be a guarantor under the Principal Credit Facilities (or will cease to be a guarantor concurrently with it ceasing to be a Guarantor). Upon delivery to the Trustee of such Officers' Certificate, upon the request of the Company, the Trustee shall execute proper documents acknowledging the release of such Guarantor from its obligations under the Indenture and the Notes, effective upon the Guarantor ceasing to be a guarantor under the Principal Credit Facilities.

(c) Any Guarantor not released from its obligations under its Guarantee shall remain liable for the full amount of principal of and interest on the Notes and for the other obligations of the Company, such Guarantor and any other Guarantor under this Indenture as provided in this Article X.

SECTION 10.05. Application of Certain Terms and Provisions to Guarantors.

(a) For purposes of any provision of this Indenture which provides for the delivery by any Guarantor of an Officers' Certificate or an Opinion of Counsel or both, the definitions of such terms in Section 1.01 hereof shall apply to such Guarantor as if references therein to the Company were references to such Guarantor.

(b) Any request, direction, order or demand which by any provision of this Indenture is to be made by any Guarantor shall be sufficient if evidenced by a written order of the Guarantor signed by one Officer of such Guarantor.

(c) Any notice or demand which by any provision of this Indenture is required or permitted to be given or served by the Trustee or by the Holders to or on any Guarantor may be given or served as described in Section 11.02 hereof.

(d) Upon any demand, request or application by any Guarantor to the Trustee to take any action under this Indenture, such Guarantor shall furnish to the Trustee such certificates and opinions as are required in Section 7.02 hereof as if all references therein to the Company were references to such Guarantor.

SECTION 10.06. Additional Guarantors.

The Company shall cause each subsidiary of the Company that becomes a guarantor under the Principal Credit Facilities (including any subsidiary that may have been formerly released as a Guarantor pursuant to Section 10.04), after the Issue Date, to execute and deliver to the Trustee, promptly upon any such formation or acquisition:

(i) a supplemental indenture in form and substance satisfactory to the Trustee which subjects such subsidiary to the provisions of this Indenture as a Guarantor, and

(ii) an Opinion of Counsel to the effect that such supplemental indenture has been duly authorized and executed by such subsidiary and constitutes the legally valid and binding obligation of such subsidiary (subject to exceptions concerning fraudulent conveyance laws, creditors' rights and equitable principles and other customary exceptions as may be acceptable to the Trustee in its discretion).

SECTION 10.07. Execution and Delivery of Guarantee.

To further evidence the Guarantee set forth in Section 10.01, each Guarantor hereby agrees that a notation of such Guarantee, substantially in the form of Exhibit E, shall be endorsed on each Note authenticated and delivered by the Trustee. Such Guarantee shall be executed on behalf of each Guarantor by either manual or facsimile signature of an Officer of the Guarantor, each of whom, in each case, shall have been duly authorized to so execute by all requisite corporate action. The validity and enforceability of any Guarantee shall not be affected by the fact that it is not affixed to any particular Note.

Each of the Guarantors hereby agrees that its Guarantee set forth in Section 10.01 shall remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Guarantee.

If an Officer of a Guarantor whose signature is on this Indenture or a Guarantee no longer holds that office at the time the Trustee authenticates the Note on which such Guarantee is endorsed or at any time thereafter, such Guarantor's Guarantee of such Note shall be valid nevertheless.

ARTICLE XI

MISCELLANEOUS

SECTION 11.01. Trust Indenture Act Controls.

This Indenture is subject to the provisions of the TIA which are required to be part of this Indenture, and shall, to the extent applicable, be governed by such provisions.

SECTION 11.02. Notices.

Any notice or communication to the Company, the Guarantors or the Trustee is duly given if in writing and delivered in person or mailed by first-class mail to the address set forth below:

If to the Company or any Guarantor, addressed to the Company or such Guarantor:

Lear Corporation
21557 Telegraph Road
Southfield, Michigan 48086-5008
Attention: Chief Financial Officer

with a copy to:

Winston & Strawn
35 West Wacker Drive
Chicago, Illinois 60601
Attention: John L. MacCarthy, Esq.

If to the Trustee or Paying Agent in The City of New York:

The Bank of New York
101 Barclay Street
Floor 21 West
New York, New York 10286
Attention: Corporate Trust Administration

if to the Paying Agent in London, England or Registrar:

The Bank of New York
One Canada Square
London E14 5AL
England
Telecopier No.: +44-20-7964-6399
Attention: Corporate Trust Administration

The Company, the Guarantors 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 Holder shall be (i) mailed by first-class mail to his address shown on the Register kept by the Registrar, (ii) in a daily newspaper of general circulation in The City of New York and London and (iii) so long as the Notes are listed on the Luxembourg Stock Exchange and it is required by the rules of the Luxembourg Stock Exchange, the Company will make publication of such notice to the Holders of the Notes in a leading newspaper having general circulation in Luxembourg (which is expected to be the Luxembourg Wort) or, if such publication is not practicable, in one other leading daily newspaper with general circulation in Europe, such newspaper being published on each business day in morning editions, whether or not it shall be published in Saturday, Sunday or holiday editions. For so long as the Notes are listed on the Luxembourg Stock Exchange, a copy of all notices will be provided by the Company to the Luxembourg Stock Exchange. Failure to mail a notice or communication to a Holder or any defect in such notice or communication shall not affect its sufficiency with respect to other Holders.

If a notice or communication is mailed or sent in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it, except that notice to the Trustee shall only be effective upon receipt thereof by the Trustee.

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

SECTION 11.03. Communication by Holders with Other Holders.

Holders may communicate pursuant to Section 312(b) of the TIA with other Holders with respect to their rights under the Notes, the Guarantees or this Indenture. The Company, the Guarantors, the Trustee, the Registrar and anyone else shall have the protection of Section 312(c) of the TIA.

SECTION 11.04. 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:

(i) an Officers' Certificate (which shall include the statements set forth in Section 11.05 hereof) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been complied with; and

(ii) an Opinion of Counsel (which shall include the statements set forth in Section 11.05 hereof) stating that, in the opinion of such counsel, all such conditions precedent and covenants have been complied with.

SECTION 11.05. Statements Required in Certificate or Opinion.

Each certificate (other than certificates provided pursuant to Section 4.04 hereof) or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include:

(i) a statement that each individual signing such certificate or opinion has read such covenant or condition;

(ii) 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;

(iii) a statement that, in the opinion of each such person, he or she 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

(iv) a statement as to whether or not, in the opinion of each such person, such condition or covenant has been complied with; provided, however, that with respect to matters of fact, an Opinion of Counsel may rely on an Officers' Certificate or certificate of public officials.

SECTION 11.06. Rules by Trustee and Agents.

The Trustee may make reasonable rules for action by or for a meeting of Holders. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

SECTION 11.07. Legal Holidays.

A "Legal Holiday" is a Saturday, a Sunday or a day on which banking institutions in Frankfurt, Germany, Luxemburg, London, England or The City of New York are not required or authorized to be open. 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 11.08. Duplicate Originals.

The parties may sign any number of copies of this Indenture. One signed copy is enough to prove this Indenture.

SECTION 11.09. Governing Law.

THIS INDENTURE, THE NOTES AND THE GUARANTEES SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 11.10. No Adverse Interpretation of Other Agreements.

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

SECTION 11.11. Successors.

All agreements of the Company under the Notes and this Indenture and of the Guarantors under the Guarantees and this Indenture shall bind their respective successors. All agreements of the Trustee in this Indenture shall bind its successor.

SECTION 11.12. Severability.

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

SECTION 11.13. Counterpart Originals.

This Indenture may be signed in one or more counterparts. Each signed copy shall be an original, but all of them together represent the same agreement.

SECTION 11.14. Waiver To Trial By Jury.

Each party hereto irrevocably and unconditionally waives any right to trial by jury in any proceeding arising under this Indenture.

SECTION 11.15. Currency Indemnity.

The Euro is the sole currency of account and payment for all sums payable under the Notes. The Company and Guarantors agree, jointly and severally, to indemnify each Holder and each person, if any, who controls any Holder within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any loss incurred by such Holder as a result of any judgment or order being given or made against the Company or any Guarantor, for any Euro amount due under the Notes and such judgment or order being expressed and paid in a currency (the "Judgment Currency") other than Euros and as a result of any variation as between (i) the rate of exchange at which the Euro amount is converted into the Judgment Currency for the purpose of such judgment or order and (ii) the spot rate of exchange in The City of New York at which such Holder on the date of payment of such judgment or order is able to purchase Euros with the amount of the Judgment Currency actually received by such Holder if such Holder had utilized such amount of Judgment Currency to purchase Euros as promptly as practicable upon such Holder's receipt thereof. The foregoing indemnity shall continue in full force and effect notwithstanding any such judgment or order as aforesaid. The term "spot rate of exchange" shall include any premiums and costs of exchange payable in connection with the purchase of, or conversion into, Euros. For the purposes of this Section, it will be sufficient for the Holder to certify that it would have suffered a loss had an actual purchase of Euros been made with the amount so received in the Judgment Currency on the date of receipt or recovery (or, if a purchase of Euros on such date had not been possible, on the first date on which it would have been possible). This indemnity shall (i) constitute a separate and independent obligation from the other obligations of the Company and the Guarantors, (ii) shall give rise to a separate and independent cause of action, (iii) shall apply irrespective of any waiver granted by any Holder, and (iv) shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note or any other judgment or order.

LEAR CORPORATION

By: /s/ Joseph F. McCarthy

Name: Joseph F. McCarthy
Title: Vice President, General Counsel and Secretary

LEAR OPERATIONS CORPORATION

By: /s/ Joseph F. McCarthy

Name: Joseph F. McCarthy
Title: Vice President, Secretary and General Counsel

LEAR CORPORATION AUTOMOTIVE HOLDINGS

By: /s/ Joseph F. McCarthy

Name: Joseph F. McCarthy
Title: Vice President and Secretary

LEAR CORPORATION EEDS AND INTERIORS

By: /s/ Joseph F. McCarthy

Name: Joseph F. McCarthy
Title: Vice President and Secretary

LEAR SEATING HOLDINGS CORP. #50

By: /s/ Joseph F. McCarthy

Name: Joseph F. McCarthy
Title: Secretary and General Counsel

THE BANK OF NEW YORK, AS TRUSTEE

By: /s/ Luis Perez

Name: Luis Perez
Title: Assistant Vice President

Dated: March 20, 2001

EXHIBIT A

[Form of Note]

[FACE OF NOTE]

[THIS NOTE IS A GLOBAL CERTIFICATE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A COMMON DEPOSITARY OR A NOMINEE OF A COMMON DEPOSITARY. THIS NOTE IS NOT EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE COMMON DEPOSITARY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS NOTE (OTHER THAN A TRANSFER OF THIS NOTE AS A WHOLE TO A COMMON DEPOSITARY OR A NOMINEE OF THE COMMON DEPOSITARY OR TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

THIS NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (I) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTIONS 2.01, 2.07, 2.08, 2.09, 2.10 AND 3.03, OF THE INDENTURE, (II) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.07 OF THE INDENTURE, (III) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.14 OF THE INDENTURE AND (IV) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR COMMON DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY. (1)]

[THE NOTE EVIDENCED HEREBY HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS, AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) OR (B) IT IS AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT) (AN "INSTITUTIONAL ACCREDITED INVESTOR") OR (C) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT; (2) AGREES THAT IT WILL NOT, PRIOR TO EXPIRATION OF THE HOLDING PERIOD APPLICABLE TO SALES OF THE NOTE EVIDENCED HEREBY UNDER RULE 144(K) UNDER THE SECURITIES ACT (OR ANY SUCCESSOR PROVISION), RESELL OR OTHERWISE TRANSFER THE NOTE EVIDENCED HEREBY EXCEPT (A) TO LEAR CORPORATION OR ANY SUBSIDIARY THEREOF, (B) TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, (C) TO AN INSTITUTIONAL ACCREDITED INVESTOR THAT, PRIOR TO SUCH TRANSFER,

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(1) This legend should be included only if the Note is issued in global form.

FURNISHES TO THE BANK OF NEW YORK, AS TRUSTEE (OR A SUCCESSOR TRUSTEE, AS APPLICABLE), A SIGNED LETTER CONTAINING CERTAIN REPRESENTATIONS AND AGREEMENTS RELATING TO THE RESTRICTIONS ON TRANSFER OF THE NOTE EVIDENCED HEREBY(THE FORM OF WHICH LETTER CAN BE OBTAINED FROM SUCH TRUSTEE OR A SUCCESSOR TRUSTEE, AS APPLICABLE), AND AN OPINION OF COUNSEL ACCEPTABLE TO LEAR CORPORATION THAT SUCH TRANSFER IS IN COMPLIANCE WITH THE SECURITIES ACT, (D) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 UNDER THE SECURITIES ACT, (E) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (F) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT (AND WHICH CONTINUES TO BE EFFECTIVE AT THE TIME OF SUCH TRANSFER) AND (3) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THE NOTE EVIDENCED HEREBY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. IN CONNECTION WITH ANY TRANSFER OF THE NOTE EVIDENCED HEREBY PRIOR TO EXPIRATION OF THE HOLDING PERIOD APPLICABLE TO SALES OF THE NOTE EVIDENCED HEREBY UNDER RULE 144(K) UNDER THE SECURITIES ACT (OR ANY SUCCESSOR PROVISION), THE HOLDER MUST CHECK THE APPROPRIATE BOX SET FORTH ON THE REVERSE HEREOF RELATING TO THE MANNER OF SUCH TRANSFER AND SUBMIT THIS CERTIFICATE TO THE BANK OF NEW YORK, AS TRUSTEE (OR A SUCCESSOR TRUSTEE, AS APPLICABLE). IF THE PROPOSED TRANSFEREE IS AN INSTITUTIONAL ACCREDITED INVESTOR OR A PURCHASER WHO IS NOT A U.S. PERSON, THE HOLDER MUST, PRIOR TO SUCH TRANSFER, FURNISH TO THE BANK OF NEW YORK, AS TRUSTEE (OR A SUCCESSOR TRUSTEE, AS APPLICABLE), SUCH CERTIFICATIONS, LEGAL OPINIONS OR OTHER INFORMATION AS IT MAY REASONABLY REQUIRE TO CONFIRM THAT SUCH TRANSFER IS BEING MADE PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION", "UNITED STATES" AND "U.S. PERSON" HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT.](2)

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(2) This legend should be included only as set forth in Section 2.02(a) of the Indenture.

LEAR CORPORATION

8 1/8% [Series B](3) Senior Note due 2008

ISIN No.

LEAR CORPORATION, a Delaware corporation (the "Company", which term includes any successor under the Indenture hereinafter referred to), for value received, promises to pay to , or its registered assigns, the principal sum of Euros (E) on April 1, 2008.

Interest Payment Dates: April 1 and October 1, commencing October 1, 2001

Regular Record Dates: March 15 and September 15

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

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(3) Include only for the Exchange Notes.

IN WITNESS WHEREOF, the Company has caused this Note to be executed manually or by facsimile by its duly authorized officers.

Dated: March 20, 2001

LEAR CORPORATION

By:

Name:
Title:

By:

Name:
Title:

Trustee's Certificate of Authentication

This is one of the 8 1/8% Senior Notes due 2008 referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK,
as Trustee

By:

Authorized Signatory

Date:

[REVERSE SIDE OF NOTE](4)

LEAR CORPORATION

8 1/8% [Series B](5) Senior Note due 2008

Capitalized terms used herein but not defined shall have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

1. Principal and Interest.

Lear Corporation, a Delaware corporation (the "Company") promises to pay interest on the principal amount of this Note at a rate of 8 1/8% per annum from the date of issuance until repayment at maturity or redemption. The Company will pay interest semiannually on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing October 1, 2001. Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the Issue Date. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Company shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, from time to time on demand, to the extent permitted by law, at the rate borne by this Note; it shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest (without regard to any applicable grace periods) from time to time on demand at the same rate to the extent permitted by law.

In accordance with the terms of the Registration Rights Agreement dated March 20, 2001 among the Company, the Guarantors and Salomon Brothers International Limited, Deutsche Bank AG, Credit Suisse First Boston (Europe) Limited, Chase Securities Inc., Lehman Brothers International (Europe), Merrill Lynch International, Bank Of America International Limited, BNP Paribas Securities Corp., Mizuho International plc, Scotia Capital (USA) Inc. and TD Securities Limited the annual interest rate borne by the Initial Notes shall be increased by 0.25% per annum from the rate shown above ("Additional Interest") on (A) July 18, 2001 if neither an exchange offer registration statement (the "Exchange Offer Registration Statement") nor shelf registration statement (the "Shelf Registration Statement") is filed prior to or on July 17, 2001, (B) October 16, 2001 if neither the Exchange Offer Registration Statement nor Shelf Registration Statement is declared effective by the Securities and Exchange Commission prior to or on October 15, 2001, (C) November 16, 2001, the Company has not exchanged Exchange Notes for all Initial Notes validly tendered in accordance with the terms of an exchange offer (the "Exchange Offer") prior to or on November 15, 2001, or (D) if applicable, the day the Shelf Registration Statement ceases to be effective if the Shelf Registration Statement has been declared effective but then ceases to be effective at any time prior to the expiration of the holding period referred to in Rule 144(k) (each such event referred to in clauses (A) through (D) above being a "Registration Default"). Any amount of Additional Interest will be payable in cash semiannually, in arrears, on each Interest Payment Date and will cease to accrue on the date (1) the Exchange Offer Registration Statement or Shelf Registration Statement is filed, in the case of (A) above, (2) the Exchange Offer Registration Statement or Shelf Registration Statement is declared effective, in the case of (B) above, and (3) the Exchange Notes are exchanged for all Initial Notes validly

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(4) Appropriate modifications shall be made to reflect the terms of Additional Notes.

(5) Include only for the Exchange Notes.

tendered in accordance with the terms of the Exchange Offer, in the case of (C) above, or (4) the Shelf Registration Statement which had ceased to remain effective prior to the expiration of the holding period referred to in Rule 144(k) is declared effective, in the case of (D) above. The Holder of this Note is entitled to the benefits of such Registration Rights Agreement. References herein to interest include any Additional Interest.

Notwithstanding any other provision of the Indenture or this Note: (i) accrued and unpaid interest on the Initial Notes being exchanged in the Exchange Offer shall be due and payable on the next Interest Payment Date for the Exchange Notes following the Exchange Offer and shall be paid to the Holder on the relevant record date of the Exchange Notes issued in respect of the Initial Notes being exchanged, (ii) interest on the Initial Notes being exchanged in the Exchange Offer shall cease to accrue on the date of completion of the Exchange Offer and interest on the Exchange Notes to be issued in the Exchange Offer shall accrue from the date of completion of the Exchange Offer and (iii) the Exchange Notes shall have no provisions for Additional Interest.

2. Method of Payment.

The Company will pay interest on the principal amount of the Notes as provided above on each Interest Payment Date, commencing October 1, 2001, to the persons which are Holders (as reflected in the Register at the close of business on the March 15 or September 15 immediately preceding the Interest Payment Date), in each case, even if the Note is cancelled on registration of transfer or registration of exchange after such record date; provided that, with respect to the payment of principal, the Company will make payment to the Holder that surrenders this Note to a Paying Agent on or after April 1, 2008.

The Company will pay principal, premium, if any, and interest in Euros that at the time of payment is legal tender for payment of public and private debts. If a payment date is a date other than a Business Day at a place of payment, payment may be made at that place on the next succeeding day that is a Business Day and no interest shall accrue for the intervening period.

Principal of, and premium, if any, and interest on, Physical Notes will be payable, and Physical Notes may be presented for registration of transfer or exchange, at the office or agency of the Company maintained for such purpose. Principal of, and premium, if any, and interest on, Global Notes will be payable by the Company through the Trustee to the Depositary in immediately available funds. Holders of Physical Notes will be entitled to receive interest payments by wire transfer in immediately available funds if appropriate wire transfer instructions have been received in writing by the Trustee not less than 15 days prior to the applicable Interest Payment Date. Such wire instructions, upon receipt by the Trustee, shall remain in effect until revoked by such Holder. If wire instructions have not been received by the Trustee with respect to any Holder of a Physical Note, payment of interest may be made by check in immediately available funds mailed to such Holder at the address set forth upon the Register maintained by the Registrar.

3. Paying Agent and Registrar.

Initially, The Bank of New York, the Trustee under the Indenture, will act as Paying Agent and the Registrar. The Company may change the Paying Agent or transfer agent without notice to any Holder. The Company, any Subsidiary of the Company or any Affiliate of any of them may act as a Paying Agent or a transfer agent, subject to certain limitations. So long as the Notes are listed on the Luxembourg Stock Exchange and the rules of such stock exchange so require, the Company will maintain a Paying Agent and transfer agent in Luxembourg.

4. Indenture.

The Company issued the Notes under an Indenture dated as of March 20, 2001 (the "Indenture"), among the Company, the Guarantors and The Bank of New York, as trustee (the "Trustee"). The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended ("TIA"). The Notes are subject to all such terms, and Holders are referred to the Indenture and the TIA for a statement of all such terms. To the extent permitted by applicable law, in the event of any inconsistency between the terms of this Note and the terms of the Indenture, the terms of the Indenture shall control.

5. Guarantees.

The Notes are guaranteed by the Guarantors, subject to the release of such guarantees under certain circumstances, as provided in the Indenture.

6. Optional Redemption.

The Notes will be redeemable, in whole or in part, upon not less than 30 nor more than 60 days' notice, at any time at the option of the Company, at the Redemption Price equal to the greater of: (i) 100% of the principal amount of such Notes and (ii) as determined by an Independent Investment Banker, the sum of the present values of the remaining scheduled payments of principal and interest (exclusive of the interest accrued to the Redemption Date) on the Notes being redeemed from the Redemption Date to the Maturity Date discounted to the Redemption Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Bund Rate plus 50 basis points, plus in each case any interest accrued but not paid to the Redemption Date. So long as the Notes are listed on the Luxembourg Stock Exchange, any such notice to the Holders of the relevant Notes shall also be published in a daily newspaper of general circulation in Luxembourg (which is expected to be the Luxembourg Wort).

Notes in original denominations larger than E1,000 may be redeemed in part. On and after the Redemption Date, interest ceases to accrue on Notes or portions of Notes called for redemption, unless the Company defaults in the payment of the Redemption Price.

7. Mandatory Redemption.

The Company shall not be required to make mandatory redemption or sinking fund payments with respect to the Notes.

8. Denominations; Transfer; Exchange.

The Notes are in registered form without coupons in denominations of E1,000 of principal amount and integral multiples of E1,000 in excess thereof. A Holder may register the transfer or exchange of Notes in accordance with the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Registrar need not register the transfer or exchange of any Notes selected for redemption. Also, it need not register the transfer or exchange of any Notes for a period beginning at the opening of business 15 Business Days before the day of any selection of Notes for redemption under Section 3.02 hereof and ending at the close of business on the day of selection.

9. Persons Deemed Owners.

The registered Holder of a Note shall be treated as its owner for all purposes.

10. Unclaimed Money.

If money for the payment of principal, premium, if any, or interest remains unclaimed for two years, the Trustee and the Paying Agent will pay the money back to the Company at its request. After that, Holders entitled to the money must look to the Company for payment, unless an abandoned property law designates another Person, and all liability of the Trustee and such Paying Agent with respect to such money shall cease.

11. Discharge Prior to Redemption or Maturity.

Subject to certain conditions contained in the Indenture, at any time some or all of the obligations under the Notes, the Guarantees and the Indenture may be terminated if the Company deposits with the Trustee Euros and/or Euro Government Obligations sufficient to pay the principal of, and premium, if any, and interest on, the Notes to redemption or stated maturity, as the case may be.

12. Amendment; Supplement; Waiver.

Subject to certain exceptions, the Indenture, the Notes and the Guarantees may be amended or supplemented with the consent of the Holders of at least a majority in principal amount of the Notes then outstanding, and any existing Default or Event of Default or compliance with any provision of the Indenture or the Notes may be waived with the consent of the Holders of at least a majority in principal amount of the Notes then outstanding. Without notice to or the consent of any Holder, the parties thereto may amend or supplement the Indenture, the Notes or the Guarantees to, among other things, cure any ambiguity, defect or inconsistency and make any change that does not materially and adversely affect the rights of any Holder.

13. Restrictive Covenants.

The Indenture imposes certain limitations on the ability of the Company and its Restricted Subsidiaries, among other things, to create liens and engage in sale and lease-back transactions. In addition, the Indenture imposes certain limitations on the ability of the Company to engage in mergers and consolidations or transfers of all or substantially all of its assets. The Indenture requires the Company to deliver to the Trustee an Officers' Certificate within 120 days after the end of each fiscal year stating whether or not the signers thereof know of any Default or Event of Default under such restrictive covenants.

14. Defaults and Remedies.

The Indenture provides that each of the following events constitutes an Event of Default with respect to this Note: (i) failure by the Company to pay principal of any Note when it becomes due and payable at stated maturity, upon acceleration, redemption or otherwise; (ii) failure by the Company or any Guarantor to pay interest on any Note when it becomes due and payable and such Default continues for a period of 30 days; (iii) failure by the Company or any Guarantor to comply with any of the other agreements or covenants under the Indenture, which failure is not cured within 30 days after notice is given as specified in the Indenture; (iv) any Guarantee ceases to be in full force and effect or any Guarantor denies or disaffirms its obligations under its Guarantee, except, in each case, in connection with a release of a Guarantee in accordance with the terms of the Indenture; (v) the nonpayment at maturity or other default (beyond any applicable grace period) under any agreement or instrument relating to any other Indebtedness of the Company or any of its Subsidiaries (the unpaid principal amount of which is not less than $40 million), which default results in the acceleration of the maturity of such

Indebtedness prior to its stated maturity or occurs at the final maturity thereof; (vi) the entry of any final judgment or orders against the Company or any of its Subsidiaries in excess of $40 million individually or in the aggregate (not covered by insurance) that is not paid, discharged or otherwise stayed (by appeal or otherwise) within 60 days after the entry of such judgments or orders; and (vii) certain events of bankruptcy, insolvency or reorganization of the Company or any Significant Subsidiary.

If an Event of Default occurs and is continuing, the principal amount hereof may be declared due and payable in the manner and with the effect provided in the Indenture.

15. Trustee Dealings with the Company.

The Trustee under the Indenture, in its individual or any other capacity, may make loans to, accept deposits from and perform services for the Company or its Affiliates and may otherwise deal with the Company or its Affiliates as if it were not the Trustee.

16. No Recourse Against Others.

A director, officer, employee, agent, manager, controlling person, stockholder, incorporator or other Affiliate of the Company, as such, shall not have any liability for any obligations of the Company under the Notes or the Indenture or for any claim based on, in respect of or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes.

17. Authentication.

This Note shall not be valid until the Trustee (or authenticating agent) executes the certificate of authentication on the other side of this Note.

18. Abbreviations.

Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian) and U/G/M/A (= Uniform Gifts to Minors Act).

19. Additional Rights of Holders of Transfer Restricted Securities.

In addition to the rights provided to Holders under the Indenture, Holders of Transfer Restricted Securities shall have all the rights set forth in the Registration Rights Agreement.

20. ISIN Numbers and Common Codes.

The Company has caused ISIN numbers or Common Codes, as the case may be, to be printed on the Notes and the Trustee may use the same in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

21. GOVERNING LAW.

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

22. Successor Corporation.

In the event a successor corporation assumes all the obligations of the Company under the Notes and the Indenture, pursuant to the terms thereof, the Company will be released from all such obligations.

ASSIGNMENT FORM

To assign this Note, fill in the form below and have your signature guaranteed: (I) or (we) assign and transfer this Note to:

____
(Insert assignee's soc. sec. or tax I.D. no.)

____
____
____
____
(Print or type assignee's name, address and zip code)

and irrevocably appoint
to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Dated: __________ Your Name: __________________________________
(Print your name exactly as it appears on the face of this Note)

Your Signature: ___________________________________
(Sign exactly as your name appears on the face of this Note)

Signature Guarantee*: ______________________________

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* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

[THE FOLLOWING PROVISION TO BE INCLUDED ON ALL NOTES OTHER THAN EXCHANGE NOTES, REGULATION S PERMANENT GLOBAL NOTES AND UNLEGENDED REGULATION S PHYSICAL NOTES]

In connection with any transfer of this Note occurring prior to the date which is the earlier of the end of the period referred to in Rule 144(k) under the Securities Act, the undersigned confirms that without utilizing any general solicitation or general advertising that:

[Check One]

[ ] (a) this Note is being transferred in compliance with the exemption from registration under the Securities Act of 1933 provided by Rule 144A thereunder.

or

[ ] (b) this Note is being transferred other than in accordance with (a) above and documents are being furnished which comply with the conditions of transfer set forth in this Note and the Indenture.

If none of the foregoing boxes is checked, the Trustee or other Registrar shall not be obligated to register this Note in the name of any Person other than the Holder hereof unless and until the conditions to any such transfer of registration set forth herein and in Section 2.09 of the Indenture shall have been satisfied.

Date: ________________________ ____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within-mentioned instrument in every particular, without alteration or any change whatsoever.

Signature Guarantee: __________________________________

Signature must be guaranteed by a participant in a recognized signature guaranty medallion program or other signature guarantor acceptable to the Trustee.

TO BE COMPLETED BY PURCHASER IF (a) ABOVE IS CHECKED.

The undersigned represents and warrants that it is purchasing this Note for its own account or an account with respect to which it exercises sole investment discretion, in each case for investment and not with a view to distribution, and that it and any such account is a "Qualified Institutional Buyer" within the meaning of Rule 144A under the Securities Act of 1933 and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Company as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon the undersigned's foregoing representations in order to claim the exemption from registration provided by Rule 144A.

Date: ________________________ ____

NOTICE: To be executed by an executive officer

SCHEDULE OF EXCHANGES OF DEFINITIVE NOTE(6)

The following exchanges of a part of this Global Note for Physical Notes have been made:

Date of Exchange	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease (or increase)	Signature of authorized officer of Trustee or Note Custodian

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(6) This schedule should be included only if the Note is issued in global form.

EXHIBIT B

[Form of Certificate to be Delivered By Holder
in Connection with Exchanging Regulation S
Temporary Global Notes for Regulation S Permanent Global Notes]

[Date]

The Bank of New York
101 Barclay Street
Floor 21 West
New York, New York 10286
Attention: Corporate Trust Administration

Re: Lear Corporation

Ladies and Gentlemen:

This letter relates to E ______ aggregate principal amount of the Company's 8 1/8% Senior Notes due 2008 (the "Notes") represented by a Note (the "Legended Note") which bears a legend outlining restrictions upon transfer of such Legended Note. Pursuant to Section 2.02(a) of the Indenture dated as of March 20, 2001 (the "Indenture") relating to the Notes, we hereby certify that we are (or we will hold such securities on behalf of) a person outside the United States to whom the Notes could be transferred in accordance with Rule 904 of Regulation S promulgated under the U.S. Securities Act of 1933, as amended. Accordingly, you are hereby requested to exchange the legended certificate for an unlegended certificate representing an identical principal amount of Notes, all in the manner provided for in the Indenture.

You and the Company are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby. Terms used in this certificate have the meanings set forth in Regulation S.

Very truly yours,

[Name of Holder]

By: ______________________________
Authorized Signature

EXHIBIT C

[Form of Certificate to Be Delivered By Transferee in Connection with Transfers to Institutional Accredited Investors Which Are Not Qualified Institutional Buyers]

[Date]

The Bank of New York
101 Barclay Street
Floor 21 West
New York, New York 10286
Attention: Corporate Trust Administration

Re: Lear Corporation

Ladies and Gentlemen:

In connection with our proposed purchase of E aggregate principal amount of the Company's 8 l/8% Senior Notes due 2008 (the "Notes") of Lear Corporation (the "Company"), we confirm that:

(1) We are an institutional "accredited investor" (as defined in Rule 501(a)(1),(2),(3) or (7) under the Securities Act of 1933, as amended (the "Securities Act")) and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of our investment in the Notes, and we and any accounts for which we are acting are each able to bear the economic risk of our or their investment.

(2) We are acquiring the Notes purchased by us for our own account or for one or more accounts (each of which is an institutional "accredited investor") as to each of which we exercise sole investment discretion.

(3) We are not acquiring the Notes with a view to distribution thereof or with any present intention of offering or selling any Notes, except as permitted below; provided that the disposition of our property and the property of any accounts for which we are acting as fiduciary will remain at all times within our control.

(4) We understand that any subsequent transfer of the Notes is subject to certain restrictions and conditions set forth in the Indenture dated as of March 20, 2001 (the "Indenture") relating to the Notes and the undersigned agrees to be bound by, and not to resell, pledge or otherwise transfer the Notes except in compliance with such restrictions and conditions and the Securities Act.

(5) We understand that the offer and sale of the Notes have not been registered under the Securities Act, and that the Notes may not be offered or sold except as permitted in the following sentence. We agree, on our own behalf and on behalf of any accounts for which we are acting as hereinafter stated, that if we should sell any Notes prior to the expiration of the holding period applicable to sales of the Notes under Rule 144(k) of the Securities Act, we will do so only (A) to the Company or any subsidiary thereof, (B) to a "Qualified Institutional Buyer" (as defined in Rule 144A under the Se-

curities Act) in compliance with Rule 144A under the Securities Act, (C) to an institutional "accredited investor" (as defined above) that, prior to such transfer, furnishes to you a signed letter substantially in the form of this letter and, an opinion of counsel acceptable to the Company that such transfer is in compliance with the Securities Act, (D) outside the United States in accordance with Rule 904 under the Securities Act, (E) pursuant to the exemption from registration provided by Rule 144 under the Securities Act (if available) or (F) pursuant to a registration statement which has been declared effective under the Securities Act (and continues to be effective at the time of such transfer), and we further agree to provide to any person purchasing any of the Notes from us a notice advising such purchaser that resales of the Notes are restricted as stated herein.

(6) We understand that, on any proposed resale of any Notes, we will be required to furnish to you and the Company such certifications, legal opinions and other information as you and the Company may reasonably require to confirm that the proposed sale complies with the foregoing restrictions. We further understand that the Notes purchased by us will be in certificated form and will bear a legend to the foregoing effect.

Each of the Company, the Trustee and the initial purchasers of the Notes are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby.

Very truly yours,

By: ___________________________________
Name:
Title:

EXHIBIT D

[Form of Certificate to Be Delivered by Transferor
in Connection with Transfers Pursuant to Regulation S]

[Date]

The Bank of New York
101 Barclay Street
Floor 21 West
New York, New York 10286
Attention: Corporate Trust Administration

Re: Lear Corporation

Ladies and Gentlemen:

In connection with our proposed sale of E aggregate principal amount of 8 1/8% Senior Notes due 2008 (the "Notes") of Lear Corporation (the "Company"), we confirm that such sale has been effected pursuant to and in accordance with Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act") and, accordingly, we represent that:

(1) the offer of the Notes was not made to a person in the United States;

(2) at the time the buy order was originated, the transferee was outside the United States or we and any person acting on our behalf reasonably believed that the transferee was outside the United States;

(3) no directed selling efforts have been made by us in the United States in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act, as applicable; and

(4) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act.

Each of the Company, the Trustee and the initial purchasers of the Notes are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby. Terms used in this certificate have the meanings set forth in Regulation S under the Securities Act.

Very truly yours,

By: ________________________________
Name:
Title:

EXHIBIT E

GUARANTEE

For value received, each of the undersigned, jointly and severally, hereby irrevocably and unconditionally guarantees, as a principal obligor and not only as a surety, to each Holder of this Note and to the Trustee the cash payments in Euros of principal of, premium, if any, and interest on this Note (and including Additional Interest payable thereon) in the amounts and at the times when due and interest on the overdue principal, premium, if any, and interest, if any, of this Note, if lawful, and the payment or performance of all other obligations of the Company under this Indenture (as defined below) or the Notes, to the Holder of this Note and the Trustee, all in accordance with and subject to the terms and limitations of this Note, Article X of this Indenture and this Guarantee. This Guarantee will become effective in accordance with Article X of this Indenture and its terms shall be evidenced therein. The validity and enforceability of any Guarantee shall not be affected by the fact that it is not affixed to any particular Note.

Capitalized terms used but not defined herein shall have the meanings ascribed to them in this Indenture dated as of March 20, 2001, among Lear Corporation, a Delaware corporation, as issuer (the "Company"), each of the Guarantors named therein and The Bank of New York as trustee (the "Trustee"), as amended or supplemented (the "Indenture").

The obligations of the undersigned to the Holders of Notes and to the Trustee pursuant to this Guarantee and this Indenture are expressly set forth in Article X of this Indenture and reference is hereby made to this Indenture for the precise terms of the Guarantee and all of the other provisions of this Indenture to which this Guarantee relates.

THIS GUARANTEE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO PRINCIPLES OF CONFLICTS OF LAW. The undersigned Guarantors hereby agree to submit to the jurisdiction of the courts of the State of New York in any action or proceeding arising out of or relating to this Guarantee.

This Guarantee is subject to release upon the terms set forth in this Indenture.

IN WITNESS WHEREOF, each Guarantor has caused this Guarantee to be duly executed.

Date: March 20, 2001

LEAR OPERATIONS CORPORATION,
as a Guarantor

By: ________________________________
Name:
Title:

LEAR CORPORATION AUTOMOTIVE HOLDINGS,
as a Guarantor

By: ________________________________
Name:
Title:

LEAR CORPORATION EEDS AND INTERIORS,
as a Guarantor

By: ________________________________
Name:
Title:

LEAR SEATING HOLDINGS CORP. #50,
as a Guarantor

By: ________________________________
Name:
Title:

EXHIBIT 10.1

$1,700,000,000
THIRD AMENDED AND RESTATED
CREDIT AND GUARANTEE AGREEMENT

Dated as of March 26, 2001

among

LEAR CORPORATION,
LEAR CANADA,
THE FOREIGN SUBSIDIARY BORROWERS,

The Lenders Party Hereto,

BANK OF AMERICA, N.A.,
CITIBANK, N.A.
and
DEUTSCHE BANC ALEX. BROWN INC.,
as Syndication Agents,

THE BANK OF NOVA SCOTIA,
as Documentation Agent and Canadian Administrative Agent,

The Other Agents Named in
Schedule IX Hereto

and

THE CHASE MANHATTAN BANK,
as General Administrative Agent

JP MORGAN
and
BANC OF AMERICA SECURITIES LLC,
as Co-Lead Arrangers and Joint Bookrunners

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D	Form of Power of Attorney
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THIRD AMENDED AND RESTATED CREDIT AND GUARANTEE AGREEMENT, dated as of March 26, 2001, among LEAR CORPORATION, a Delaware corporation (the "U.S. Borrower"), LEAR CANADA, a general partnership organized under the laws of Ontario, Canada (the "Canadian Borrower"), each FOREIGN SUBSIDIARY BORROWER (as hereinafter defined) (together with the U.S. Borrower and the Canadian Borrower, the "Borrowers"), the Senior Managing Agents named on Schedule IX hereto (the "Senior Managing Agents"), the Managing Agents named on Schedule IX hereto (the "Managing Agents"), the Co-Agents named on Schedule IX hereto (the "Co-Agents"), the several banks and other financial institutions from time to time parties hereto (the "Lenders"), BANK OF AMERICA, N.A., CITIBANK, N.A. and DEUTSCHE BANC ALEX. BROWN INC., as syndication agents (the "Syndication Agents"), THE BANK OF NOVA SCOTIA, a Canadian chartered bank, as documentation agent (in such capacity, the "Documentation Agent" and Canadian administrative agent for the Lenders hereunder (as hereinafter defined, in such capacity, the "Canadian Administrative Agent"), and THE CHASE MANHATTAN BANK, a New York banking corporation (as hereinafter defined, the "General Administrative Agent"), as general administrative agent for the Lenders hereunder.

W I T N E S S E T H :

WHEREAS, the U.S. Borrower, Lear Corporation Canada Ltd. (as predecessor to the Canadian Borrower) and the Foreign Subsidiary Borrowers are parties to the Second Amended and Restated Credit Agreement, dated as of May 4, 1999 (as heretofore amended, supplemented or otherwise modified, the "Existing Credit Agreement"), with the lenders parties thereto, the managing agents, co-agents and lead managers identified therein, The Bank of Nova Scotia, as Canadian administrative agent, and The Chase Manhattan Bank, as general administrative agent; and

WHEREAS, the Borrowers have requested that the Existing Credit Agreement be amended and restated;

NOW, THEREFORE, in consideration of the premises and the mutual agreements contained herein, the parties hereto agree that on the Closing Date, as provided in subsection 18.21, the Existing Credit Agreement shall be amended and restated in its entirety as follows:

SECTION 1. DEFINITIONS

1.1 Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

"ABR Loans": U.S. Revolving Credit Loans or Swing Line Loans, the rate of interest applicable to which is based upon the Alternate Base Rate.

"Acceptance": a Draft drawn by the Canadian Borrower and accepted by a Canadian Lender which is (a) denominated in Canadian Dollars, (b) for a term of not less than 30 days nor more than 180 days and which matures prior to the Revolving Credit Termination Date and (c) issuable and payable only in Canada; provided that to the extent the context shall require, each Acceptance Note shall be deemed to be an Acceptance;

provided, further, that "Acceptance" includes a depository note within the meaning of the Depository Bills and Notes Act (Canada) and a bill of exchange within the meaning of the Bills of Exchange Act (Canada).

"Acceptance Note": as defined in subsection 6.8(b).

"Acceptance Purchase Price": in respect of an Acceptance of a specified maturity, the result (rounded to the nearest whole cent, and with one-half cent being rounded up) obtained by dividing (a) the face amount of such Acceptance by (b) the sum of (i) one and (ii) the product of (A) the Reference Discount Rate for Acceptances of the same maturity expressed as a decimal and (B) a fraction, the numerator of which is the term to maturity of such Acceptance and the denominator of which is equal to 365, where (b) above is rounded to the fifth decimal place and 0.000005 is rounded up to 0.00001.

"Acceptance Reimbursement Obligations": the obligation of the Canadian Borrower to the Canadian Lenders (a) to reimburse the Canadian Lenders for maturing Acceptances pursuant to subsection 6.5 and (b) to make payments in respect of the Acceptance Notes in accordance with the terms thereof.

"Acceptance Tranche": the collective reference to Acceptances, all of which were created on the same date and have the same maturity date.

"Acceptances to be Converted": as defined in subsection 18.8(a).

"Acquired Indebtedness": Indebtedness of a Person or any of its Subsidiaries existing at the time such Person becomes a Subsidiary of the U.S. Borrower or assumed in connection with the acquisition of assets from such Person and not incurred by such Person in contemplation of such Person becoming a Subsidiary of the U.S. Borrower or such acquisition, and any refinancings thereof.

"Adjusted Aggregate Committed Outstandings": with respect to each Lender, the Aggregate Committed Outstandings of such Lender, plus the amount of any participating interests purchased by such Lender pursuant to subsection 18.8, minus the amount of any participating interests sold by such Lender pursuant to subsection 18.8.

"Adjustment Date": with respect to any fiscal quarter, (a) the second Business Day following receipt by the General Administrative Agent of both (i) the financial statements required to be delivered pursuant to subsection 13.1(a) or (b), as the case may be, for the most recently completed fiscal period and (ii) the compliance certificate required pursuant to subsection 13.2(b) with respect to such financial statements or (b) if such compliance certificate and financial statements have not been delivered in a timely manner, the date upon which such compliance certificate and financial statements were due; provided, however, that in the event that the Adjustment Date is determined in accordance with the provisions of clause (b) of this definition, then the date which is two Business Days following the date of receipt of the financial statements and compliance

certificate referenced in clause (a) of this definition also shall be deemed to constitute an Adjustment Date.

"Administrative Agents": the collective reference to the General Administrative Agent and the Canadian Administrative Agent.

"Administrative Schedule": Schedule III, which contains interest rate definitions and administrative information in respect of each Available Foreign Currency.

"Affiliate": of any Person, (a) any other Person (other than a Wholly Owned Subsidiary of such Person) which, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person, (b) any other Person who is a director or executive officer of (i) such Person, (ii) any Subsidiary of such Person (other than a Wholly Owned Subsidiary) or (iii) any Person described in clause (a) above or (c) with respect to any Lender, any entity (whether a corporation, partnership, trust or otherwise) that is engaged in making, purchasing, holding or otherwise investing in bank loans and similar extensions of credit in the ordinary course of its business and is administered or managed by such Lender or an Affiliate of such Lender. For purposes of this definition, a Person shall be deemed to be "controlled by" such other Person if such other Person possesses, directly or indirectly, power either to (A) vote 10% or more of the securities having ordinary voting power for the election of directors of such first Person or (B) direct or cause the direction of the management and policies of such first Person whether by contract or otherwise.

"Aggregate Alternate Currency Outstandings": as at any date of determination with respect to any Lender, an amount in the applicable Alternate Currencies equal to the aggregate unpaid principal amount of such Lender's Alternate Currency Loans.

"Aggregate Available Canadian Revolving Credit Commitments": as at any date of determination with respect to all Canadian Lenders, an amount in Canadian Dollars equal to the Available Canadian Revolving Credit Commitments of all Canadian Lenders on such date.

"Aggregate Available Multicurrency Commitments": as at any date of determination with respect to all Multicurrency Lenders, an amount in U.S. Dollars equal to the Available Multicurrency Commitments of all Multicurrency Lenders on such date.

"Aggregate Available U.S. Revolving Credit Commitments": as at any date of determination with respect to all U.S. Lenders, an amount in U.S. Dollars equal to the Available U.S. Revolving Credit Commitments of all U.S. Lenders on such date.

"Aggregate Canadian Revolving Credit Outstandings": as at any date of determination with respect to any Canadian Lender, an amount in Canadian Dollars equal to the sum of the following, without duplication: (a) the aggregate unpaid principal amount of such Canadian Lender's Canadian Revolving Credit Loans on such date, (b) the aggregate undiscounted face amount of all outstanding Acceptances of such Canadian

Lender on such date and (c) the aggregate unpaid principal amount of such Canadian Lender's Acceptance Notes on such date.

"Aggregate Committed Outstandings": as at any date of determination with respect to any Lender, an amount in U.S. Dollars equal to the sum of (a) the Aggregate U.S. Revolving Credit Outstandings of such Lender, (b) the U.S. Dollar Equivalent of the Aggregate Canadian Revolving Credit Outstandings of such Lender and such Lender's Counterpart Lender, (c) the U.S. Dollar Equivalent of the Aggregate Multicurrency Outstandings of such Lender and (d) the U.S. Dollar Equivalent of the Aggregate Alternate Currency Outstandings of such Lender.

"Aggregate Multicurrency Outstandings": as at any date of determination with respect to any Lender, an amount in the applicable Available Foreign Currencies equal to the aggregate unpaid principal amount of such Lender's Multicurrency Loans.

"Aggregate Total Outstandings": as at any date of determination with respect to any Lender, an amount in U.S. Dollars equal to the sum of (a) the Aggregate U.S. Outstandings of such Lender, (b) the U.S. Dollar Equivalent of the Aggregate Canadian Revolving Credit Outstandings of such Lender and such Lender's Counterpart Lender, (c) the U.S. Dollar Equivalent of the Aggregate Multicurrency Outstandings of such Lender and (d) the U.S. Dollar Equivalent of the Aggregate Alternate Currency Outstandings of such Lender.

"Aggregate U.S. Outstandings": as at any date of determination with respect to any U.S. Lender, an amount in U.S. Dollars equal to the sum of (a) the Aggregate U.S. Revolving Credit Outstandings of such Lender on such date and (b) the aggregate unpaid principal amount of such U.S. Lender's CAF Advances on such date.

"Aggregate U.S. Revolving Credit Commitments": the aggregate amount of the U.S. Revolving Credit Commitments of all the Lenders.

"Aggregate U.S. Revolving Credit Outstandings": as at any date of determination with respect to any U.S. Lender, an amount in U.S. Dollars equal to the sum of (a) the aggregate unpaid principal amount of such U.S. Lender's U.S. Revolving Credit Loans on such date, (b) such U.S. Lender's U.S. Revolving Credit Commitment Percentage of the aggregate unpaid principal amount of all Swing Line Loans on such date and (c) such U.S. Lender's U.S. Revolving Credit Commitment Percentage of the aggregate Letters of Credit Obligations.

"Agreement": this Third Amended and Restated Credit and Guarantee Agreement, as the same may be amended, supplemented or otherwise modified from time to time.

"Agreement Currency": as defined in subsection 18.19(b).

"Alternate Base Rate": for any day, a rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) equal to the greatest of:

(a) the U.S. Prime Rate in effect on such day; and

(b) the Federal Funds Effective Rate in effect on such day plus 1/2 of 1%.

If for any reason the General Administrative Agent shall have determined (which determination shall be conclusive absent manifest error) that it is unable to ascertain the Federal Funds Effective Rate for any reason, including the inability or failure of the General Administrative Agent to obtain sufficient quotations in accordance with the terms thereof, the Alternate Base Rate shall be determined without regard to clause (b) above, until the circumstances giving rise to such inability no longer exist. Any change in the Alternate Base Rate due to a change in the U.S. Prime Rate or the Federal Funds Effective Rate shall be effective as of the opening of business on the effective day of such change in the U.S. Prime Rate or the Federal Funds Effective Rate, respectively.

"Alternate Currency": any currency other than U.S. Dollars which is freely transferable and convertible into U.S. Dollars and approved by the General Administrative Agent.

"Alternate Currency Borrower": each Subsidiary of the U.S. Borrower organized under the laws of a jurisdiction outside the United States that the U.S. Borrower designates as an "Alternate Currency Borrower" in an Alternate Currency Facility Addendum.

"Alternate Currency Facility": any Qualified Credit Facility that the U.S. Borrower designates as an "Alternate Currency Facility" pursuant to an Alternate Currency Facility Addendum.

"Alternate Currency Facility Addendum": an Alternate Currency Facility Addendum received by the General Administrative Agent, substantially in the form of Exhibit J, and conforming to the requirements of Section 8.

"Alternate Currency Facility Agent": with respect to each Alternate Currency Facility, the Alternate Currency Lender acting as agent or representative for the Alternate Currency Lenders parties thereto (and, in the case of any Alternate Currency Facility to which only one Lender is a party, such Lender).

"Alternate Currency Facility Maximum Borrowing Amount": as defined in subsection 8.1(b).

"Alternate Currency Lender": any Lender (or, if applicable, any affiliate, branch or agency thereof) party to an Alternate Currency Facility.

"Alternate Currency Lender Maximum Borrowing Amount": as defined in subsection 8.1(b).

"Alternate Currency Loan": any loan made pursuant to an Alternate Currency Facility.

"Applicable Margin": for each Loan, the applicable rate per annum determined pursuant to the Pricing Grid.

"Assignee": as defined in subsection 18.6(c).

"Available Canadian Revolving Credit Commitment": as at any date of determination with respect to any Canadian Lender (after giving effect to the making and payment of any U.S. Revolving Credit Loans required to be made on such date pursuant to subsection 2.5), an amount in U.S. Dollars equal to the lesser of (a) the excess, if any, of (i) the amount of such Canadian Lender's Canadian Revolving Credit Commitment in effect on such date over (ii) the U.S. Dollar Equivalent of the Aggregate Canadian Revolving Credit Outstandings of such Canadian Lender on such date and (b) the excess, if any, of (i) the amount of the U.S. Revolving Credit Commitment of such Canadian Lender's Counterpart Lender on such date over (ii) the Aggregate Committed Outstandings of such Canadian Lender's Counterpart Lender on such date.

"Available Foreign Currencies": Pounds Sterling, euro, Swedish Kroner, and any other available and freely-convertible non-U.S. Dollar currency selected by the U.S. Borrower and approved by the General Administrative Agent and the Majority Multicurrency Lenders in the manner described in subsection 18.1(b).

"Available Multicurrency Commitment": as at any date of determination with respect to any Multicurrency Lender (after giving effect to the making and payment of any U.S. Revolving Credit Loans required to be made on such date pursuant to subsection 2.5), an amount in U.S. Dollars equal to the lesser of (a) the excess, if any, of (i) the amount of such Multicurrency Lender's Multicurrency Commitment in effect on such date over (ii) the U.S. Dollar Equivalent of the Aggregate Multicurrency Outstandings of such Multicurrency Lender on such date and (b) the excess, if any, of (i) the amount of such Multicurrency Lender's U.S. Revolving Credit Commitment in effect on such date over (ii) the Aggregate Committed Outstandings of such Multicurrency Lender on such date.

"Available U.S. Revolving Credit Commitment": as at any date of determination with respect to any U.S. Lender (after giving effect to the making and payment of any U.S. Revolving Credit Loans required to be made on such date pursuant to subsection 2.5), an amount in U.S. Dollars equal to the excess, if any, of (a) the amount of such U.S. Lender's U.S. Revolving Credit Commitment in effect on such date over (b) the Aggregate Committed Outstandings of such U.S. Lender on such date.

"Bank Act (Canada)": the Bank Act (Canada), as amended from time to time.

"Benefitted Lender": as defined in subsection 18.7.

"Board": the Board of Governors of the Federal Reserve System (or any successor thereto).

"BofA": Bank of America, N.A., a national banking association.

"Bond Guarantee": the guarantee entered into by any Subsidiary Guarantor in respect of the Senior Notes or the 2001 Eurobonds.

"Borrowers": as defined in the preamble hereto.

"Borrowing Date": any Business Day specified in a notice pursuant to subsection 2.3, 3.2, 4.2, 5.3 or 7.3 as a date on which a Borrower requests the Lenders to make Loans hereunder or, with respect to a Request for Acceptances, the date with respect to which the Canadian Borrower has requested the Canadian Lenders to accept Drafts or, with respect to Alternate Currency Loans, the date on which an Alternate Currency Borrower requests Alternate Currency Lenders to make Alternate Currency Loans to such Alternate Currency Borrower pursuant to the Alternate Currency Facility to which such Alternate Currency Borrower and Alternate Currency Lenders are parties.

"Business Day": (a) when such term is used in respect of a day on which a Loan in an Available Foreign Currency or Alternate Currency is to be made, a payment is to be made in respect of such Loan, an Exchange Rate is to be set in respect of such Available Foreign Currency or Alternate Currency or any other dealing in such Available Foreign Currency or Alternate Currency is to be carried out pursuant to this Agreement, such term shall mean a London Banking Day which is also a day on which banks are open for general banking business in (x) the city which is the principal financial center of the country of issuance of such Available Foreign Currency or Alternate Currency (or, in the case of Multicurrency Loans in Pounds Sterling, Paris) and (y) in the case of euro only, Frankfurt am Main, Germany (or such other principal financial center as the General Administrative Agent may from time to time designate for this purpose), (b) when such term is used in respect of a day on which a Loan is to be made to the Canadian Borrower or an Acceptance is to be created, a payment is to be made in respect of such Loan or Acceptance, an Exchange Rate is to be set in respect of Canadian Dollars or any other dealing in Canadian Dollars is to be carried out pursuant to this Agreement, such term shall mean a day other than a Saturday, Sunday or other day on which commercial banks in Toronto, Ontario are authorized or required by law to close, (c) when such term is used to describe a day on which a borrowing, payment or interest rate determination is to be made in respect of a LIBO Rate CAF Advance, such day shall be a London Banking Day and (d) when such term is used in any context in this Agreement (including as described in the foregoing clauses (a), (b) and (c)), such term shall mean a day which, in addition to complying with any applicable requirements set forth in the foregoing clauses (a), (b) and (c), is a day other than a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to close; provided, that when such term is used for the purpose of determining the date on which the Eurocurrency Rate is

determined under this Agreement for any Multicurrency Loan denominated in euro for any Interest Period therefor and for purposes of determining the first and last day of any such Interest Period, references in this Agreement to Business Days shall be deemed to be references to Target Operating Days.

"CAF Advance": each CAF Advance made pursuant to subsection 4.1.

"CAF Advance Availability Period": the period from and including the Closing Date to and including the date which is 7 days prior to the Revolving Credit Termination Date.

"CAF Advance Confirmation": each confirmation by the U.S. Borrower of its acceptance of CAF Advance Offers, which confirmation shall be substantially in the form of Exhibit H and shall be delivered to the General Administrative Agent by facsimile transmission.

"CAF Advance Interest Payment Date": as to each CAF Advance, each interest payment date specified by the U.S. Borrower for such CAF Advance in the related CAF Advance Request.

"CAF Advance Maturity Date": as to any CAF Advance, the date specified by the U.S. Borrower pursuant to paragraph 4.2(d)(ii) in its acceptance of the related CAF Advance Offer.

"CAF Advance Offer": each offer by a Lender to make CAF Advances pursuant to a CAF Advance Request, which offer shall contain the information specified in Exhibit G and shall be delivered to the General Administrative Agent by telephone, immediately confirmed by facsimile transmission.

"CAF Advance Request": each request by the U.S. Borrower for Lenders to submit bids to make CAF Advances, which request shall contain the information in respect of such requested CAF Advances specified in Exhibit F and shall be delivered to the General Administrative Agent in writing, by facsimile transmission, or by telephone, immediately confirmed by facsimile transmission.

"Canadian Administrative Agent": The Bank of Nova Scotia, together with its affiliates, as administrative agent for the Canadian Lenders under this Agreement and the other Loan Documents, and any successor thereto appointed pursuant to subsection 17.9.

"Canadian Base Rate": at any day, the higher of (a) the rate of interest per annum publicly announced from time to time by the Canadian Administrative Agent (and in effect on such day) as its reference rate for U.S. Dollar commercial loans made in Canada, as adjusted automatically from time to time and without notice to any of the Borrowers upon change by the Canadian Administrative Agent and (b) the Federal Funds Effective Rate in effect on such day plus 1/2 of 1%.

"Canadian Base Rate Loans": all Canadian Revolving Credit Loans denominated in U.S. Dollars, which shall bear interest at a rate based upon the Canadian Base Rate.

"Canadian Borrower": as defined in the preamble hereto.

"Canadian Dollars" and "C$": dollars in the lawful currency of Canada.

"Canadian Dollar Equivalent": with respect to an amount denominated in any currency other than Canadian Dollars, the equivalent in Canadian Dollars of such amount determined at the Exchange Rate on the date of determination of such equivalent.

"Canadian Lenders": the Lenders listed in Part B of Schedule I hereto.

"Canadian Reference Lenders": the collective reference to the Schedule I Canadian Reference Lenders and the Schedule II Canadian Reference Lenders.

"Canadian Revolving Credit Commitment": as to any Canadian Lender at any time, its obligation to make Canadian Revolving Credit Loans to, and/or create Acceptances and discount on behalf of (or, in lieu thereof, to make loans pursuant to the Acceptance Notes to), the Canadian Borrower, in an aggregate amount not to exceed at any one time outstanding the Canadian Dollar Equivalent of the lesser of (a) the U.S. Dollar amount set forth opposite such Canadian Lender's name in Schedule I under the heading "Canadian Revolving Credit Commitment", and (b) the U.S. Revolving Credit Commitment of such Canadian Lender's Counterpart Lender, in each case as such amount may be reduced from time to time as provided in subsection 5.4 and the other applicable provisions hereof.

"Canadian Revolving Credit Commitment Percentage": as to any Canadian Lender at any time, the percentage which such Canadian Lender's Canadian Revolving Credit Commitment then constitutes of the aggregate Canadian Revolving Credit Commitments (or, if the Canadian Revolving Credit Commitments have terminated or expired, the percentage which (a) the Aggregate Canadian Revolving Credit Outstandings of such Canadian Lender at such time constitutes of (b) the Aggregate Canadian Revolving Credit Outstandings of all Canadian Lenders at such time).

"Canadian Revolving Credit Loan": as defined in subsection 5.1.

"Canadian Revolving Credit Note": as defined in subsection 5.2(e).

"Capital Stock": any and all shares, interests, participations or other equivalents (however designated) of Capital Stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation) and any and all warrants, rights or options to purchase any of the foregoing.

"Cash Equivalents": (a) securities issued or unconditionally guaranteed or insured by the United States Government or the Canadian Government or any agency or

instrumentality thereof having maturities of not more than twelve months from the date of acquisition, (b) securities issued or unconditionally guaranteed or insured by any state of the United States of America or province of Canada or any agency or instrumentality thereof having maturities of not more than twelve months from the date of acquisition and having one of the two highest ratings obtainable from either S&P or Moody's, (c) time deposits, certificates of deposit and bankers' acceptances having maturities of not more than twelve months from the date of acquisition, in each case with any U.S. Lender or Canadian Lender or with any commercial bank organized under the laws of the United States of America or any state thereof or the District of Columbia, Japan, Canada or any member of the European Economic Community or any U.S. branch of a foreign bank having at the date of acquisition capital and surplus of not less than $100,000,000, (d) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (a), (b) and (c) entered into with any bank meeting the qualifications specified in clause (c) above, (e) commercial paper issued by the parent corporation of any U.S. Lender and commercial paper rated, at the time of acquisition, at least A-1 or the equivalent thereof by S&P or P-1 or the equivalent thereof by Moody's and in either case maturing within twelve months after the date of acquisition, (e) deposits maintained with money market funds having total assets in excess of $300,000,000, (f) demand deposit accounts maintained in the ordinary course of business with banks or trust companies, (g) temporary deposits, of amounts received in the ordinary course of business pending disbursement of such amounts, in demand deposit accounts in banks outside the United States and (h) deposits in mutual funds which invest substantially all of their assets in preferred equities issued by U.S. corporations rated at least AA (or the equivalent thereof) by S&P.

"CDOR Rate": the rate per annum determined by the Canadian Administrative Agent by reference to the average rate quoted on the Reuters Monitor Screen, Page "CDOR" (or such other Page as may replace such Page on such screen for the purpose of displaying Canadian interbank bid rates for Canadian Dollar bankers' acceptances with a 90 day term as of 10:00 a.m. (Toronto time) one Business Day prior to the first day of such 90 day term. If for any reason the Reuters Monitor Screen rates are unavailable, CDOR Rate means the rate of interest determined by the Canadian Administrative Agent which is equal to the arithmetic mean of the rates quoted by such reference banks as may be specified from time to time by the Canadian Administrative Agent, after consultation with the Canadian Borrower, in respect of Canadian Dollar bankers' acceptances with a 90 day term as of 10:00 a.m. one Business Day prior to the first day of such 90 day term.

"Chase": The Chase Manhattan Bank, a New York banking corporation.

"Chase Delaware": Chase Manhattan Bank Delaware.

"Closing Date": the date on which all of the conditions precedent set forth in subsection 12.1 shall have been satisfied or waived.

"Co-Agents": as defined on Schedule IX hereto.

"Code": the Internal Revenue Code of 1986, as amended from time to time.

"Collateral": any collateral in which a security interest is created pursuant to any Security Document.

"Commercial Letters of Credit": as defined in subsection 9.1(a).

"Commitments": the collective reference to the U.S. Revolving Credit Commitments, the Canadian Revolving Credit Commitments and the Multicurrency Commitments.

"Committed Outstandings Percentage": on any date with respect to any Lender, the percentage which the Adjusted Aggregate Committed Outstandings of such Lender constitutes of the Adjusted Aggregate Committed Outstandings of all Lenders.

"Commonly Controlled Entity": an entity, whether or not incorporated, which is under common control with the U.S. Borrower within the meaning of Section 4001 of ERISA or is part of a group which includes the U.S. Borrower and which is treated as a single employer under Section 414 of the Code.

"Consolidated Assets": at a particular date, all amounts which would be included under total assets on a consolidated balance sheet of the U.S. Borrower and its Subsidiaries as at such date, determined in accordance with GAAP.

"Consolidated Indebtedness": at a particular date, all Indebtedness of the U.S. Borrower and its Subsidiaries which would be included under indebtedness on a consolidated balance sheet of the U.S. Borrower and its Subsidiaries as at such date, determined in accordance with GAAP, less any cash of the U.S. Borrower and its Subsidiaries as at such date.

"Consolidated Interest Expense": for any fiscal period, the amount which would, in conformity with GAAP, be set forth opposite the caption "interest expense" (or any like caption) on a consolidated income statement of the U.S. Borrower and its Subsidiaries for such period and, to the extent not otherwise included in "interest expense," any other discounts and expenses comparable to or in the nature of interest under any Receivable Financing Transaction; provided, that Consolidated Interest Expense for any period shall (a) exclude (i) fees payable in respect of such period under subsection 10.5 of this Agreement and similar fees payable in respect of such period under the Other Revolving Credit Agreement, and (ii) any amortization or write-off of deferred financing fees during such period and (b) include any interest income during such period.

"Consolidated Net Income": for any fiscal period, the consolidated net income (or deficit) of the U.S. Borrower and its Subsidiaries for such period (taken as a cumulative whole), determined in accordance with GAAP; provided that (a) any provision for post-retirement medical benefits, to the extent such provision calculated

under FAS 106 exceeds actual cash outlays calculated on the "pay as you go" basis, shall not to be taken into account, and (b) there shall be excluded (i) the income (or deficit) of any Person accrued prior to the date it becomes a Subsidiary or is merged into or consolidated with the U.S. Borrower or any Subsidiary, (ii) the income (or deficit) of any Person (other than a Subsidiary) in which the U.S. Borrower or any Subsidiary has an ownership interest, except to the extent that any such income has been actually received by the U.S. Borrower or such Subsidiary in the form of dividends or similar distributions, (iii) the undistributed earnings of any Subsidiary to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary is not at the time permitted by the terms of any Contractual Obligation or Requirement of Law (other than any non-consensual Requirement of Law of any non-U.S. jurisdiction) applicable to such Subsidiary, and (iv) in the case of a successor to the U.S. Borrower or any Subsidiary by consolidation or merger or as a transferee of its assets, any earnings of the successor corporation prior to such consolidation, merger or transfer of assets; provided, further that the exclusions in clauses (i) and (iv) of this definition shall not apply to the mergers or consolidations of the U.S. Borrower or its Subsidiaries with their respective Subsidiaries.

"Consolidated Operating Profit": for any fiscal period, Consolidated Net Income for such period excluding (a) extraordinary gains and losses arising from the sale of material assets and other extraordinary and/or non-recurring gains and losses, (b) charges, premiums and expenses associated with the discharge of Indebtedness, (c) charges relating to FAS 106, (d) license fees (and any write-offs thereof), (e) stock compensation expense, (f) deferred financing fees (and any write-offs thereof), (g) write-offs of goodwill, (h) foreign exchange gains and losses, (i) miscellaneous income and expenses and (j) miscellaneous gains and losses arising from the sale of assets plus, to the extent deducted in determining Consolidated Net Income, the excess of (i) the sum of (A) Consolidated Interest Expense, (B) any expenses for taxes, (C) depreciation and amortization expense and (D) minority interests in income of Subsidiaries over (ii) net equity earnings in Affiliates (excluding Subsidiaries). For purposes of calculating the ratio set forth in subsection 14.1(b), Consolidated Operating Profit for any fiscal period shall in any event include the Consolidated Operating Profit for such fiscal period of any entity acquired by the U.S. Borrower or any of its Subsidiaries during such period.

"Consolidated Revenues": for any fiscal period, the consolidated revenues of the U.S. Borrower and its Subsidiaries for such period, determined in accordance with GAAP.

"Continuing Directors": the directors of the U.S. Borrower on the Closing Date and each other director, if such other director's nomination for election to the Board of Directors of the U.S. Borrower is recommended by a majority of the then Continuing Directors.

"Contractual Obligation": as to any Person, any provision of any security issued by such Person or of any agreement, instrument or undertaking to which such Person is a party or by which it or any of its property is bound.

"Conversion Date": any date on which either (a) an Event of Default under Section 16(i) has occurred or (b) the Commitments shall have been terminated prior to the Revolving Credit Termination Date and/or the Loans shall have been declared immediately due and payable, in either case pursuant to Section 16.

"Conversion Sharing Percentage": on any date with respect to any Lender and any Loans or Acceptances, as the case may be, of such Lender outstanding in any currency other than U.S. Dollars, the percentage of such Loans or Acceptances, as the case may be, such that, after giving effect to the conversion of such Loans or Acceptances, as the case may be, to U.S. Dollars and the purchase and sale by such Lender of participating interests as contemplated by subsection 18.8, the Committed Outstandings Percentage of such Lender will equal such Lender's U.S. Revolving Credit Commitment Percentage on such date (calculated immediately prior to giving effect to any termination or expiration of the U.S. Revolving Credit Commitments on the Conversion Date).

"Converted Acceptances": as defined in subsection 18.8(a).

"Converted Loans": as defined in subsection 18.8(a).

"Counterpart Lender": (a) as to any U.S. Lender, the Canadian Lender (if any) set forth opposite such U.S. Lender's name in Schedule I under the heading "Counterpart Lender" and (b) as to any Canadian Lender, the U.S. Lender set forth opposite such Canadian Lender's name in Schedule I under the heading "Counterpart Lender".

"Currency Agreement": any foreign exchange contract, currency swap agreement, futures contract, option contract, synthetic cap or other similar agreement or arrangement designed to protect the U.S. Borrower or any Subsidiary against fluctuations in currency values.

"Currency Agreement Obligations": all obligations of the U.S. Borrower or any Subsidiary to any financial institution under any one or more Currency Agreements.

"Default": any of the events specified in Section 16, whether or not any requirement for the giving of notice, the lapse of time, or both, or any other condition, has been satisfied.

"Documentation Agent": as defined in the preamble hereto.

"Dollars", "U.S. Dollars" and "$": dollars in lawful currency of the United States of America.

"Domestic Loan Party": each Loan Party that is organized under the laws of any jurisdiction of the United States.

"Domestic Subsidiary": any Subsidiary other than a Foreign Subsidiary.

"Draft": a draft substantially in the form of Exhibit C or in such other form as the Canadian Administrative Agent may from time to time reasonably request (or to the extent the context shall require, an Acceptance Note, delivered in lieu of a draft), as the same may be amended, supplemented or otherwise modified from time to time.

"EMU": Economic and Monetary Union as contemplated in the Treaty on European Union.

"EMU Legislation": legislative measures of the European Union for the introduction of, changeover to or operation of the euro in one or more member states.

"Environmental Complaint": any complaint, order, citation, notice or other written communication from any Person with respect to the existence or alleged existence of a violation of any Environmental Laws or legal liability resulting from air emissions, water discharges, noise emissions, Hazardous Material or any other environmental, health or safety matter.

"Environmental Laws": any and all applicable Federal, foreign, state, provincial, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, requirements of any Governmental Authority and any and all common law requirements, rules and bases of liability regulating, relating to or imposing liability or standards of conduct concerning pollution or protection of the environment or the Release or threatened Release of Hazardous Materials, as now or hereafter in effect.

"ERISA": the Employee Retirement Income Security Act of 1974, as amended from time to time.

"euro": the single currency of the European Union as constituted by the Treaty on European Union and as referred to in EMU Legislation.

"Eurocurrency Liabilities": at any time, the aggregate of the rates (expressed as a decimal fraction) of any reserve requirements in effect at such time (including, without limitation, basic, supplemental, marginal and emergency reserves under any regulations of the Board or other Governmental Authority having jurisdiction with respect thereto) dealing with reserve requirements prescribed for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of the Board) maintained by a member bank of the Federal Reserve System.

"Eurocurrency Rate": with respect to each Interest Period pertaining to a Multicurrency Loan, the Eurocurrency Rate determined for such Interest Period and the Available Foreign Currency in which such Multicurrency Loan is denominated in the manner set forth in the Administrative Schedule.

"Eurodollar Loans": U.S. Revolving Credit Loans the rate of interest applicable to which is based upon the Eurodollar Rate.

"Eurodollar Rate": with respect to each day during each Interest Period pertaining to a Eurodollar Loan, the rate per annum determined on the basis of the rate for deposits in Dollars for a period equal to such Interest Period commencing on the first day of such Interest Period appearing on Page 3750 of the Telerate screen as of 11:00 A.M., London time, two Business Days prior to the beginning of such Interest Period. In the event that such rate does not appear on Page 3750 of the Telerate screen (or otherwise on such screen), the "Eurodollar Base Rate" shall be determined by reference to such other comparable publicly available service for displaying eurodollar rates as may be selected by the General Administrative Agent in consultation with the U.S. Borrower or, in the absence of such availability, by reference to the rate at which the General Administrative Agent is offered Dollar deposits at or about 11:00 A.M., New York City time, two Business Days prior to the beginning of such Interest Period in the interbank eurodollar market where its eurodollar and foreign currency and exchange operations are then being conducted for delivery on the first day of such Interest Period for the number of days comprised therein.

"euro unit": the currency unit of the euro as defined in the EMU Legislation.

"Event of Default": any of the events specified in Section 16, provided that any requirement for the giving of notice, the lapse of time, or both, or any other condition, has been satisfied.

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

"Exchange Rate": (a) with respect to Canadian Dollars on any date, the Bank of Canada noon spot rate on such date, and (b) with respect to any other non-U.S. Dollar currency on any date, the rate at which such currency may be exchanged into U.S. Dollars, as set forth on such date on the relevant Reuters currency page at or about 11:00 A.M., London time, on such date. In the event that such rate does not appear on any Reuters currency page, the "Exchange Rate" with respect to such non-U.S. Dollar currency shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the General Administrative Agent and the U.S. Borrower or, in the absence of such agreement, such "Exchange Rate" shall instead be the General Administrative Agent's spot rate of exchange in the interbank market where its foreign currency exchange operations in respect of such non-U.S. Dollar currency are then being conducted, at or about 10:00 A.M., local time, on such date for the purchase of U.S. Dollars with such non-U.S. Dollar currency, for delivery two Business Days later; provided, that if at the time of any such determination, no such spot rate can reasonably be quoted, the General Administrative Agent may use any reasonable method as it deems applicable to determine such rate, and such determination shall be conclusive absent manifest error.

"Excluded Subsidiary": each Subsidiary of a Foreign Subsidiary.

"Existing Credit Agreement": as defined in the recitals hereto.

"Existing Letters of Credit": as defined in subsection 9.1(b).

"Extension of Credit": as to any Lender, the making of a Loan by such Lender, the acceptance of a Draft or an Acceptance Note by such Lender or the issuance of any Letter of Credit. For purposes of Section 12.2, it is expressly understood and agreed that the following do not constitute Extensions of Credit for purposes of this Agreement: (a) the conversions and continuations of U.S. Revolving Credit Loans as or to Eurodollar Loans or ABR Loans pursuant to subsection 10.2, (b) the substitution of maturing Acceptances with new Acceptances, (c) the conversion of Acceptances to Canadian Revolving Credit Loans, (d) the conversion of Canadian Revolving Credit Loans to Acceptances, (e) the continuation of Multicurrency Loans for additional Interest Periods and (f) the continuation of Alternate Currency Loans for additional interest periods.

"Facility Fee Rate": the rate per annum determined pursuant to the Pricing Grid.

"Federal Funds Effective Rate": for any day, the weighted average of the rates per annum on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for the day of such transactions received by the General Administrative Agent from three federal funds brokers of recognized standing selected by it.

"Financing Lease": (a) any lease of property, real or personal, the obligations under which are capitalized on a consolidated balance sheet of the U.S. Borrower and its Subsidiaries and (b) any other such lease to the extent that the then present value of the minimum rental commitment thereunder should, in accordance with GAAP, be capitalized on a balance sheet of the lessee.

"First Lender": as defined in subsection 18.8(c).

"Fixed Rate CAF Advance": any CAF Advance made pursuant to a Fixed Rate CAF Advance Request.

"Fixed Rate CAF Advance Request": any CAF Advance Request requesting the Lenders to offer to make CAF Advances at a fixed rate (as opposed to a rate composed of the LIBO Rate plus (or minus) a margin).

"Foreign Letter of Credit": a Letter of Credit whose beneficiary is a Person which is directly or indirectly extending credit to a Foreign Subsidiary.

"Foreign Subsidiaries": each of the Subsidiaries so designated on Schedule VI and any Subsidiaries organized outside the United States which are created after the effectiveness hereof.

"Foreign Subsidiary Borrower": each Foreign Subsidiary listed as a Foreign Subsidiary Borrower in Schedule II as amended from time to time in accordance with subsection 18.1(b)(i).

"Foreign Subsidiary Opinion": with respect to any Foreign Subsidiary Borrower, a legal opinion of counsel to such Foreign Subsidiary Borrower addressed to the Administrative Agents and the Lenders covering the matters set forth on Exhibit N, with such assumptions, qualifications and deviations therefrom as the General Administrative Agent shall approve (such approval not to be unreasonably withheld).

"Funding Commitment Percentage": as at any date of determination (after giving effect to the making and payment of any Loans made on such date pursuant to subsection 2.5), with respect to any U.S. Lender, that percentage which the Available U.S. Revolving Credit Commitment of such U.S. Lender then constitutes of the Aggregate Available U.S. Revolving Credit Commitments.

"GAAP": generally accepted accounting principles in the United States of America in effect from time to time.

"General Administrative Agent": Chase, together with its affiliates, as arranger of the Commitments and as general administrative agent for the Lenders under this Agreement and the other Loan Documents, and any successor thereto appointed pursuant to subsection 17.9.

"German Subsidiary Pledge": the German Pledge, dated as of July 2, 1999, made by Lear Corporation Germany, Ltd., in favor of The Chase Manhattan Bank, as agent.

"Governmental Authority": any nation or government, any state, province or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Guarantee Obligation": as to any Person, any obligation of such Person guaranteeing or in effect guaranteeing any Indebtedness, leases, dividends or other obligations (the "primary obligations") of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent (a) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (b) to advance or supply funds (i) for the purchase or payment of any such primary obligation or (ii) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (c) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or (d) otherwise to assure or hold harmless the owner of any such primary obligation against loss in respect thereof; provided, however, that the term Guarantee Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Guarantee Obligation shall be deemed to be an amount

equal to the value as of any date of determination of the stated or determinable amount of the primary obligation in respect of which such Guarantee Obligation is made (unless such Guarantee Obligation shall be expressly limited to a lesser amount, in which case such lesser amount shall apply) or, if not stated or determinable, the value as of any date of determination of the maximum reasonably anticipated liability in respect thereof as determined by such Person in good faith.

"Guarantor Supplement": a supplement to the Subsidiary Guarantee, substantially in the form of Annex A to the Subsidiary Guarantee, whereby a Subsidiary of the U.S. Borrower becomes a "Guarantor" under the Subsidiary Guarantee.

"Hazardous Materials": any solid wastes, toxic or hazardous substances, materials or wastes, defined, listed, classified or regulated as such in or under any Environmental Laws, including, without limitation, asbestos, petroleum or petroleum products (including gasoline, crude oil or any fraction thereof), polychlorinated biphenyls, and urea-formaldehyde insulation, and any other substance the presence of which may give rise to liability under any Environmental Law.

"Indebtedness": of a Person, at a particular date, the sum (without duplication) at such date of (a) indebtedness for borrowed money or for the deferred purchase price of property or services in respect of which such Person is liable as obligor, (b) indebtedness secured by any Lien on any property or asset owned or held by such Person regardless of whether the indebtedness secured thereby shall have been assumed by or is a primary liability of such Person, (c) obligations of such Person under Financing Leases, (d) the face amount of all letters of credit issued for the account of such person and, without duplication, the unreimbursed amount of all drafts drawn thereunder and (e) obligations (in the nature of principal or interest) of such Person in respect of acceptances or similar obligations issued or created for the account of such Person; but excluding (i) trade and other accounts payable in the ordinary course of business in accordance with customary trade terms and which are not overdue for more than 120 days or, if overdue for more than 120 days, as to which a dispute exists and adequate reserves in conformity with GAAP have been established on the books of such Person, (ii) deferred compensation obligations to employees and (iii) any obligations otherwise constituting Indebtedness the payment of which such Person has provided for pursuant to the terms of such Indebtedness or any agreement or instrument pursuant to which such Indebtedness was incurred, by the irrevocable deposit in trust of an amount of funds or a principal amount of securities, which deposit is sufficient, either by itself or taking into account the accrual of interest thereon, to pay the principal of and interest on such obligations when due.

"Industrial Revenue Bonds": industrial revenue bonds issued for the benefit of the U.S. Borrower or its Subsidiaries and in respect of which the U.S. Borrower or its Subsidiaries will be the source of repayment, provided that such financings (including, without limitation, the indenture related thereto) shall be in form and substance reasonably satisfactory to the Issuing Lender that issues a Letter of Credit backing such Industrial Revenue Bonds.

"Insolvency": with respect to any Multiemployer Plan, the condition that such Plan is insolvent within the meaning of Section 4245 of ERISA.

"Insolvent": pertaining to a condition of Insolvency.

"Intercreditor Agreement": the Amended and Restated Intercreditor Agreement, substantially in the form of Exhibit P, to be entered into pursuant to subsection 18.17 among Toronto Dominion (Texas), Inc. and The Chase Manhattan Bank, as collateral agent, as amended or otherwise modified from time to time.

"Interest Payment Date": (a) as to any ABR Loan and any Prime Rate Loan, the last day of each March, June, September and December to occur while such Loan is outstanding, (b) as to any Eurodollar Loan or Multicurrency Loan having an Interest Period of three months or less, the last day of such Interest Period, (c) as to any Eurodollar Loan or Multicurrency Loan having an Interest Period longer than three months, (i) each day which is three months, or a whole multiple thereof, after the first day of such Interest Period and (ii) the last day of such Interest Period and (d) as to any Money Market Rate Swing Line Loan, the last day of the interest period with respect thereto selected by the U.S. Borrower and the relevant Swing Line Lender.

"Interest Period": with respect to any Eurodollar Loan or Multicurrency Loan:

(a) initially, the period commencing on the borrowing or conversion date, as the case may be, with respect to such Eurodollar Loan or Multicurrency Loan and ending (i) one, two, three or six months thereafter, or (ii) with the consent of all the Lenders making such Loan, (x) nine or twelve months thereafter and, (y) with respect to Loans denominated in U.S. Dollars, two weeks, in each case, as selected by the relevant Borrower in its notice of borrowing or notice of conversion, as the case may be, given with respect thereto; and

(b) thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such Eurodollar Loan or Multicurrency Loan and ending (i) one, two, three or six months thereafter, or (ii) with the consent of all the Lenders making such Loan, (x) nine or twelve months thereafter and, (y) with respect to Loans denominated in U.S. Dollars, two weeks, in each case, as selected by the relevant Borrower by irrevocable notice to the General Administrative Agent prior to 12:00 Noon, New York City time, not less than three Business Days prior to the last day of the then current Interest Period with respect thereto, with respect to Eurodollar Loans, or by the time specified for the Notice of Multicurrency Loan Continuation with respect to any Multicurrency Loans set forth in the Administrative Schedule,

provided that all of the foregoing provisions relating to Interest Periods are subject to the following:

(i) if any Interest Period pertaining to a Eurodollar Loan or Multicurrency Loan would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless the result of such extension would be to carry such Interest Period into another calendar month in which event such Interest Period shall end on the immediately preceding Business Day;

(ii) any Interest Period applicable to a Eurodollar Loan or Multicurrency Loan that would otherwise extend beyond the Revolving Credit Termination Date shall end on the Revolving Credit Termination Date; and

(iii) any Interest Period pertaining to a Eurodollar Loan or Multicurrency Loan (other than an Interest Period of two weeks' duration in respect of Loans denominated in U.S. Dollars) that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of a calendar month.

"Interest Rate Agreement": any interest rate protection agreement, interest rate swap or other interest rate hedge arrangement (other than any interest rate cap or other similar agreement or arrangement pursuant to which the U.S. Borrower has no credit exposure), to or under which the U.S. Borrower or any of its Subsidiaries is a party or a beneficiary.

"Interest Rate Agreement Obligations": all obligations of the U.S. Borrower or any Subsidiary to any financial institution under any one or more Interest Rate Agreements.

"Investment Grade Status": shall exist at any time when the actual or implied rating of the U.S. Borrower's senior long-term unsecured debt is at or above BBB- from S&P and at or above Baa3 from Moody's; if either of S&P or Moody's shall change its system of classifications after the date of this Agreement, Investment Grade Status shall exist at any time when the actual or implied rating of the U.S. Borrower's senior long-term unsecured debt is at or above the new rating which most closely corresponds to the above-specified level under the previous rating system.

"Issuing Lender": Chase (or any Affiliate of Chase), in its capacity as issuer of the Letters of Credit and any other U.S. Lender which the U.S. Borrower, the General Administrative Agent and the Majority U.S. Lenders shall have approved, in its capacity as issuer of the Letters of Credit.

"JP Morgan": JP Morgan, a division of Chase Securities Inc.

"Judgment Currency": as defined in subsection 18.19(b).

"Lear Germany": Lear Corporation Beteiligungs GmbH.

"Lenders": as defined in the preamble hereto, provided that no Person shall become a "Lender" hereunder after the Closing Date without compliance with subsection 18.6(c).

"Letter of Credit Applications": (a) in the case of Standby Letters of Credit, a letter of credit application for a Standby Letter of Credit on the standard form of the applicable Issuing Lender for standby letters of credit, and (b) in the case of Commercial Letters of Credit, a letter of credit application for a Commercial Letter of Credit on the standard form of the applicable Issuing Lender for commercial letters of credit.

"Letter of Credit Obligations": at any particular time, all liabilities of the U.S. Borrower and any Subsidiary with respect to Letters of Credit, whether or not any such liability is contingent, including (without duplication) the sum of (a) the aggregate undrawn face amount of all Letters of Credit then outstanding plus (b) the aggregate amount of all unpaid Reimbursement Obligations and Subsidiary Reimbursement Obligations.

"Letter of Credit Participation Certificate": a participation certificate in the form customarily used by the Issuing Lender for such purpose at the time such certificate is issued.

"Letters of Credit": as defined in subsection 9.1(a).

"Leverage Ratio": for any date of determination, including any Adjustment Date, the ratio of (i) Consolidated Indebtedness at the end of the most recently ended fiscal quarter to (ii) Consolidated Operating Profit for the four consecutive fiscal quarters then ended; provided that, if at any time the aggregate amount of Indebtedness associated with Receivables Financing Transactions exceeds $500,000,000, an amount equal to the excess over $500,000,000 shall be included in the determination of "Consolidated Indebtedness".

"LIBO Rate": in respect of any LIBO Rate CAF Advance, the London interbank offered rate for deposits in Dollars for the period commencing on the date of such CAF Advance and ending on the CAF Advance Maturity Date with respect thereto which appears on Telerate Page 3750 as of 11:00 A.M., London time, two Business Days prior to the beginning of such period.

"LIBO Rate CAF Advance": any CAF Advance made pursuant to a LIBO Rate CAF Advance Request.

"LIBO Rate CAF Advance Request": any CAF Advance Request requesting the Lenders to offer to make CAF Advances at an interest rate equal to the LIBO Rate plus (or minus) a margin.

"Lien": any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), or preference, priority or other security agreement

or preferential arrangement of any kind or nature whatsoever (including, without limitation, any conditional sale or other title retention agreement or any Financing Lease having substantially the same economic effect as any of the foregoing).

"Loan Documents": the collective reference to this Agreement, any Notes, the Drafts, the Acceptances, the Acceptance Notes, any documents or instruments evidencing or governing any Alternate Currency Facility and the Security Documents.

"Loan Parties": the collective reference to the Borrowers, each guarantor or grantor party to any Security Document and each issuer of pledged stock under each Pledge Agreement.

"Loans": the collective reference to the Revolving Credit Loans, the Swing Line Loans, the CAF Advances, the Multicurrency Loans and the Alternate Currency Loans.

"Loans to be Converted": as defined in subsection 18.8(a).

"London Banking Day": any day on which banks in London are open for general banking business, including dealings in foreign currency and exchange.

"Managing Agents": as defined on Schedule IX hereto.

"Majority Canadian Lenders": at any time, Canadian Lenders whose Canadian Revolving Credit Commitment Percentages aggregate more than 50%.

"Majority Lenders": (a) at any time prior to the termination of the Revolving Credit Commitments, the Majority U.S. Lenders; and (b) at any time after the termination of the Revolving Credit Commitments, Lenders whose Aggregate Total Outstandings aggregate more than 50% of the Aggregate Total Outstandings of all Lenders; provided that for purposes of this definition the Aggregate Total Outstandings of each Lender shall be adjusted up or down so as to give effect to any participations purchased or sold pursuant to subsection 18.8.

"Majority Multicurrency Lenders": at any time, Multicurrency Lenders whose Multicurrency Commitment Percentages aggregate more than 50%.

"Majority U.S. Lenders": at any time, U.S. Lenders whose U.S. Revolving Credit Commitment Percentages aggregate more than 50%.

"Material Subsidiary": each Loan Party and any other Subsidiary which (a) for the most recent fiscal year of the U.S. Borrower accounted for more than 10% of Consolidated Revenues or (b) as of the end of such fiscal year, was the owner of more than 10% of Consolidated Assets, all as shown on the consolidated financial statements of the U.S. Borrower for such fiscal year.

"Money Market Rate": as defined in subsection 3.2(b).

"Money Market Rate Swing Line Loan": as defined in subsection 3.2(b).

"Moody's": Moody's Investors Service, Inc. or any successor thereto.

"Multicurrency Commitment": as to any Multicurrency Lender at any time, its obligation to make Multicurrency Loans to the U.S. Borrower or Foreign Subsidiary Borrowers in an aggregate amount in Available Foreign Currencies of which the U.S. Dollar Equivalent does not exceed at any time outstanding the lesser of (a) the amount set forth opposite such Multicurrency Lender's name in Schedule I under the heading "Multicurrency Commitment", and (b) the U.S. Revolving Credit Commitment of such Multicurrency Lender, in each case as such amount may be reduced from time to time as provided in subsection 7.4 and the other applicable provisions hereof.

"Multicurrency Commitment Percentage": as to any Multicurrency Lender at any time, the percentage which such Multicurrency Lender's Multicurrency Commitment then constitutes of the aggregate Multicurrency Commitments (or, if the Multicurrency Commitments have terminated or expired, the percentage which (a) the U.S. Dollar Equivalent of the Aggregate Multicurrency Outstandings of such Multicurrency Lender at such time constitutes of (b) the U.S. Dollar Equivalent of the Aggregate Multicurrency Outstandings of all Multicurrency Lenders at such time).

"Multicurrency Lender": each Lender having an amount greater than zero set forth opposite such Lender's name in Schedule I under the heading "Multicurrency Commitment."

"Multicurrency Loans": as defined in subsection 7.1.

"Multiemployer Plan": a Plan which is a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"National Currency Unit": the unit of currency (other than a euro unit) of a Participating Member State.

"Net Proceeds": shall mean the gross proceeds received by the U.S. Borrower or any Subsidiary from a sale or other disposition of any asset of the U.S. Borrower or such Subsidiary less (a) all reasonable fees, commissions and other out-of-pocket expenses incurred by the U.S. Borrower or such Subsidiary in connection therewith, (b) Federal, state, local and foreign taxes assessed in connection therewith and (c) the principal amount, accrued interest and any related prepayment fees of any Indebtedness (other than the Loans) which is secured by any such asset and which is required to be repaid in connection with the sale thereof.

"9 1/2% Subordinated Note Indenture": the Indenture dated as of July 1, 1996, between the U.S. Borrower and The Bank of New York, as trustee, as the same may be amended, supplemented or otherwise modified from time to time in accordance with subsection 14.10.

"9 1/2% Subordinated Notes": the 9 1/2% Subordinated Notes of the U.S. Borrower due 2006, issued pursuant to the 9 1/2% Subordinated Note Indenture.

"Non-Canadian Lender": each U.S. Lender which is not a U.S. Common Lender.

"Non-Multicurrency Lender": each U.S. Lender which is not a Multicurrency Lender.

"Notes": the collective reference to the U.S. Revolving Credit Notes and the Canadian Revolving Credit Notes.

"Notice of Alternate Currency Outstandings": with respect to each Alternate Currency Facility Agent, a notice from such Alternate Currency Facility Agent containing the information, delivered to the Person, in the manner and by the time, specified for a Notice of Alternate Currency Outstandings in the Administrative Schedule.

"Notice of Multicurrency Loan Borrowing": with respect to a Multicurrency Loan, a notice from the Borrower (or the U.S. Borrower on its behalf) in respect of such Loan, containing the information in respect of such Loan and delivered to the Person, in the manner and by the time, specified for a Notice of Multicurrency Loan Borrowing in respect of the currency of such Loan in the Administrative Schedule.

"Notice of Multicurrency Loan Continuation": with respect to a Multicurrency Loan, a notice from the Borrower (or the U.S. Borrower on its behalf) in respect of such Loan, containing the information in respect of such Loan and delivered to the Person, in the manner and by the time, specified for a Notice of Multicurrency Loan Continuation in respect of the currency of such Loan in the Administrative Schedule.

"Obligations": collectively, the unpaid principal of and interest on the Loans, the Reimbursement Obligations, the Subsidiary Reimbursement Obligations, Interest Rate Agreement Obligations or Currency Agreement Obligations entered into by any Borrower with any Lender (or any Affiliate of a Lender) and all other obligations and liabilities (including, with respect to the Canadian Borrower, Acceptance Reimbursement Obligations) of (a) the U.S. Borrower under or in connection with this Agreement (including, without limitation, the obligations under Section 15 hereof) and the other Loan Documents, (b) the Canadian Borrower under this Agreement and the other Loan Documents, (c) each Foreign Subsidiary Borrower under this Agreement and the other Loan Documents and (d) each Alternate Currency Borrower under any Alternate Currency Facility to which it is a party and under this Loan Agreement and the other Loan Documents (including, without limitation, interest accruing at the then applicable rate provided in this Agreement or any other applicable Loan Document after the maturity of the Loans and interest accruing at the then applicable rate provided in this Agreement or any other applicable Loan Document after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the U.S. Borrower, whether or not a claim for post-filing or post-petition

interest is allowed in such proceeding), whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, this Agreement, the Notes, the Acceptances, the Acceptance Notes, the Letters of Credit, the Letter of Credit Applications, the other Loan Documents or any other document made, delivered or given in connection therewith, in each case whether on account of principal, interest, reimbursement obligations, fees, indemnities, costs, expenses or otherwise (including, without limitation, all fees and disbursements of counsel to the Administrative Agents or to the Lenders that are required to be paid by any Borrower pursuant to the terms of this Agreement or any other Loan Document).

"Other Lender": as defined in subsection 18.8(c).

"Other Revolving Credit Agreement": the Amended and Restated Revolving Credit and Term Loan Agreement, dated as of March 26, 2001, among the U.S. Borrower, certain of its Foreign Subsidiaries, the lenders parties thereto, Chase, as administrative agent, and others, as the same may be amended, supplemented or otherwise modified from time to time, and any Refinancing Agreement in respect thereof.

"Participants": as defined in subsection 18.6(b).

"Participating Interest": with respect to any Letter of Credit (a) in the case of the Issuing Lender with respect thereto, its interest in such Letter of Credit and any Letter of Credit Application relating thereto after giving effect to the granting of any participating interests therein pursuant hereto and (b) in the case of each Participating Lender, its undivided participating interest in such Letter of Credit and any Letter of Credit Application relating thereto.

"Participating Lender": any U.S. Lender (other than the Issuing Lender) with respect to its Participating Interest in a Letter of Credit.

"Participating Member State": any member state of the EMU which has the euro as its lawful currency.

"PBGC": the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA.

"Person": an individual, partnership, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

"Plan": at a particular time, any employee benefit plan which is covered by ERISA and in respect of which the U.S. Borrower or a Commonly Controlled Entity is (or, if such plan were terminated at such time, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Pledge Agreement": the Amended and Restated Pledge Agreement, to be executed and delivered by the U.S. Borrower and certain of its subsidiaries in favor of The Chase Manhattan Bank, as Agent, substantially in the form of Exhibit Q, as the same may be amended, supplemented or otherwise modified from time to time.

"Pledged Stock": as defined in the Pledge Agreement.

"Powers of Attorney": as defined in subsection 6.2(b).

"Prepayment Proceeds": as defined in subsection 10.4(h).

"Pricing Grid":

	Applicable Margin		
Leverage Ratio	Eurodollar/Eurocurrency Loans	ABR Loans, Canadian Base Rate Loans and Prime Rate Loans	Facility Fee Rate
Less than or equal to 3.00:1.00	1.30%	0.05%	0.45%
Less than or equal to 2.00:1.00	1.15%.	0.00%	0.35%
Greater than 2.00:1.00	0.95%	0.00%	0.30%
Greater than 1.50:1.00 and either BBB- or Baa3	0.75%	0.00%	0.25%

Changes in the Applicable Margin or in the Facility Fee Rate resulting from changes in the Leverage Ratio shall become effective on the Adjustment Date and shall remain in effect until the next change to be effected pursuant to the definition of "Adjustment Date"; provided that if the financial statements and related compliance certificate for any fiscal period are not delivered by the date due pursuant to subsections 13.1 and 13.2(b), the Applicable Margin shall be (i) for the first five days subsequent to such due date, the Applicable Margin then in effect on the day prior to such due date, and (ii) thereafter, that set forth above opposite the Leverage Ratio > 3:00:1.00, in either case, until the subsequent Adjustment Date. -

In the event that the Other Revolving Credit Agreement is terminated in accordance with its terms (or amended to eliminate the requirement in the pricing grid set forth therein relating to the U.S. Borrower's long-term unsecured debt rating), any requirement related to the U.S. Borrower's long-term unsecured debt rating in the Pricing Grid shall automatically be deemed to be deleted without any further action on the part of the U.S. Borrower, the General Administrative Agent or the Lenders.

"Prime Rate": at any day, the greater on such day of (a) the rate per annum announced by the Canadian Administrative Agent from time to time (and in effect on such day) as its prime rate for Canadian Dollar commercial loans made in Canada, as adjusted automatically from time to time and without notice to any of the Borrowers upon change by the Canadian Administrative Agent, and (b) 1% above the CDOR Rate from time to time (and in effect on such day), as advised by the Canadian Administrative Agent to the Canadian Borrower from time to time pursuant hereto. The Prime Rate is not intended to be the lowest rate of interest charged by the Canadian Administrative Agent in connection with extensions of credit in Canadian Dollars to debtors.

"Prime Rate Loans": all Canadian Revolving Credit Loans denominated in Canadian Dollars, which shall bear interest at a rate based upon the Prime Rate.

"Property": each parcel of real property owned or operated by the U.S. Borrower and its Subsidiaries.

"Proprietary Rights": as defined in subsection 11.16.

"Public Indebtedness": Indebtedness issued in a public offering or Rule 144A transaction.

"Qualified Credit Facility": a credit facility (a) providing for one or more Alternate Currency Lenders to make loans denominated in an Alternate Currency to one or more Alternate Currency Borrowers, (b) providing for such loans to bear interest at a rate or rates determined by the U.S. Borrower and such Alternate Currency Lender or Alternate Currency Lenders and (c) otherwise conforming to the requirements of Section 8.

"Quotation Day": in respect of the determination of the Eurocurrency Rate for any Interest Period for Multicurrency Loans in any Available Foreign Currency, the day on which quotations would ordinarily be given by prime banks in the London interbank market (or, if such Available Foreign Currency is Pounds Sterling, in the Paris interbank market) for deposits in such Available Foreign Currency for delivery on the first day of such Interest Period; provided, that if quotations would ordinarily be given on more than one date, the Quotation Day for such Interest Period shall be the last of such dates. On the date hereof, the Quotation Day in respect of any Interest Period for any Available Foreign Currency (other than the euro) is customarily the last London Banking Day prior to the beginning of such Interest Period which is (a) at least two London Banking Days prior to the beginning of such Interest Period and (b) a day on which banks are open for general banking business in the city which is the principal financial center of the country of issue of such Available Foreign Currency (and, in the case of Pounds Sterling, in Paris); and the Quotation Day in respect of any Interest Period for the euro is the day which is two Target Operating Days prior to the first day of such Interest Period.

"Receivable Financing Transaction": any transaction or series of transactions involving a sale for cash of accounts receivable, without recourse based upon the

collectibility of the receivables sold, by the U.S. Borrower or any of its Subsidiaries to a Special Purpose Subsidiary and a subsequent sale or pledge of such accounts receivable (or an interest therein) by such Special Purpose Subsidiary, in each case without any guarantee by the U.S. Borrower or any of its Subsidiaries (other than the Special Purpose Subsidiary).

"Reference Discount Rate": on any date with respect to each Draft requested to be accepted by a Canadian Lender, (a) if such Canadian Lender is a Schedule I Canadian Lender, the arithmetic average of the discount rates (expressed as a percentage calculated on the basis of a year of 365 days) quoted by the Toronto offices of each of the Schedule I Canadian Reference Lenders, at 10:00 A.M. (Toronto time) on the Borrowing Date as the discount rate at which each such Schedule I Canadian Reference Lender would, in the normal course of its business, purchase on such date Acceptances having an aggregate face amount and term to maturity as designated by the Canadian Borrower pursuant to Section 6.2 and (b) if such Canadian Lender is a Schedule II Canadian Lender, the arithmetic average of the discount rates (expressed as a percentage calculated on the basis of a year of 365 days) quoted by the Toronto offices of each of the Schedule II Canadian Reference Lenders, at 10:00 A.M. (Toronto time) on the Borrowing Date as the discount rate at which each such Schedule II Canadian Reference Lender would, in the normal course of its business, purchase on such date Acceptances having an aggregate face amount and term to maturity as designated by the Canadian Borrower pursuant to subsection 6.2. The Canadian Administrative Agent shall advise the Canadian Borrower and the Canadian Lenders, either in writing or verbally, by 11:00 A.M. (Toronto time) on the Borrowing Date as to the applicable Reference Discount Rate and corresponding Acceptance Purchase Price in respect of Acceptances having the maturities selected by the Canadian Borrower for such Borrowing Date. Notwithstanding the foregoing, the Canadian Borrower, the Canadian Administrative Agent and the Canadian Lenders, may agree upon alternative methods of determining the Reference Discount Rate from time to time.

"Refinancing Agreement": with respect to the Other Revolving Credit Agreement a successor agreement or indenture satisfying the following criteria: (a) such successor agreement refinances in whole or in part, and replaces or refinances the commitments under, the Other Revolving Credit Agreement, (b) either (i) the covenants, representations and warranties and events of default set forth in such successor agreement shall be equivalent to the corresponding provisions set forth in the Other Revolving Credit Agreement or (ii) to the extent such provisions are more restrictive on the U.S. Borrower and its Subsidiaries than the provisions of this Agreement, the U.S. Borrower shall, contemporaneously with entering into such Refinancing Agreement, enter into with the General Administrative Agent an amendment to this Agreement reasonably satisfactory to the General Administrative Agent pursuant to which such more restrictive provisions shall be incorporated herein (the Lenders hereby authorizing the General Administrative Agent to enter into such amendment), (c) such successor agreement shall not be guaranteed by any Person other than the Subsidiary Guarantors pursuant to the Subsidiary Guarantee and, if applicable, the U.S. Borrower and shall not be secured

except pursuant to the Security Documents and (d) the lenders under such successor agreement (or an agent for such lenders) shall have entered into an intercreditor agreement with the General Administrative Agent, in form and substance reasonably satisfactory to the General Administrative Agent, which shall, in any event, contain customary indemnities, liability limitations, exculpation provisions and other customary protective provisions in favor of the General Administrative Agent, in its capacity as Agent under (and as defined in) the Subsidiary Guarantee and the Security Documents, substantially equivalent to those set forth in the corresponding provisions of the Other Revolving Credit Agreement.

"Refinancing Indebtedness": a collective reference to (x) any Indebtedness pursuant to a Refinancing Agreement and (y) with respect to the Senior Notes and the 2001 Eurobonds, Indebtedness refinancing the Senior Notes or the 2001 Eurobonds or any successor refinancings satisfying the following criteria: (a) such Refinancing Indebtedness refinances the aggregate outstanding principal balance of such Indebtedness being refinanced, (b) the covenants, representations and warranties and events of default set forth in the indenture or agreement relating to such Refinancing Indebtedness shall be equivalent to or no more restrictive in any material respect than the corresponding provisions set forth in the Senior Notes Indenture or the 2001 Eurobond Indenture, as the case may be, and (c) the maturity date of such Refinancing Indebtedness shall not be earlier than the Revolving Credit Termination Date.

"Register": as defined in subsection 18.6(d).

"Reimbursement Obligation": the obligation of the U.S. Borrower to reimburse the Issuing Lender in accordance with the terms of this Agreement and the related Letter of Credit Application for any payment made by the Issuing Lender under any Letter of Credit.

"Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, escaping, leaking, dumping, disposing, spreading, depositing or dispersing of any Hazardous Materials in, unto or onto the environment.

"Reorganization": with respect to any Multiemployer Plan, the condition that such plan is in reorganization within the meaning of Section 4241 of ERISA.

"Reportable Event": any of the events set forth in Section 4043(c) of ERISA, other than those events as to which the thirty day notice period is waived under any of subsections .13, .14, .16, .18, .19 or .20 of PBGC Reg.ss.4043 or any successor regulation thereto.

"Requested Acceptances": as defined in subsection 2.5(a).

"Requested Alternate Currency Loans": as defined in subsection 2.5(c).

"Requested Canadian Revolving Credit Loans": as defined in subsection 2.5(a).

"Requested Multicurrency Loans": as defined in subsection 2.5(b).

"Request for Acceptances": as defined in subsection 6.2(a).

"Requirement of Law": as to (a) any Person, the certificate of incorporation and by-laws or the partnership or limited partnership agreement or other organizational or governing documents of such Person, and any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject, and (b) any property, any law, treaty, rule, regulation, requirement, judgment, decree or determination of any Governmental Authority applicable to or binding upon such property or to which such property is subject, including, without limitation, any Environmental Laws.

"Responsible Officer": with respect to any Loan Party, the chief executive officer, the president, the chief financial officer, any vice president, the treasurer or the assistant treasurer of such Loan Party.

"Revolving Credit Commitment Period": the period from and including the Closing Date to but not including the Revolving Credit Termination Date, or such earlier date on which the Revolving Credit Commitments shall terminate as provided herein.

"Revolving Credit Commitments": the collective reference to the U.S. Revolving Credit Commitments, the Canadian Revolving Credit Commitments and the Multicurrency Commitments.

"Revolving Credit Loans": the collective reference to the U.S. Revolving Credit Loans, the Canadian Revolving Credit Loans and the Multicurrency Loans; each, individually, a "Revolving Credit Loan".

"Revolving Credit Termination Date": March 26, 2006.

"Schedule I Canadian Lender": each Canadian Lender listed on Schedule I to the Bank Act (Canada).

"Schedule I Canadian Reference Lenders": The Bank of Nova Scotia and The Toronto-Dominion Bank.

"Schedule II Canadian Lender": each Canadian Lender which is not a Schedule I Canadian Lender.

"Schedule II Canadian Reference Lenders": one or more Schedule II Canadian Lenders selected by the U.S. Borrower with the consent of all the Schedule II Canadian Lenders.

"Securities Act": the Securities Act of 1933, as amended.

"Security Documents": the collective reference to the Pledge Agreement, the Subsidiary Guarantee and each other guarantee, security document or similar agreement that may be delivered to the General Administrative Agent as collateral security for any or all of the Obligations, in each case as amended, supplemented or otherwise modified from time to time, including, without limitation, to give effect to any Refinancing Agreement permitted hereunder.

"Senior Managing Agents": as defined on Schedule IX hereto.

"Senior Notes": the 7.96% Senior Notes due 2005 and the 8.11% Senior Notes due 2009 of the U.S. Borrower, each issued pursuant to the Senior Notes Indenture, and any Refinancing Indebtedness in respect thereof.

"Senior Notes Indenture": the Indenture, dated as of May 15, 1999, among the U.S. Borrower, as issuer, the subsidiary guarantors parties thereto and The Bank of New York, as trustee, as the same may be amended, supplemented or otherwise modified or replaced from time to time in accordance with the definition of "Refinancing Indebtedness".

"Single Employer Plan": any Plan which is covered by Title IV of ERISA, but which is not a Multiemployer Plan.

"S&P": Standard & Poor's Ratings Group or any successor thereto.

"Special Affiliate": any Affiliate of the U.S. Borrower (a) as to which the U.S. Borrower holds, directly or indirectly, (i) power to vote 20% or more of the securities having ordinary voting power for the election of directors of such Affiliate or (ii) a 20% ownership interest in such Affiliate and (b) which is engaged in business of the same or related general type as now being conducted by the U.S. Borrower and its Subsidiaries.

"Special Entity": any Person which is engaged in business of the same or related general type as now being conducted by the U.S. Borrower and its Subsidiaries.

"Special Purpose Subsidiary": any Wholly Owned Subsidiary of the U.S. Borrower created by the U.S. Borrower for the sole purpose of facilitating a Receivable Financing Transaction.

"Standby Letters of Credit": as defined in subsection 9.1(a).

"Subordinated Debt": any obligations (for principal, interest or otherwise) evidenced by or arising under or in respect of the Subordinated Notes and the 9 1/2% Subordinated Notes.

"Subordinated Debt Indentures": the collective reference to the Subordinated Note Indenture and the 9 1/2% Subordinated Note Indenture.

"Subordinated Note Indenture": the Indenture, dated as of February 1, 1994, between the U.S. Borrower and State Street Bank and Trust Company (as successor to The First National Bank of Boston), as trustee, as the same may be amended, supplemented or otherwise modified from time to time in accordance with subsection 14.10.

"Subordinated Notes": the 8 1/4% Subordinated Notes of the U.S. Borrower due 2002, issued pursuant to the Subordinated Note Indenture.

"Subsequent Participant": any member state of the EMU that adopts the euro as its lawful currency after January 1, 1999.

"Subsidiary": as to any Person, a corporation, partnership or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly, through one or more intermediaries, or both, by such Person (exclusive of any Affiliate in which such Person has a minority ownership interest). Unless otherwise qualified, all references to a "Subsidiary" or to "Subsidiaries" in this Agreement shall refer to a Subsidiary or Subsidiaries of the U.S. Borrower.

"Subsidiary and Secured Indebtedness": the collective reference (without duplication) to (a) any Indebtedness of any Subsidiary, other than Indebtedness permitted by paragraphs (a) through (e) of subsection 14.2, (b) any Guarantee Obligation of any Subsidiary, other than Guarantee Obligations permitted by paragraphs (a) through (e) of subsection 14.4, (c) any Indebtedness or Guarantee Obligation of any Person that is secured by any Lien on any property, assets or revenues of the U.S. Borrower or any of its Subsidiaries, other than Liens permitted by paragraphs (a) through (n) of subsection 14.3. For purposes of clause (b) of the preceding sentence, the amount of any Guarantee Obligation shall be determined as set forth in the definition of "Guarantee Obligation" in this subsection 1.1; and for purposes of clause (c) of the preceding sentence, the amount of any Indebtedness or Guarantee Obligation that is secured by a Lien on any property, assets or revenues of the U.S. Borrower or any of its Subsidiaries shall equal the lesser of (x) the amount of any such Indebtedness or Guarantee Obligation and (y) the fair market value as of the date of determination of the property, assets or revenues subject to such Lien. At any time of determination, the amount of Subsidiary and Secured Indebtedness outstanding shall be determined without duplication of any other Subsidiary and Secured Indebtedness then outstanding.

"Subsidiary Guarantee": the Amended and Restated Subsidiary Guarantee, dated as of the date hereof, made by certain Subsidiaries of the U.S. Borrower in favor of the General Administrative Agent, substantially in the form of Exhibit O, as the same may be amended, supplemented or otherwise modified from time to time.

"Subsidiary Guarantor": each Subsidiary that is a guarantor party to the Subsidiary Guarantee, so long as the Subsidiary Guarantee remains in effect.

"Subsidiary Reimbursement Obligation": the obligation of any Subsidiary to reimburse the Issuing Lender in accordance with the terms of this Agreement and the related Letter of Credit Application for any payment made by the Issuing Lender under any Letter of Credit.

"Swing Line Commitment": as to each Swing Line Lender, in its capacity as a Swing Line Lender, its obligation to make Swing Line Loans to the U.S. Borrower which Loans for all Swing Line Lenders shall not exceed an aggregate principal amount, at any one time outstanding $150,000,000; provided that the Swing Line Commitment of any Swing Line Lender shall not exceed $75,000,000.

"Swing Line Lenders": the collective reference to Chase and BofA, in their respective capacities as provider of the Swing Line Loans.

"Swing Line Loans" and "Swing Line Loan": as defined in subsection 3.1.

"Syndication Agents": as defined in the preamble hereto.

"Target Operating Day": any day that is not (a) a Saturday or Sunday, (b) Christmas Day or New Year's Day or (c) any other day on which the Trans-European Real-time Gross Settlement Operating System (or any successor settlement system) is not operating (as determined by the General Administrative Agent).

"Tax Act": the Income Tax Act (Canada), as amended from time to time.

"Taxes": as defined in subsection 10.12(a).

"Tranche": the collective reference to Eurodollar Loans or Multicurrency Loans the then current Interest Periods with respect to all of which begin on the same date and end on the same later date (whether or not such Loans shall originally have been made on the same day).

"Transferee": as defined in subsection 18.6(f).

"Treaty on European Union": the Treaty of Rome of March 25, 1957, as amended by the Single European Act 1986 and the Maastricht Treaty (which was signed at Maastricht on February 7, 1992, and came into force on November 1, 1993), as amended from time to time.

"2001 Eurobond Indenture": the Indenture, dated as of March 20, 2001, among the U.S. Borrower, as issuer, the guarantors party thereto from time to time, as guarantors, and The Bank of New York, as trustee, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the definition of "Refinancing Indebtedness."

"2001 Eurobonds": the 8-1/8% Senior Notes of the U.S. Borrower due 2008 issued pursuant to the 2001 Eurobond Indenture, and any Refinancing Indebtedness in respect thereof.

"Type": as to any U.S. Revolving Credit Loan, its nature as an ABR Loan or a Eurodollar Loan, and as to any Canadian Revolving Credit Loan, its nature as a Canadian Base Rate Loan or a Prime Rate Loan.

"U.S. Borrower": as defined in the preamble hereto.

"U.S. Common Lender": each U.S. Lender which has a Counterpart Lender.

"U.S. Dollar Equivalent": with respect to an amount denominated in any currency other than U.S. Dollars, the equivalent in U.S. Dollars of such amount determined at the Exchange Rate on the date of determination of such equivalent. In making any determination of the U.S. Dollar Equivalent for purposes of calculating the amount of Loans to be borrowed from, or the face amount of Acceptances to be created by, the respective Lenders on any Borrowing Date, the General Administrative Agent or the Canadian Administrative Agent, as the case may be, shall use the relevant Exchange Rate in effect on the date on which the relevant Borrower delivers a borrowing notice for such Loans or Acceptance, as the case may be, pursuant to the provisions of this Agreement and the other Loan Documents.

"U.S. Lenders": the Lenders listed in Part A of Schedule I hereto.

"U.S. Prime Rate": the rate of interest per annum publicly announced from time to time by the General Administrative Agent as its prime rate in effect at its principal office in New York City. The U.S. Prime Rate is not intended to be the lowest rate of interest charged by the General Administrative Agent in connection with extensions of credit to borrowers.

"U.S. Revolving Credit Commitment": as to any U.S. Lender at any time, its obligation to make U.S. Revolving Credit Loans to, and/or participate in Swing Line Loans made to and Letters of Credit issued for the account of, the U.S. Borrower and its Subsidiaries in an aggregate amount not to exceed at any time outstanding the U.S. Dollar amount set forth opposite such U.S. Lender's name in Schedule I under the heading "U.S. Revolving Credit Commitment", as such amount may be reduced from time to time pursuant to subsection 2.4 and the other applicable provisions hereof.

"U.S. Revolving Credit Commitment Percentage": as to any U.S. Lender at any time, the percentage which such U.S. Lender's U.S. Revolving Credit Commitment then constitutes of the aggregate U.S. Revolving Credit Commitments of all U.S. Lenders (or, if the U.S. Revolving Credit Commitments have terminated or expired, the percentage which (a) the Aggregate U.S. Revolving Credit Outstandings of such U.S. Lender at such time then constitutes of (b) the Aggregate U.S. Revolving Credit Outstandings of all U.S. Lenders at such time).

"U.S. Revolving Credit Lender": each U.S. Lender having an amount greater than zero set forth under the heading "U.S. Revolving Credit Commitment" opposite its name on Schedule I.

"U.S. Revolving Credit Loan": as defined in subsection 2.1.

"U.S. Revolving Credit Note": as defined in subsection 2.2(e).

"UT Automotive Acquisition": the acquisition by the U.S. Borrower (or a Subsidiary as its designee) of the Capital Stock of Lear Corporation Automotive Holdings, a Delaware corporation formerly known as UT Automotive, Inc., and certain related entities, pursuant to the UT Automotive Acquisition Agreement.

"UT Automotive Acquisition Agreement": the Stock Purchase Agreement, dated as of March 16, 1999, between Nevada Bond Investment Corp. II, a Nevada corporation, as Seller, and the U.S. Borrower (or a Subsidiary as its designee), as Buyer, as amended, supplemented or otherwise modified, and certain related agreements.

"Wholly Owned Subsidiary": as to any Person, a corporation, partnership or other entity of which (a) 100% of the common Capital Stock or other ownership interests of such corporation, partnership or other entity or (b) more than 95% of the common Capital Stock or other ownership interests of such corporation, partnership or other entity where the portion of the common Capital Stock or other ownership interests not held by such Person is held by other Persons to satisfy applicable legal requirements, is owned, directly or indirectly, by such Person; provided, however, that so long as the U.S. Borrower owns, directly or indirectly, more than 95% of the Capital Stock of Lear Italia, Lear Italia shall be deemed a Wholly Owned Subsidiary of the U.S. Borrower.

1.2 Other Definitional Provisions. (a)Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings when used in the Notes, the other Loan Documents or any certificate or other document made or delivered pursuant hereto.

(b) As used herein and in the Notes and any other Loan Document, and any certificate or other document made or delivered pursuant hereto or thereto, accounting terms relating to the U.S. Borrower and its Subsidiaries not defined in subsection 1.1 and accounting terms partly defined in subsection 1.1, to the extent not defined, shall have the respective meanings given to them under GAAP.

(c) The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section, subsection, Schedule and Exhibit references are to this Agreement unless otherwise specified.

(d) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

SECTION 2. AMOUNT AND TERMS OF U.S. REVOLVING CREDIT COMMITMENTS

2.1 U.S. Revolving Credit Commitments. (a) Subject to the terms and conditions hereof, each U.S. Lender severally agrees to make revolving credit loans (each, a "U.S. Revolving Credit Loan") in U.S. Dollars to the U.S. Borrower from time to time during the Revolving Credit Commitment Period so long as after giving effect thereto (i) the Available U.S. Revolving Credit Commitment of each U.S. Lender is greater than or equal to zero and (ii) the Aggregate Total Outstandings of all Lenders do not exceed the Aggregate U.S. Revolving Credit Commitments. During the Revolving Credit Commitment Period the U.S. Borrower may use the U.S. Revolving Credit Commitments by borrowing, prepaying the U.S. Revolving Credit Loans in whole or in part, and reborrowing, all in accordance with the terms and conditions hereof.

(b) The U.S. Revolving Credit Loans may from time to time be (i) Eurodollar Loans, (ii) ABR Loans or (iii) a combination thereof, as determined by the U.S. Borrower and notified to the General Administrative Agent in accordance with subsections 2.3 and 10.2, provided that no U.S. Revolving Credit Loan shall be made as a Eurodollar Loan after the day that is one month prior to the Revolving Credit Termination Date.

2.2 Repayment of U.S. Revolving Credit Loans; Evidence of Debt. (a) The U.S. Borrower hereby unconditionally promises to pay to the General Administrative Agent for the account of each U.S. Lender the then unpaid principal amount of each U.S. Revolving Credit Loan of such U.S. Lender (whether made before or after the termination or expiration of the U.S. Revolving Credit Commitments) on the Revolving Credit Termination Date and on such other date(s) and in such other amounts as may be required from time to time pursuant to this Agreement. The U.S. Borrower hereby further agrees to pay interest on the unpaid principal amount of the U.S. Revolving Credit Loans from time to time outstanding until payment thereof in full at the rates per annum, and on the dates, set forth in subsection 10.1.

(b) Each U.S. Lender shall maintain in accordance with its usual practice an account or accounts evidencing indebtedness of the U.S. Borrower to such U.S. Lender resulting from each U.S. Revolving Credit Loan of such U.S. Lender from time to time, including the amounts of principal and interest payable thereon and paid to such U.S. Lender from time to time under this Agreement.

(c) The General Administrative Agent (together with the Canadian Administrative Agent) shall maintain the Register pursuant to subsection 18.6(d), and a subaccount therein for each U.S. Lender, in which shall be recorded (i) the date and amount of each U.S. Revolving Credit Loan made hereunder, the Type thereof and each Interest Period applicable thereto, (ii) the date of each continuation thereof pursuant to subsection 10.2, (iii) the date of each conversion of all or a portion thereof to another Type pursuant to subsection 10.2, (iv) the date and amount of any principal or interest due and payable or to become due and payable from the U.S. Borrower to each U.S. Lender hereunder in respect of the U.S. Revolving Credit Loans and (v) both the date and amount of any sum received by the General Administrative Agent hereunder from the U.S. Borrower in respect of the U.S. Revolving Credit Loans and each U.S. Lender's share thereof.

(d) The entries made in the Register and the accounts of each U.S. Lender maintained pursuant to subsection 2.2(b) shall, to the extent permitted by applicable law, be prima facie evidence of the existence and amounts of the obligations of the U.S. Borrower therein recorded; provided, however, that the failure of any U.S. Lender or the Administrative Agents to maintain the Register or any such account, or any error therein, shall not in any manner affect the obligations of the U.S. Borrower to repay (with applicable interest) the U.S. Revolving Credit Loans made to the U.S. Borrower by such U.S. Lender in accordance with the terms of this Agreement.

(e) The U.S. Borrower agrees that, upon the request to the General Administrative Agent by any U.S. Lender, the U.S. Borrower will execute and deliver to such U.S. Lender a promissory note of the U.S. Borrower evidencing the Revolving Credit Loans of such U.S. Lender, substantially in the form of Exhibit A with appropriate insertions as to date and principal amount (each, a "U.S. Revolving Credit Note"); provided, that the delivery of such U.S. Revolving Credit Notes shall not be a condition precedent to the Closing Date.

2.3 Procedure for U.S. Revolving Credit Borrowing. The U.S. Borrower may borrow under the U.S. Revolving Credit Commitments during the Revolving Credit Commitment Period on any Business Day, provided that the U.S. Borrower shall give the General Administrative Agent irrevocable notice (which notice must be received by the General Administrative Agent prior to 12:00 Noon, New York City time, at least (a) three Business Days prior to the requested Borrowing Date, if all or any part of the requested U.S. Revolving Credit Loans are to be initially Eurodollar Loans, or (b) one Business Day prior to the requested Borrowing Date, otherwise), specifying in each case (i) the amount to be borrowed, (ii) the requested Borrowing Date, (iii) whether the borrowing is to be of Eurodollar Loans, ABR Loans or a combination thereof and (iv) if the borrowing is to be entirely or partly of Eurodollar Loans, the amount of such Type of Loan and the length of the initial Interest Period therefor. Each borrowing under the U.S. Revolving Credit Commitments (other than a borrowing under subsection 2.5, subsection 3.4 or to pay a like amount of Reimbursement Obligations or Subsidiary Reimbursement Obligations) shall be in an amount equal to (A) in the case of ABR Loans, except any ABR Loan made pursuant to subsection 3.4, $10,000,000 or a whole multiple of $1,000,000 in excess thereof (or, if the then Aggregate Available U.S. Revolving Credit Commitments are less than $10,000,000, such lesser amount) and (B) in the case of Eurodollar Loans, $10,000,000 or a whole multiple of $1,000,000 in excess thereof. Upon receipt of any such notice from the U.S. Borrower, the General Administrative Agent shall promptly notify each U.S. Lender and the Canadian Administrative Agent thereof. Not later than 12:00 Noon, New York City time, on each requested Borrowing Date each U.S. Lender shall make an amount equal to its Funding Commitment Percentage of the principal amount of the U.S. Revolving Credit Loans requested to be made on such Borrowing Date available to the General Administrative Agent at its office specified in subsection 18.2 in U.S. Dollars and in immediately available funds. Except as otherwise provided in subsection 2.5 or 3.4, the General Administrative Agent shall on such date credit the account of the U.S. Borrower on the books of such office with the aggregate of the amounts made available to the General Administrative Agent by the U.S. Lenders and in like funds as received by the General Administrative Agent.

2.4 Termination or Reduction of U.S. Revolving Credit Commitments. The U.S. Borrower shall have the right, upon not less than five Business Days' notice to the General Administrative Agent, to terminate the U.S. Revolving Credit Commitments or, from time to time, to reduce the amount of the U.S. Revolving Credit Commitments; provided that no such termination or reduction shall be permitted if, after giving effect thereto and to any prepayments of the Loans made on the effective date thereof, the Available U.S. Revolving Credit Commitment or Available Multicurrency Commitment of any U.S. Lender, or the Available Canadian Revolving Credit Commitment of any Canadian Lender, would not be greater than or equal to zero. Any such reduction shall be in an amount equal to $2,500,000 or a whole multiple of $500,000 in excess thereof and shall reduce permanently the U.S. Revolving Credit Commitments then in effect.

2.5 Borrowings of U.S. Revolving Credit Loans and Refunding of Loans. (a) If on any Borrowing Date on which the Canadian Borrower has requested the Canadian Lenders to make Canadian Revolving Credit Loans (the "Requested Canadian Revolving Credit Loans") or to create Acceptances (the "Requested Acceptances"), (i) the sum of (A) the principal amount of the Requested Canadian Revolving Credit Loans to be made by any Canadian Lender and (B) the aggregate undiscounted face amount of the Requested Acceptances to be created by such Canadian Lender exceeds the Available Canadian Revolving Credit Commitment of such Canadian Lender on such Borrowing Date (before giving effect to the making and payment of any Loans required to be made pursuant to this subsection 2.5 on such Borrowing Date) and (ii) the U.S. Dollar Equivalent of the amount of such excess is less than or equal to the aggregate Available U.S. Revolving Credit Commitments of all Non-Canadian Lenders (before giving effect to the making and payment of any Loans pursuant to this subsection 2.5 on such Borrowing Date), each Non-Canadian Lender shall make a U.S. Revolving Credit Loan to the U.S. Borrower on such Borrowing Date, and the proceeds of such U.S. Revolving Credit Loans shall be simultaneously applied to repay outstanding U.S. Revolving Credit Loans, Multicurrency Loans and/or Alternate Currency Loans of the U.S. Common Lenders (as directed by the U.S. Borrower) in each case in amounts such that, after giving effect to (1) such borrowings and repayments and (2) the borrowing from the Canadian Lenders of the Requested Canadian Revolving Credit Loans or the creation by the Canadian Lenders of the Requested Acceptances, the Committed Outstandings Percentage of each U.S. Lender will equal (as nearly as possible) its U.S. Revolving Credit Commitment Percentage. To effect such borrowings and repayments, (x) not later than 12:00 Noon, New York City time, on such Borrowing Date, the proceeds of such U.S. Revolving Credit Loans shall be made available by each Non-Canadian Lender to the General Administrative Agent at its office specified in subsection 18.2 in U.S. Dollars and in immediately available funds and the General Administrative Agent shall apply the proceeds of such U.S. Revolving Credit Loans toward repayment of outstanding U.S. Revolving Credit Loans, Multicurrency Loans and/or Alternate Currency Loans of the U.S. Common Lenders (as directed by the U.S. Borrower) and (y) concurrently with the repayment of such Loans on such Borrowing Date, (I) the Canadian Lenders shall, in accordance with the applicable provisions hereof, make the Requested Canadian Revolving Credit Loans (or create the Requested Acceptances) in an aggregate amount equal to the amount so requested by the Canadian Borrower (but not in any event greater than the Aggregate Available Canadian Revolving Credit Commitments after giving effect to the making of such repayment of any

Loans on such Borrowing Date) and (II) the relevant Borrower shall pay to the General Administrative Agent for the account of the Lenders whose Loans to such Borrower are repaid on such Borrowing Date pursuant to this subsection 2.5 all interest accrued on the amounts repaid to the date of repayment, together with any amounts payable pursuant to subsection 10.11 in connection with such repayment.

(b) If on any Borrowing Date on which a Borrower has requested the Multicurrency Lenders to make Multicurrency Loans (the "Requested Multicurrency Loans"), (i) the principal amount of the Requested Multicurrency Loans to be made by any Multicurrency Lender exceeds the Available Multicurrency Commitment of such Multicurrency Lender on such Borrowing Date (before giving effect to the making and payment of any Loans required to be made pursuant to this subsection 2.5 on such Borrowing Date) and (ii) the U.S. Dollar Equivalent of the amount of such excess is less than or equal to the aggregate Available U.S. Revolving Credit Commitments of all Non-Multicurrency Lenders (before giving effect to the making and payment of any Loans pursuant to this subsection 2.5 on such Borrowing Date), each Non-Multicurrency Lender shall make a U.S. Revolving Credit Loan to the U.S. Borrower on such Borrowing Date, and the proceeds of such U.S. Revolving Credit Loans shall be simultaneously applied to repay outstanding U.S. Revolving Credit Loans, Canadian Revolving Credit Loans, Multicurrency Loans and/or Alternate Currency Loans of the Multicurrency Lenders or their Counterpart Lenders (as directed by the U.S. Borrower) in each case in amounts such that, after giving effect to (1) such borrowings and repayments and (2) the borrowing from the Multicurrency Lenders of the Requested Multicurrency Loans, the Committed Outstandings Percentage of each U.S. Lender will equal (as nearly as possible) its U.S. Revolving Credit Commitment Percentage. To effect such borrowings and repayments, (x) not later than 12:00 Noon, New York City time, on such Borrowing Date, the proceeds of such U.S. Revolving Credit Loans shall be made available by each Non-Multicurrency Lender to the General Administrative Agent at its office specified in subsection 18.2 in U.S. Dollars and in immediately available funds and the General Administrative Agent shall apply the proceeds of such U.S. Revolving Credit Loans toward repayment of outstanding U.S. Revolving Credit Loans, Canadian Revolving Credit Loans, Multicurrency Loans and/or Alternate Currency Loans of the Multicurrency Lenders or their Counterpart Lenders (as directed by the U.S. Borrower) and (y) concurrently with the repayment of such Loans on such Borrowing Date, (I) the Multicurrency Lenders shall, in accordance with the applicable provisions hereof, make the Requested Multicurrency Loans in an aggregate amount equal to the amount so requested by such Borrower (but not in any event greater than the Aggregate Available Multicurrency Commitments after giving effect to the making of such repayment of any Loans on such Borrowing Date) and (II) the relevant Borrower shall pay to the General Administrative Agent for the account of the Lenders whose Loans to such Borrower are repaid on such Borrowing Date pursuant to this subsection 2.5 all interest accrued on the amounts repaid to the date of repayment, together with any amounts payable pursuant to subsection 10.11 in connection with such repayment.

(c) If on any Borrowing Date on which an Alternate Currency Borrower has requested Alternate Currency Lenders to make Alternate Currency Loans (the "Requested Alternate Currency Loans") under an Alternate Currency Facility to which such Alternate

Currency Borrower and Alternate Currency Lenders are parties (i) the aggregate principal amount of the Requested Alternate Currency Loans exceeds the aggregate unused portions of the commitments of such Alternate Currency Lenders under such Alternate Currency Facility on such Borrowing Date (before giving effect to the making and payment of any U.S. Revolving Credit Loans required to be made pursuant to this subsection 2.5 on such Borrowing Date), (ii) after giving effect to the Requested Alternate Currency Loans, the U.S. Dollar Equivalent of the aggregate outstanding principal amount of Alternate Currency Loans of such Alternate Currency Borrower will be less than or equal to the aggregate commitments of such Alternate Currency Lenders under such Alternate Currency Facility and (iii) the U.S. Dollar Equivalent of the amount of the excess described in clause (i) above is less than or equal to the Aggregate Available U.S. Revolving Credit Commitments of all U.S. Lenders other than such Alternate Currency Lenders (before giving effect to the making and payment of any U.S. Revolving Credit Loans pursuant to this subsection 2.5 on such Borrowing Date), each such other U.S. Lender shall make a U.S. Revolving Credit Loan to the U.S. Borrower on such Borrowing Date, and the proceeds of such U.S. Revolving Credit Loans shall be simultaneously applied to repay outstanding U.S. Revolving Credit Loans, Canadian Revolving Credit Loans, Multicurrency Loans and/or Alternate Currency Loans of such Alternate Currency Lenders or their Counterpart Lenders (as directed by the U.S. Borrower) in each case in amounts such that, after giving effect to (1) such borrowings and repayments and (2) the borrowing from such Alternate Currency Lenders of the Requested Alternate Currency Loans, the Committed Outstandings Percentage of each U.S. Lender will equal (as nearly as possible) its U.S. Revolving Credit Commitment Percentage. To effect such borrowings and repayments, (x) not later than 12:00 Noon, New York City time, on such Borrowing Date, the proceeds of such U.S. Revolving Credit Loans shall be made available by each such other Lender to the General Administrative Agent at its office specified in subsection 18.2 in U.S. Dollars and in immediately available funds and the General Administrative Agent shall apply the proceeds of such U.S. Revolving Credit Loans toward repayment of outstanding U.S. Revolving Credit Loans, Canadian Revolving Credit Loans, Multicurrency Loans and/or Alternate Currency Loans of such Alternate Currency Lenders or their Counterpart Lenders (as directed by the U.S. Borrower) and (y) concurrently with the repayment of such Loans on such Borrowing Date, (I) such Alternate Currency Lenders shall, in accordance with the provisions hereof, make the Requested Alternate Currency Loans in an aggregate amount equal to the amount so requested by such Alternate Currency Borrower and (II) the relevant Borrower shall pay to the General Administrative Agent for the account of the Lenders whose Loans to such Borrower are repaid on such Borrowing Date pursuant to this subsection 2.5 all interest accrued on the amounts repaid to the date of repayment, together with any amounts payable pursuant to subsection 10.11 in connection with such repayment.

(d) If on any date on which the U.S. Borrower has requested an Issuing Lender to issue a Letter of Credit (the "Requested Letter of Credit"; the date on which such Requested Letter of Credit is to be issued, the "Issuance Date"), (i) the Available U.S. Revolving Credit Commitment of any Lender (each such Lender, a "Specified Lender") would be equal to or less than zero (after giving effect to the issuance of such Requested Letter of Credit, but before giving effect to the making and payment of any Loans required to be made pursuant to this subsection 2.5 on such Issuance Date) and (ii) the U.S. Dollar Equivalent of the aggregate amount by which the Available U.S. Revolving Credit Commitments of all Specified Lenders

would be less than zero is less than or equal to the aggregate Available U.S. Revolving Credit Commitments of all Lenders (before giving effect to the making and payment of any Loans pursuant to this subsection 2.5 on such Issuance Date), each Lender other than a Specified Lender shall make a U.S. Revolving Credit Loan to the U.S. Borrower on such Issuance Date, and the proceeds of such U.S. Revolving Credit Loans shall be simultaneously applied to repay outstanding U.S. Revolving Credit Loans, Canadian Revolving Credit Loans, Multicurrency Loans and/or Alternate Currency Loans of the Specified Lenders or their Counterpart Lenders (as directed by the U.S. Borrower) in each case in amounts such that, after giving effect to (1) such borrowings and repayments and (2) the issuance of the Requested Letter of Credit, the Committed Outstandings Percentage of each U.S. Lender will equal (as nearly as possible) its U.S. Revolving Credit Commitment Percentage. To effect such borrowings, issuance and repayments, (x) not later than 12:00 Noon, New York City time, on such Issuance Date, the proceeds of such U.S. Revolving Credit Loans shall be made available by each Lender other than a Specified Lender to the General Administrative Agent at its office specified in subsection 18.2 in U.S. Dollars and in immediately available funds and the General Administrative Agent shall apply the proceeds of such U.S. Revolving Credit Loans toward repayment of outstanding U.S. Revolving Credit Loans, Canadian Revolving Credit Loans, Multicurrency Loans and/or Alternate Currency Loans of the Specified Lenders or their Counterpart Lenders (as directed by the U.S. Borrower) and (y) concurrently with the repayment of such Loans on such Issuance Date, (I) the relevant Issuing Lender shall, in accordance with the applicable provisions hereof, issue the Requested Letter of Credit and (II) the relevant Borrower shall pay to the General Administrative Agent for the account of the Lenders whose Loans to such Borrower are repaid on such Issuance Date pursuant to this subsection 2.5 all interest accrued on the amounts repaid to the date of repayment, together with any amounts payable pursuant to subsection 10.11 in connection with such repayment.

(e) If any borrowing of U.S. Revolving Credit Loans is required pursuant to this subsection 2.5, the U.S. Borrower shall notify the General Administrative Agent in the manner provided for U.S. Revolving Credit Loans in subsection 2.3, except that the minimum borrowing amounts and threshold multiples in excess thereof applicable to ABR Loans set forth in subsection 2.3 shall not be applicable to the extent that such minimum borrowing amounts exceed the amounts of U.S. Revolving Credit Loans required to be made pursuant to this subsection 2.5.

SECTION 3. AMOUNT AND TERMS OF SWING LINE COMMITMENTS

3.1 Swing Line Commitments. Subject to the terms and conditions hereof, each of the Swing Line Lenders agrees to make swing line loans (individually, a "Swing Line Loan"; collectively, the "Swing Line Loans") in U.S. Dollars to the U.S. Borrower from time to time during the Revolving Credit Commitment Period in an aggregate principal amount at any one time outstanding not to exceed the Swing Line Commitment, so long as after giving effect thereto (i) the Available U.S. Revolving Credit Commitment of each U.S. Lender is greater than or equal to zero and (ii) the Aggregate Total Outstandings of all Lenders do not exceed the Aggregate U.S. Revolving Credit Commitments. Amounts borrowed by the U.S. Borrower

under this Section 3 may be repaid and, during the Revolving Credit Commitment Period, reborrowed.

3.2 Procedure for Swing Line Borrowings; Interest Rate. (a) The U.S. Borrower shall give the relevant Swing Line Lender (with a copy to the General Administrative Agent) irrevocable notice (which notice must be received by such Swing Line Lender prior to 12:00 P.M., New York City time on the requested Borrowing Date) specifying the amount of the requested Swing Line Loan, which shall be in an aggregate principal amount of not less than $100,000 or a whole multiple of $100,000 in excess thereof, the proposed Borrowing Date and transfer instructions. The proceeds of the Swing Line Loan will be made available by the relevant Swing Line Lender to the U.S. Borrower at the office specified in the notice referred to above by crediting the account of the U.S. Borrower at such office with such proceeds in U.S. Dollars.

(b) Unless otherwise agreed between the U.S. Borrower and the relevant Swing Line Lender, each Swing Line Loan shall be an ABR Loan. Any such ABR Loan may not be converted into a Eurodollar Loan. If, however, the U.S. Borrower and a Swing Line Lender agree that a Swing Line Loan (a "Money Market Rate Swing Line Loan") shall bear interest at a fixed interest rate (a "Money Market Rate") for a fixed interest period of up to seven days, such Money Market Rate Swing Line Loan shall bear interest for such interest period at such interest rate so agreed upon. If a Money Market Rate Swing Line Loan is not repaid on the last day of the interest period with respect thereto, it shall on such date be converted automatically to an ABR Loan. A Money Market Rate Swing Line Loan shall not be optionally prepayable prior to the last day of the interest period with respect thereto except with the consent of the relevant Swing Line Lender.

3.3 Repayment of Swing Line Loans; Evidence of Debt. (a) The U.S. Borrower hereby unconditionally promises to pay to each Swing Line Lender the then unpaid principal amount of the Swing Line Loans on the Revolving Credit Termination Date and on such other dates and in such other amounts as may be required from time to time pursuant to this Agreement. The U.S. Borrower hereby further agrees to pay interest to the relevant Swing Line Lender on the unpaid principal amount of the Swing Line Loans made by such Swing Line Lender from time to time outstanding until payment thereof in full at the rates per annum, and on the dates, set forth in subsection 10.1. On each date of payment of principal of a Swing Line Loan to a Swing Line Lender, the U.S. Borrower shall provide written notice of such payment to the General Administrative Agent to be received by the General Administrative Agent on the date of such payment.

(b) Each Swing Line Lender shall maintain in accordance with its usual practice an account or accounts evidencing indebtedness of the U.S. Borrower resulting from each Swing Line Loan made by it from time to time, including the amounts of principal and interest payable thereon and paid from time to time under this Agreement.

(c) The General Administrative Agent (together with the Canadian Administrative Agent) shall maintain the Register pursuant to subsection 18.6(d), and a subaccount therein for the Swing Line Lenders, in which shall be recorded (i) the date and

amount of each Swing Line Loan made hereunder, (ii) the amount of each U.S. Lender's participating interest in such Swing Line Loans, (iii) the date and amount of any principal or interest due and payable or to become due and payable from the U.S. Borrower hereunder in respect of the Swing Line Loans and (iv) both the date and amount of any sum received by the General Administrative Agent hereunder from the U.S. Borrower in respect of the Swing Line Loans, each U.S. Lender's participating interest therein (if any) and the amount thereof payable to each Swing Line Lender.

(d) The entries made in the Register and the accounts of the Swing Line Lenders maintained pursuant to this subsection 3.3 shall, to the extent permitted by applicable law, be prima facie evidence of the existence and amounts of the obligations of the U.S. Borrower therein recorded; provided, however, that the failure of any Swing Line Lender or the Administrative Agents to maintain the Register or any such account, or any error therein, shall not in any manner affect the obligation of the U.S. Borrower to repay (with applicable interest) the Swing Line Loans made to the U.S. Borrower by such Swing Line Lender in accordance with the terms of this Agreement.

3.4 Refunding of Swing Line Borrowings. Each Swing Line Lender, at any time in its sole and absolute discretion may, on behalf of the U.S. Borrower (which hereby irrevocably directs and authorizes each Swing Line Lender to act on its behalf), direct the General Administrative Agent to request each U.S. Lender, including Chase and BofA, to make a U.S. Revolving Credit Loan (which shall be an ABR Loan) in an amount equal to such U.S. Lender's Funding Commitment Percentage of the principal amount of the Swing Line Loans (the "Refunded Swing Line Loans") outstanding on the date such notice is given; provided that the provisions of this subsection shall not affect the U.S. Borrower's obligations to repay Swing Line Loans in accordance with the provisions of subsections 3.3 and 10.4(d) and (g). Unless the U.S. Revolving Credit Commitments shall have expired or terminated (in which event the procedures of subsection 3.5 shall apply), each U.S. Lender will make the proceeds of the U.S. Revolving Credit Loan made by it pursuant to the immediately preceding sentence available to the General Administrative Agent at the office of the General Administrative Agent specified in subsection 18.2 prior to 12:00 Noon, New York City time, in funds immediately available on the Business Day next succeeding the date such notice is given. The proceeds of such U.S. Revolving Credit Loans shall be immediately made available by the General Administrative Agent to the relevant Swing Line Lender for application to the payment in full of the Refunded Swing Line Loans. Upon any request by any Swing Line Lender to the U.S. Lenders pursuant to this subsection 3.4, the General Administrative Agent shall promptly give notice to the U.S. Borrower of such request.

3.5 Participating Interests. (a) If the U.S. Revolving Credit Commitments shall expire or terminate at any time while Swing Line Loans are outstanding, at the request of any Swing Line Lender in its sole discretion, either (i) each U.S. Lender (including Chase and BofA) shall, notwithstanding the expiration or termination of the U.S. Revolving Credit Commitments, make a U.S. Revolving Credit Loan (which shall be an ABR Loan) or (ii) each U.S. Lender (other than Chase and BofA) shall purchase an undivided participating interest in the Swing Line Loans of such Swing Line Lender, in either case in an amount equal to such U.S.

Lender's Funding Commitment Percentage (determined on the date of, and immediately prior to, expiration or termination of the U.S. Revolving Credit Commitments) of the aggregate principal amount of such Swing Line Loans. Each U.S. Lender will make the proceeds of any U.S. Revolving Credit Loan made by it pursuant to the immediately preceding sentence available to the General Administrative Agent for the account of the requesting Swing Line Lender at the office of the General Administrative Agent specified in subsection 18.2 prior to 12:00 Noon, New York City time, in funds immediately available on the Business Day next succeeding the date of the request by such Swing Line Lender. The proceeds of such U.S. Revolving Credit Loans shall be immediately applied to repay the Swing Line Loans outstanding on the date of termination or expiration of the U.S. Revolving Credit Commitments. In the event that any of the U.S. Lenders purchase undivided participating interests pursuant to the first sentence of this subsection 3.5(a), each U.S. Lender shall immediately transfer to the requesting Swing Line Lender, in immediately available funds, the amount of its participation in the Swing Line Loans of such Swing Line Lender and upon receipt thereof such Swing Line Lender will deliver to any such U.S. Lender that so requests a confirmation of such U.S. Lender's undivided participating interest in the Swing Line Loans of such Swing Line Lender dated the date of receipt of such funds and in such amount.

(b) Whenever, at any time after any Swing Line Lender has received payment from any U.S. Lender in respect of such U.S. Lender's participating interest in a Swing Line Loan of such Swing Line Lender, such Swing Line Lender receives any payment on account thereof, such Swing Line Lender will distribute to such U.S. Lender its participating interest in such amount (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such U.S. Lender's participating interest was outstanding and funded); provided, however, that in the event that any such payment received by any Swing Line Lender is required to be returned, such U.S. Lender will return to such Swing Line Lender any portion thereof previously distributed by such Swing Line Lender to it.

SECTION 4. AMOUNT AND TERMS OF CAF ADVANCES

4.1 CAF Advances. Subject to the terms and conditions of this Agreement, the U.S. Borrower may borrow CAF Advances in U.S. Dollars from time to time on any Business Day during the CAF Advance Availability Period. CAF Advances may be borrowed in amounts such that the Aggregate Total Outstandings of all Lenders at any time shall not exceed the Aggregate U.S. Revolving Credit Commitments at such time. Within the limits and on the conditions hereinafter set forth with respect to CAF Advances, the U.S. Borrower from time to time may borrow, repay and reborrow CAF Advances.

4.2 Procedure for CAF Advance Borrowing. (a) The U.S. Borrower shall request CAF Advances by delivering a CAF Advance Request to the General Administrative Agent, not later than 12:00 Noon, New York City time, four Business Days prior to the proposed Borrowing Date (in the case of a LIBO Rate CAF Advance Request), and not later than 10:00 A.M., New York City time one Business Day prior to the proposed Borrowing Date (in the case of a Fixed Rate CAF Advance Request). Each CAF Advance Request in respect of any Borrowing Date may solicit bids for CAF Advances on such Borrowing Date in an aggregate

principal amount of $5,000,000 or an integral multiple of $1,000,000 in excess thereof and having not more than five alternative CAF Advance Maturity Dates. The CAF Advance Maturity Date for each CAF Advance shall be the date set forth therefor in the relevant CAF Advance Request, which date shall be (i) not less than 7 days nor more than 360 days after the Borrowing Date therefor, in the case of a Fixed Rate CAF Advance, (ii) one, two, three, six, nine or twelve months after the Borrowing Date therefor, in the case of a LIBO CAF Advance and (iii) not later than the Revolving Credit Termination Date, in the case of any CAF Advance. The General Administrative Agent shall notify each Lender promptly by facsimile transmission of the contents of each CAF Advance Request received by the General Administrative Agent.

(b) In the case of a LIBO Rate CAF Advance Request, upon receipt of notice from the General Administrative Agent of the contents of such CAF Advance Request, each Lender may elect, in its sole discretion, to offer irrevocably to make one or more CAF Advances at the applicable LIBO Rate plus (or minus) a margin determined by such Lender in its sole discretion for each such CAF Advance. Any such irrevocable offer shall be made by delivering a CAF Advance Offer to the General Administrative Agent, before 10:30 A.M., New York City time, on the day that is three Business Days before the proposed Borrowing Date, setting forth:

(i) the maximum amount of CAF Advances for each CAF Advance Maturity Date and the aggregate maximum amount of CAF Advances for all CAF Advance Maturity Dates which such Lender would be willing to make (which amounts may, subject to subsection 4.1, exceed such Lender's U.S. Revolving Credit Commitment); and

(ii) the margin above or below the applicable LIBO Rate at which such Lender is willing to make each such CAF Advance.

The General Administrative Agent shall advise the U.S. Borrower before 11:00 A.M., New York City time, on the date which is three Business Days before the proposed Borrowing Date of the contents of each such CAF Advance Offer received by it. If the General Administrative Agent, in its capacity as a Lender, shall elect, in its sole discretion, to make any such CAF Advance Offer, it shall advise the U.S. Borrower of the contents of its CAF Advance Offer before 10:15 A.M., New York City time, on the date which is three Business Days before the proposed Borrowing Date.

(c) In the case of a Fixed Rate CAF Advance Request, upon receipt of notice from the General Administrative Agent of the contents of such CAF Advance Request, each Lender may elect, in its sole discretion, to offer irrevocably to make one or more CAF Advances at a rate of interest determined by such Lender in its sole discretion for each such CAF Advance. Any such irrevocable offer shall be made by delivering a CAF Advance Offer to the General Administrative Agent before 9:30 A.M., New York City time, on the proposed Borrowing Date, setting forth:

(i) the maximum amount of CAF Advances for each CAF Advance Maturity Date, and the aggregate maximum amount of CAF Advances for all CAF Advance Maturity Dates, which such Lender would be willing to make (which amounts may,

subject to subsection 4.1, exceed such Lender's U.S. Revolving Credit Commitment); and

(ii) the rate of interest at which such Lender is willing to make each such CAF Advance.

The General Administrative Agent shall advise the U.S. Borrower before 10:00 A.M., New York City time, on the proposed Borrowing Date of the contents of each such CAF Advance Offer received by it. If the General Administrative Agent, in its capacity as a Lender, shall elect, in its sole discretion, to make any such CAF Advance Offer, it shall advise the U.S. Borrower of the contents of its CAF Advance Offer before 9:15 A.M., New York City time, on the proposed Borrowing Date.

(d) Before 11:30 A.M., New York City time, three Business Days before the proposed Borrowing Date (in the case of CAF Advances requested by a LIBO Rate CAF Advance Request) and before 10:30 A.M., New York City time, on the proposed Borrowing Date (in the case of CAF Advances requested by a Fixed Rate CAF Advance Request), the U.S. Borrower, in its absolute discretion, shall:

(i) cancel such CAF Advance Request by giving the General Administrative Agent telephone notice to that effect, or

(ii) by giving telephone notice to the General Administrative Agent (immediately confirmed by delivery to the General Administrative Agent of a CAF Advance Confirmation by facsimile transmission) (A) subject to the provisions of subsection 4.2(e), accept one or more of the offers made by any Lender or Lenders pursuant to subsection 4.2(b) or subsection 4.2(c), as the case may be, and (B) reject any remaining offers made by Lenders pursuant to subsection 4.2(b) or subsection 4.2(c), as the case may be.

(e) The U.S. Borrower's acceptance of CAF Advances in response to any CAF Advance Offers shall be subject to the following limitations:

(i) the amount of CAF Advances accepted for each CAF Advance Maturity Date specified by any Lender in its CAF Advance Offer shall not exceed the maximum amount for such CAF Advance Maturity Date specified in such CAF Advance Offer;

(ii) the aggregate amount of CAF Advances accepted for all CAF Advance Maturity Dates specified by any Lender in its CAF Advance Offer shall not exceed the aggregate maximum amount specified in such CAF Advance Offer for all such CAF Advance Maturity Dates;

(iii) the U.S. Borrower may not accept offers for CAF Advances for any CAF Advance Maturity Date in an aggregate principal amount in excess of the maximum principal amount requested in the related CAF Advance Request; and

(iv) if the U.S. Borrower accepts any of such offers, it must accept offers based solely upon pricing for each relevant CAF Advance Maturity Date and upon no other criteria whatsoever, and if two or more Lenders submit offers for any CAF Advance Maturity Date at identical pricing and the U.S. Borrower accepts any of such offers but does not wish to (or, by reason of the limitations set forth in subsection 4.1, cannot) borrow the total amount offered by such Lenders with such identical pricing, the U.S. Borrower shall accept offers from all of such Lenders in amounts allocated among them pro rata according to the amounts offered by such Lenders (with appropriate rounding, in the sole discretion of the U.S. Borrower, to assure that each accepted CAF Advance is an integral multiple of $1,000,000); provided that if the number of Lenders that submit offers for any CAF Advance Maturity Date at identical pricing is such that, after the U.S. Borrower accepts such offers pro rata in accordance with the foregoing provisions of this paragraph, the CAF Advance to be made by any such Lender would be less than $5,000,000 principal amount, the number of such Lenders shall be reduced by the General Administrative Agent by lot until the CAF Advances to be made by each such remaining Lender would be in a principal amount of $5,000,000 or an integral multiple of $1,000,000 in excess thereof.

(f) If the U.S. Borrower notifies the General Administrative Agent that a CAF Advance Request is cancelled pursuant to subsection 4.2(d)(i), the General Administrative Agent shall give prompt telephone notice thereof to the Lenders. If the U.S. Borrower fails to notify the General Administrative Agent of its cancellation or acceptance of CAF Advance Offers by the times specified in subsection 4.2(d), the corresponding CAF Advance Request shall be deemed cancelled.

(g) If the U.S. Borrower accepts pursuant to subsection 4.2(d)(ii) one or more of the offers made by any Lender or Lenders, the General Administrative Agent promptly shall notify each Lender which has made such an offer of (i) the aggregate amount of such CAF Advances to be made on the applicable Borrowing Date for each CAF Advance Maturity Date and (ii) the acceptance or rejection of any offers to make such CAF Advances made by such Lender. Before 12:00 Noon, New York City time, on the Borrowing Date specified in the applicable CAF Advance Request, each Lender whose CAF Advance Offer has been accepted shall make available to the General Administrative Agent at its office set forth in subsection 18.2 the amount of CAF Advances to be made by such Lender, in immediately available funds. The General Administrative Agent will make such funds available to the U.S. Borrower as soon as practicable on such date at such office of the General Administrative Agent. As soon as practicable after each Borrowing Date, the General Administrative Agent shall notify each Lender of the aggregate amount of CAF Advances advanced on such Borrowing Date and the respective CAF Advance Maturity Dates thereof.

4.3 CAF Advance Payments. (a) The U.S. Borrower shall pay to the General Administrative Agent, for the account of each Lender which has made a CAF Advance, on the applicable CAF Advance Maturity Date the then unpaid principal amount of such CAF Advance. The U.S. Borrower shall not have the right to prepay any principal amount of any CAF Advance without the consent of the Lender to which such CAF Advance is owed.

(b) The U.S. Borrower shall pay interest on the unpaid principal amount of each CAF Advance from the Borrowing Date to the applicable CAF Advance Maturity Date at the rate of interest specified in the CAF Advance Offer accepted by the U.S. Borrower in connection with such CAF Advance (calculated on the basis of a 360-day year for actual days elapsed), payable on each applicable CAF Advance Interest Payment Date.

(c) If any principal of, or interest on, any CAF Advance shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such CAF Advance shall, without limiting any rights of any Lender under this Agreement, bear interest from the date on which such payment was due at a rate per annum which is 2% above the rate which would otherwise be applicable to such CAF Advance until the stated CAF Advance Maturity Date of such CAF Advance, and for each day thereafter at a rate per annum which is 2% above the ABR, in each case until paid in full (as well after as before judgment). Interest accruing pursuant to this paragraph (c) shall be payable from time to time on demand.

4.4 Evidence of Debt. (a) The U.S. Borrower unconditionally promises to pay to the General Administrative Agent, for the account of each Lender that makes a CAF Advance, on the CAF Advance Maturity Date with respect thereto, the principal amount of such CAF Advance. The U.S. Borrower further unconditionally promises to pay interest on each such CAF Advance for the period from and including the Borrowing Date of such CAF Advance on the unpaid principal amount thereof from time to time outstanding at the applicable rate per annum determined as provided in, and payable as specified in, subsection 4.3(b).

(b) Each Lender shall maintain in accordance with its usual practice appropriate records evidencing indebtedness of the U.S. Borrower to such Lender resulting from each CAF Advance of such Lender from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time in respect of such CAF Advance.

(c) The General Administrative Agent shall maintain the Register pursuant to subsection 18.6(d), and a subaccount therein for each Lender, in which shall be recorded (i) the date and amount of each CAF Advance made by such Lender, the CAF Advance Maturity Date thereof, the interest rate applicable thereto and each CAF Advance Interest Payment Date applicable thereto, and (ii) the date and amount of any sum received by the General Administrative Agent hereunder from the U.S. Borrower on account of such CAF Advance.

(d) The entries made in the Register and the records of each Lender maintained pursuant to this subsection 4.4 shall, to the extent permitted by applicable law, be prima facie evidence of the existence and amounts of the obligations of the U.S. Borrower therein recorded; provided, however, that the failure of any Lender or the General Administrative Agent to maintain the Register or any such record, or any error therein, shall not in any manner affect the obligation of the U.S. Borrower to repay (with applicable interest) the CAF Advances made by such Lender in accordance with the terms of this Agreement.

4.5 Certain Restrictions. A CAF Advance Request may request offers for CAF Advances to be made on not more than one Borrowing Date and to mature on not more

than five CAF Advance Maturity Dates. No CAF Advance Request may be submitted earlier than five Business Days after submission of any other CAF Advance Request.

Section 5. AMOUNT AND TERMS OF THE CANADIAN COMMITMENTS

5.1 Canadian Revolving Credit Commitments. Subject to the terms and conditions hereof, each Canadian Lender severally agrees to make revolving credit loans (each, a "Canadian Revolving Credit Loan") to the Canadian Borrower in Canadian Dollars or in U.S. Dollars from time to time during the Revolving Credit Commitment Period so long as after giving effect thereto (i) the Available Canadian Revolving Credit Commitment of each Canadian Lender is greater than or equal to zero , (ii) the aggregate outstanding principal amount of Canadian Revolving Credit Loans does not exceed an amount of which the U.S. Dollar Equivalent is $100,000,000 and (iii) the Aggregate Total Outstandings of all Lenders do not exceed the Aggregate U.S. Revolving Credit Commitments. During the Revolving Credit Commitment Period, the Canadian Borrower may use the Canadian Revolving Credit Commitments by borrowing, repaying the Canadian Revolving Credit Loans in whole or in part, and reborrowing, all in accordance with the terms and conditions hereof. The Canadian Revolving Credit Loans denominated in Canadian Dollars shall be Prime Rate Loans, and the Canadian Revolving Credit Loans denominated in U.S. Dollars shall be Canadian Base Rate Loans.

5.2 Repayment of Canadian Revolving Credit Loans; Evidence of Debt. (a) The Canadian Borrower hereby unconditionally promises to pay to the Canadian Administrative Agent for the account of each Canadian Lender the then unpaid principal amount of each Canadian Revolving Credit Loan of such Canadian Lender (whether made before or after the termination or expiration of the Canadian Revolving Credit Commitments) on the Revolving Credit Termination Date and on such other date(s) and in such other amounts as may be required from time to time pursuant to this Agreement. The Canadian Borrower hereby further agrees to pay interest on the unpaid principal amount of the Canadian Revolving Credit Loans from time to time outstanding until payment thereof in full at the rates per annum, and on the dates, set forth in subsection 10.1.

(b) Each Canadian Lender shall maintain in accordance with its usual practice an account or accounts evidencing indebtedness of the Canadian Borrower to such Canadian Lender resulting from each Canadian Revolving Credit Loan of such Canadian Lender from time to time, including the amounts of principal and interest payable thereon and paid to such Canadian Lender from time to time under this Agreement.

(c) The Canadian Administrative Agent (together with the General Administrative Agent) shall maintain the Register pursuant to subsection 18.6(d), and a subaccount therein for each Canadian Lender, in which shall be recorded (i) the date and amount of each Canadian Revolving Credit Loan made hereunder, (ii) the date and amount of any principal or interest due and payable or to become due and payable from the Canadian Borrower to each Canadian Lender hereunder in respect of the Canadian Revolving Credit Loans and (iii) both the date and amount of any sum received by the Canadian Administrative Agent hereunder

from the Canadian Borrower in respect of the Canadian Revolving Credit Loans and each Canadian Lender's share thereof.

(d) The entries made in the Register and the accounts of each Canadian Lender maintained pursuant to subsection 5.2(b) shall, to the extent permitted by applicable law, be prima facie evidence of the existence and amounts of the obligations of the Canadian Borrower therein recorded; provided, however, that the failure of any Canadian Lender or the General Administrative Agents to maintain the Register or any such account, or any error therein, shall not in any manner affect the obligation of the Canadian Borrower to repay (with applicable interest) the Canadian Revolving Credit Loans made to the Canadian Borrower by such Canadian Lender in accordance with the terms of this Agreement.

(e) The Canadian Borrower agrees that, upon the request to the Canadian Administrative Agent by any Canadian Lender, it will execute and deliver to such Canadian Lender a promissory note of the Canadian Borrower evidencing the Canadian Revolving Credit Loans of such Canadian Lender, substantially in the form of Exhibit B with appropriate insertions as to date and principal amount (each, a "Canadian Revolving Credit Note"); provided, that the delivery of such Canadian Revolving Credit Notes shall not be a condition precedent to the Closing Date.

5.3 Procedure for Canadian Revolving Credit Borrowing. The Canadian Borrower may borrow under the Canadian Revolving Credit Commitments during the Revolving Credit Commitment Period on any Business Day, provided that the Canadian Borrower shall give the Canadian Administrative Agent irrevocable notice (which notice must be received by the Canadian Administrative Agent prior to 12:00 Noon, Toronto time, at least one Business Day prior to the requested Borrowing Date), specifying (i) the amount to be borrowed and (ii) the requested Borrowing Date. Each borrowing in Canadian Dollars under the Canadian Revolving Credit Commitments shall be in an amount equal to C$5,000,000 or a whole multiple of C$1,000,000 in excess thereof, and each borrowing in U.S. Dollars under the Canadian Revolving Credit Commitments shall be in an amount equal to $5,000,000 or a whole multiple of $1,000,000 in excess thereof (or, in each case, if the then Aggregate Available Canadian Revolving Credit Commitments are less than C$5,000,000 or $5,000,000, as the case may be, such lesser amount). Upon receipt of any such notice from the Canadian Borrower, the Canadian Administrative Agent shall promptly notify the General Administrative Agent and each Canadian Lender thereof. Not later than 12:00 Noon, Toronto time, on each requested Borrowing Date each Canadian Lender shall make an amount equal to its Canadian Revolving Credit Commitment Percentage of the principal amount of Canadian Revolving Credit Loans requested to be made on such Borrowing Date available to the Canadian Administrative Agent at its office specified in subsection 18.2 in Canadian Dollars or U.S. Dollars, as the case may be, and in immediately available funds. The Canadian Administrative Agent shall on such date credit the account of the Canadian Borrower on the books of such office with the aggregate of the amounts made available to the Canadian Administrative Agent by the Canadian Lenders and in like funds as received by the Canadian Administrative Agent.

5.4 Termination or Reduction of Canadian Revolving Credit Commitments. The U.S. Borrower shall have the right, upon not less than three Business Days' notice to the Canadian Administrative Agent, to terminate the Canadian Revolving Credit Commitments or, from time to time, to reduce the amount of the Canadian Revolving Credit Commitments; provided that no such termination or reduction shall be permitted (i) unless the U.S. Borrower elects to terminate or reduce the U.S. Revolving Credit Commitments of the U.S. Common Lenders by an amount equal to the U.S. Dollar Equivalent of the aggregate Canadian Revolving Credit Commitments of all Canadian Lenders being reduced or terminated or (ii) if, after giving effect thereto and to any prepayments of the Loans made on the effective date thereof, the Available Canadian Revolving Credit Commitment of any Canadian Lender would be less than zero. Any such reduction shall be in an amount equal to C$5,000,000 or a whole multiple of C$1,000,000 in excess thereof and shall reduce permanently the Canadian Revolving Credit Commitments then in effect.

SECTION 6. AMOUNT AND TERMS OF CANADIAN ACCEPTANCE FACILITY

6.1 Acceptance Commitments. (a) Subject to the terms and conditions hereof, each Canadian Lender severally agrees to create Acceptances for the Canadian Borrower on any Business Day during the Revolving Credit Commitment Period by accepting Drafts drawn by the Canadian Borrower so long as after giving effect to such acceptance, (i) the Available Canadian Revolving Credit Commitment of such Canadian Lender would be greater than or equal to zero and (ii) the Aggregate Total Outstandings of all Lenders do not exceed the Aggregate U.S. Revolving Credit Commitments.

(b) The Canadian Borrower may utilize the Canadian Revolving Credit Commitments in the manner contemplated by this Section 6 by authorizing each Canadian Lender in the manner provided for in subsection 6.2(b) to draw Drafts on such Canadian Lender and having such Drafts accepted pursuant to subsection 6.2, paying its obligations with respect thereto pursuant to subsection 6.5, and again, from time to time, authorizing Drafts to be drawn on the Canadian Lenders and having them presented for acceptance, all in accordance with the terms and conditions of this Section 6.

(c) For the purposes of this Agreement, all Acceptances shall be considered a utilization of the Canadian Revolving Credit Commitments in an amount equal to the undiscounted face amount of such Acceptance.

6.2 Creation of Acceptances. (a) The Canadian Borrower may request the creation of Acceptances hereunder by submitting to the Canadian Administrative Agent at its office specified in subsection 18.2 prior to 11:00 A.M., Toronto time, two Business Days prior to the requested Borrowing Date, (i) a request for acceptances (each, a "Request for Acceptances") completed in a manner and in form and substance reasonably satisfactory to the Canadian Administrative Agent and specifying, among other things, the Borrowing Date, maturity and face amount of the Drafts to be accepted and discounted, (ii) to the extent not theretofore supplied to each Canadian Lender, a sufficient number of Drafts to be drawn on the Canadian Lenders, to be appropriately completed in accordance with subsection 6.2(d) and (iii) such other certificates,

documents and other papers and information as the Canadian Administrative Agent may reasonably request. Upon receipt of any such Request for Acceptances, the Canadian Administrative Agent shall promptly notify each Canadian Lender and the General Administrative Agent of its receipt thereof.

(b) The Canadian Borrower hereby agrees that it shall deliver to the Canadian Administrative Agent on or prior to the Closing Date, Powers of Attorney substantially in the form annexed hereto as Exhibit D (the "Powers of Attorney") authorizing each Canadian Lender to draw Drafts on such Canadian Lender on behalf of the Canadian Borrower and to complete such Drafts in accordance with the Requests for Acceptances submitted from time to time pursuant to subsection 6.2(a).

(c) Each Request for Acceptances made by or on behalf of the Canadian Borrower hereunder shall contain a request for Acceptances denominated in Canadian Dollars and having an aggregate undiscounted face amount equal to C$5,000,000 or a whole multiple of C$1,000,000 in excess thereof. Each Acceptance shall be dated the Borrowing Date specified in the Request for Acceptances with respect thereto and shall be stated to mature on a Business Day which is not less than 30 days and not more than 180 days after the date thereof (and, in any event, prior to the Revolving Credit Termination Date).

(d) Not later than 12:00 Noon, Toronto time, on the Borrowing Date specified in the relevant Request for Acceptances, and upon fulfillment of the applicable conditions set forth in subsection 12.2, each Canadian Lender will, in accordance with such Request for Acceptances, (i) sign each Draft on behalf of the Canadian Borrower pursuant to the Power of Attorney, (ii) complete the date, amount and maturity of each Draft to be accepted, (iii) accept such Drafts and give notice to the Canadian Administrative Agent of such acceptance and (iv) upon such acceptance, purchase such Acceptances to the extent contemplated by subsection 6.3. Alternatively, at the request of the Canadian Administrative Agent, the Canadian Borrower shall deliver to the Canadian Administrative Agent a "depository note" which complies with the requirements of the Depository Bills and Notes Act (Canada), and consents to the deposit of any such depository note in the book-based debt clearance system maintained by the Canadian Depository of Securities. In such circumstances, the delivery of Acceptances shall be governed by the clearance procedures established thereunder.

6.3 Discount of Acceptances. (a) Each Canadian Lender hereby severally agrees, on the terms and subject to the conditions set forth in this Agreement, to purchase Acceptances created by it on the Borrowing Date with respect thereto at the applicable Reference Discount Rate by making available to the Canadian Borrower an amount in immediately available funds equal to the Acceptance Purchase Price in respect thereof, and to notify the Canadian Administrative Agent that such Draft has been accepted, discounted and purchased by such accepting Canadian Lender.

(b) In the event that the Canadian Borrower has made a Request for Acceptances, then (i) prior to 11:00 A.M., Toronto time, on the Borrowing Date with respect thereto, the Canadian Administrative Agent will notify the General Administrative Agent, the Canadian Borrower and the Canadian Lenders of the applicable Reference Discount Rate for

such Acceptances and the corresponding Acceptance Purchase Price and (ii) each Canadian Lender shall make the Acceptance Purchase Price for such Acceptances discounted by it available to the Canadian Administrative Agent, for the account of the Canadian Borrower, at the office of the Canadian Administrative Agent specified in subsection 18.2 prior to 12:00 Noon, Toronto time, on the Borrowing Date, in Canadian Dollars and in funds immediately available to the Canadian Administrative Agent. Such borrowing will then be made available to the Canadian Borrower by the Canadian Administrative Agent crediting the account of the Canadian Borrower on the books of such office with the aggregate of the amounts made available to the Canadian Administrative Agent by the Canadian Lenders and in like funds as received by the Canadian Administrative Agent.

(c) Acceptances purchased by any Canadian Lender may be held by it for its own account until maturity or sold by it at any time prior thereto in the relevant market therefor in Canada in such Canadian Lender's sole discretion. The doctrine of merger shall not apply with respect to any Acceptance held by a Lender at maturity.

6.4 Stamping Fees. On the Borrowing Date with respect to each Acceptance, the Canadian Borrower shall pay to the Canadian Administrative Agent, for the account of the Canadian Lenders, a stamping fee at a rate per annum equal to the Applicable Margin in effect on such Borrowing Date for Eurodollar Loans, computed for the period from and including the Borrowing Date with respect to such Acceptance to but not including the maturity of such Acceptance, on the basis of a 365-day year, of the undiscounted face amount of such Acceptance.

6.5 Acceptance Reimbursement Obligations. (a) The Canadian Borrower hereby unconditionally agrees to pay to the Canadian Administrative Agent for the account of each Canadian Lender, on the maturity date (whether at stated maturity, by acceleration or otherwise) for each Acceptance created by such Canadian Lender for the account of the Canadian Borrower, the aggregate undiscounted face amount of each such then-maturing Acceptance.

(b) The obligation of the Canadian Borrower to reimburse the Canadian Lenders for then-maturing Acceptances may be satisfied by the Canadian Borrower by:

(i) paying to the Canadian Administrative Agent, for the account of the Canadian Lenders, an amount in Canadian Dollars and in immediately available funds equal to the aggregate undiscounted face amount of all Acceptances created for the account of the Canadian Borrower hereunder which are then maturing by 12:00 Noon, Toronto time, on such maturity date; provided that the Canadian Borrower shall have given not less than one Business Day's prior notice to the Canadian Administrative Agent (which shall promptly notify each Canadian Lender thereof) of its intent to reimburse the Canadian Lenders in the manner contemplated by this clause (i);

(ii) having new Drafts accepted and discounted by the Canadian Lenders in the manner contemplated by subsections 6.2 and 6.3 in substitution for the then-maturing Acceptances; provided that (A) the Canadian Borrower shall have delivered to the

Canadian Administrative Agent (which shall promptly provide a copy thereof to each Canadian Lender) a duly completed Request for Acceptances not later than 2:00 P.M., Toronto time, one Business Day prior to such maturity date, together with the documents, instruments, certificates and other papers and information contemplated by subsections 6.2(a)(ii) and 6.2(a)(iii), (B) if any Default or Event of Default has occurred and is then continuing, the Request for Acceptances shall be deemed to be a request for a Canadian Revolving Credit Loan in an amount equal to the undiscounted face amount of the Acceptances requested, (C) each Canadian Lender shall retain the Acceptance Purchase Price for the Acceptance created by it and apply such Acceptance Purchase Price to the Acceptance Reimbursement Obligations of the Canadian Borrower in respect of the maturing Acceptance created by such Canadian Lender, (D) if the Acceptance Purchase Price so retained by such Canadian Lender is less than the undiscounted face amount of the then-maturing Acceptance, the Canadian Borrower shall have made arrangements reasonably satisfactory to such Canadian Lender for payment of such deficiency and (E) if the Acceptance Purchase Price so retained by the Canadian Lender is greater than the undiscounted face amount of the then-maturing Acceptance, the Canadian Lender shall make such excess available to the Canadian Administrative Agent, which in turn shall make such excess available to the Canadian Borrower, all in accordance with subsection 6.3(b); or

(iii) to the extent that the Canadian Borrower has not given to the Canadian Administrative Agent a notice contemplated by clause (i) or (ii) above, then the Canadian Borrower shall be deemed to have requested a borrowing pursuant to subsection 5.1 of Canadian Revolving Credit Loans in an aggregate principal amount equal to the undiscounted face amount of such then-maturing Acceptance. The Borrowing Date with respect to such borrowing shall be the maturity date for such Acceptance. Except to the extent that any of the events contemplated by paragraph (i) of Section 16 with respect to the Canadian Borrower has occurred and is then continuing, each Canadian Lender shall be obligated to make the Canadian Revolving Credit Loan contemplated by this subsection 6.5(b)(iii) regardless of whether the conditions precedent to borrowing set forth in this Agreement are then satisfied. The proceeds of any Canadian Revolving Credit Loans made pursuant to this subsection 6.5(b)(iii) shall be retained by the Canadian Lenders and applied by them to the Acceptance Reimbursement Obligations of the Canadian Borrower in respect of the then-maturing Acceptance.

(c) The unpaid amount of any such Acceptance Reimbursement Obligations shall be treated as a Canadian Revolving Credit Loan for the purposes hereof and interest shall accrue on the amount of any such unpaid Acceptance Reimbursement Obligation from the date such amount becomes due until paid in full at a fluctuating rate per annum equal to the rate which would then be payable on Canadian Revolving Credit Loans. Such interest shall be payable by the Canadian Borrower on demand by the Canadian Administrative Agent.

(d) In no event shall the Canadian Borrower claim from any Canadian Lender any grace period with respect to the payment at maturity of any Acceptances created by such Canadian Lender pursuant to this Agreement.

6.6 Converting Canadian Revolving Credit Loans to Acceptances and Acceptances to Canadian Revolving Credit Loans. (a) Subject to subsection 6.6(b), the Canadian Borrower may at any time and from time to time request that any then outstanding Canadian Revolving Credit Loan denominated in Canadian Dollars be converted into an Acceptance by delivering to the Canadian Administrative Agent (which shall promptly notify the General Administrative Agent and each Canadian Lender of its receipt thereof) a Request for Acceptances, together with a statement that the Acceptances so requested are to be created pursuant to this subsection 6.6(a), such notice to be given not later than one Business Day prior to the requested conversion date.

(b) In the event that the Canadian Administrative Agent receives such a Request for Acceptances and the accompanying statement described in subsection 6.6(a), then the Canadian Borrower shall pay on the requested Borrowing Date to the Canadian Administrative Agent, for the account of the Canadian Lenders, the principal amount of the then outstanding Canadian Revolving Credit Loans being so converted, and each Canadian Lender shall accept and discount the Canadian Borrower's Draft having an aggregate face amount at least equal to the principal amount of the Canadian Revolving Credit Loans of such Canadian Lender which are then being repaid; it being understood and agreed that for the purposes of this subsection 6.6(b), such payment by the Canadian Borrower of such outstanding Canadian Revolving Credit Loans may be from the proceeds of such discounted Drafts, provided that, (i) following the occurrence and during the continuance of a Default or an Event of Default, no Acceptances may be created and (ii) no Acceptance which is permitted to be created hereunder shall have a maturity that extends beyond the Revolving Credit Termination Date.

(c) The creation of Acceptances pursuant to this subsection 6.6 shall not be subject to the satisfaction of the conditions precedent to borrowing set forth in this Agreement.

(d) The Canadian Borrower may elect from time to time to convert outstanding Acceptances to Canadian Revolving Credit Loans denominated in Canadian Dollars by giving the Canadian Administrative Agent at least one Business Day's irrevocable notice of such election prior to the maturity of such Acceptances; provided that any such conversion of Acceptances may only be made on the maturity thereof.

6.7 Allocation of Acceptances. The Canadian Borrower hereby agrees that each Request for Acceptances, reimbursement of Acceptances and conversion of Canadian Revolving Credit Loans to Acceptances shall be made in a manner so that any such Request for Acceptances, reimbursement or conversion shall apply ratably to all Canadian Lenders in accordance with their respective Canadian Revolving Credit Commitment Percentages. In the event that the aggregate undiscounted face amount of Acceptances requested by the Canadian Borrower to be created by all Canadian Lenders hereunder pursuant to any Request for Acceptances is an amount which, if divided ratably among the Canadian Lenders in accordance with their respective Canadian Revolving Credit Commitment Percentages, would not result in each Canadian Lender accepting a Draft which has an undiscounted face amount equal to C$100,000 or a whole multiple of C$100,000 in excess thereof, then, notwithstanding any provision in this subsection 6.7 to the contrary, the Canadian Administrative Agent is authorized

by the Canadian Borrower and the Canadian Lenders to allocate among the Canadian Lenders the Acceptances to be issued in such manner and amounts as the Canadian Administrative Agent may, in its sole discretion, acting reasonably, consider necessary, rounding up or down, so as to ensure that no Canadian Lender is required to accept a Draft for a fraction of $100,000 and, in such event, the Canadian Lenders' ratable share with respect to such Acceptances shall be adjusted accordingly.

6.8 Special Provisions Relating to Acceptance Notes. (a) The Canadian Borrower and each Canadian Lender hereby acknowledge and agree that from time to time certain Canadian Lenders which are not Canadian chartered banks or which are Schedule II Canadian Lenders may not be authorized to or may, as a matter of general corporate policy, elect not to accept Drafts, and the Canadian Borrower and each Canadian Lender agree that any such Canadian Lender may purchase Acceptance Notes of the Canadian Borrower in accordance with the provisions of subsection 6.8(b) in lieu of creating Acceptances for its account.

(b) In the event that any Canadian Lender described in subsection 6.8(a) above is unable to, or elects as a matter of general corporate policy not to, create Acceptances hereunder, such Canadian Lender shall not create Acceptances hereunder, but rather, if the Canadian Borrower requests the creation of such Acceptances, the Canadian Borrower shall deliver to such Canadian Lender non-interest bearing promissory notes (each, an "Acceptance Note") of the Canadian Borrower, substantially in the form of Exhibit E, having the same maturity as the Acceptances to be created and in an aggregate principal amount equal to the undiscounted face amount of such Acceptances. Each such Canadian Lender hereby agrees to purchase Acceptance Notes from the Canadian Borrower at a purchase price equal to the Acceptance Purchase Price which would have been applicable if a Draft in the same aggregate face amount as the principal amount of its Acceptance Notes and of the same maturity had been accepted by it (less any stamping fee which would have been paid pursuant to subsection 5.4 if such Lender had created an Acceptance) and such Acceptance Notes shall be governed by the provisions of this Section 6 as if they were Acceptances.

6.9 Existing Acceptances and Acceptance Notes. Any Acceptances or Acceptance Notes that (i) are outstanding under the Existing Credit Agreement on the Closing Day and (ii) were created by or issued to, as the case may be, lenders under the Existing Credit Agreement that are also Lenders hereunder, shall continue to be outstanding as Acceptances or Acceptance Notes, as the case may be, under this Agreement from and after the Closing Date and shall be governed by the terms hereof as if such Acceptances and Acceptance Notes had been created or issued hereunder.

SECTION 7. AMOUNT AND TERMS OF MULTICURRENCY COMMITMENT

7.1 Multicurrency Commitments. Subject to the terms and conditions hereof, each Multicurrency Lender severally agrees to make revolving credit loans (each, a "Multicurrency Loan") in any Available Foreign Currency to the U.S. Borrower or any Foreign Subsidiary Borrower from time to time during the Revolving Credit Commitment Period so long as after giving effect thereto (i) the Available Multicurrency Commitment of such Multicurrency

Lender is greater than or equal to zero, (ii) the aggregate outstanding principal amount of Multicurrency Loans does not exceed an amount of which the U.S. Dollar Equivalent is $500,000,000 and (iii) the Aggregate Total Outstandings of all Lenders do not exceed the Aggregate U.S. Revolving Credit Commitments. During the Revolving Credit Commitment Period, the U.S. Borrower and Foreign Subsidiary Borrowers may use the Multicurrency Commitments by borrowing, repaying the Multicurrency Loans in whole or in part, and reborrowing, all in accordance with the terms and conditions hereof.

7.2 Repayment of Multicurrency Loans; Evidence of Debt. (a) Each of the U.S. Borrower and each Foreign Subsidiary Borrower hereby unconditionally promises to pay to the General Administrative Agent for the account of each Multicurrency Lender the then unpaid principal amount of each Multicurrency Loan of such Multicurrency Lender to such Borrower on the Revolving Credit Termination Date and on such other date(s) and in such other amounts as may be required from time to time pursuant to this Agreement. Each of the U.S. Borrower and each Foreign Subsidiary Borrower hereby further agrees to pay interest on the unpaid principal amount of the Multicurrency Loans advanced to it and from time to time outstanding until payment thereof in full at the rates per annum, and on the dates, set forth in subsection 10.1.

(b) Each Multicurrency Lender shall maintain in accordance with its usual practice an account or accounts evidencing indebtedness of each Borrower to such Multicurrency Lender resulting from each Multicurrency Loan of such Multicurrency Lender from time to time, including the amounts of principal and interest payable thereon and paid to such Multicurrency Lender from time to time under this Agreement.

(c) The General Administrative Agent shall maintain the Register pursuant to subsection 18.6(d), and a subaccount therein for each Multicurrency Lender, in which shall be recorded (i) the date and amount of each Multicurrency Loan made hereunder, (ii) the date and amount of any principal or interest due and payable or to become due and payable from each Borrower to each Multicurrency Lender hereunder in respect of the Multicurrency Loans and (iii) both the date and amount of any sum received by the General Administrative Agent hereunder from each Borrower in respect of the Multicurrency Loans and each Multicurrency Lender's share thereof.

(d) The entries made in the Register and the accounts of each Multicurrency Lender maintained pursuant to subsection 7.2(b) shall, to the extent permitted by applicable law, be prima facie evidence of the existence and amounts of the obligations of each Borrower therein recorded; provided, however, that the failure of any Multicurrency Lender or the General Administrative Agent to maintain the Register or any such account, or any error therein, shall not in any manner affect the obligation of such Borrower to repay (with applicable interest) the Multicurrency Loans made to such Borrower by such Multicurrency Lender in accordance with the terms of this Agreement.

7.3 Procedure for Multicurrency Borrowing. The U.S. Borrower or any Foreign Subsidiary Borrower may request the Multicurrency Lenders to make Multicurrency Loans during the Revolving Credit Commitment Period on any Business Day by delivering a Notice of Multicurrency Loan Borrowing. Each borrowing under the Multicurrency

Commitments shall be in an amount in an Available Foreign Currency of which the U.S. Dollar Equivalent is equal to at least $10,000,000 (or, if the then Aggregate Available Multicurrency Commitments are less than $10,000,000, such lesser amount). Upon receipt of any such Notice of Multicurrency Borrowing from any Borrower, the General Administrative Agent shall promptly notify each Multicurrency Lender thereof. Not later than the funding time for the relevant Available Foreign Currency set forth in the Administrative Schedule each Multicurrency Lender shall make an amount equal to its Multicurrency Commitment Percentage of the principal amount of Multicurrency Loans requested to be made on such Borrowing Date available to the General Administrative Agent at the funding office for the relevant Available Foreign Currency set forth in the Administrative Schedule in the relevant Available Foreign Currency and in immediately available funds. The amounts made available by each Multicurrency Lender will then be made available on such Borrowing Date to the relevant Borrower at the funding office for the relevant Available Foreign Currency set forth in the Administrative Schedule and in like funds as received by the General Administrative Agent.

7.4 Termination or Reduction of Multicurrency Commitments. The U.S. Borrower shall have the right, upon not less than three Business Days' notice to the General Administrative Agent, to terminate the Multicurrency Commitments or, from time to time, to reduce the amount of the Multicurrency Commitments; provided that no such termination or reduction shall be permitted if, after giving effect thereto and to any prepayments of the Loans made on the effective date thereof, the Available Multicurrency Commitment of any Multicurrency Lender would be less than zero. Any such reduction shall be in an amount equal to $10,000,000 or a whole multiple of $1,000,000 in excess thereof and shall reduce permanently the Multicurrency Commitments then in effect.

7.5 Redenomination and Alternative Currencies. Each obligation under this Agreement of a party to this Agreement which has been denominated in the National Currency Unit of a Subsequent Participant state shall be redenominated into the euro unit in accordance with EMU Legislation immediately upon such Subsequent Participant becoming a Participating Member State (but otherwise in accordance with EMU Legislation).

SECTION 8. ALTERNATE CURRENCY FACILITIES

8.1 Terms of Alternate Currency Facilities. (a) Subject to the provisions of this Section 8, the U.S. Borrower may in its discretion from time to time designate any Subsidiary of the U.S. Borrower organized under the laws of any jurisdiction outside the United States as an "Alternate Currency Borrower" and any Qualified Credit Facility to which such Alternate Currency Borrower and any one or more Alternate Currency Lenders is a party as an "Alternate Currency Facility", with the consent of each such Alternate Currency Lender in its sole discretion, by delivering an Alternate Currency Facility Addendum to the General Administrative Agent and the Lenders (through the General Administrative Agent) executed by the U.S. Borrower, each such Alternate Currency Borrower (or the U.S. Borrower on its behalf) and each such Alternate Currency Lender, provided, that on the effective date of such designation no Event of Default shall have occurred and be continuing. Concurrently with the delivery of an Alternate Currency Facility Addendum, the U.S. Borrower or the relevant

Alternate Currency Borrower shall furnish to the General Administrative Agent copies of all documentation executed and delivered by any Alternate Currency Borrower in connection therewith, together with, if applicable, an English translation thereof. Except as otherwise provided in this Section 8 or in the definition of "Qualified Credit Facility" in subsection 1.1, the terms and conditions of each Alternate Currency Facility shall be determined by mutual agreement of the relevant Alternate Currency Borrower(s) and Alternate Currency Lender(s). The documentation governing each Alternate Currency Facility shall (i) contain an express acknowledgment that such Alternate Currency Facility shall be subject to the provisions of this Section 8 and (ii) if more than one Alternate Currency Lender is a party thereto, designate an Alternate Currency Facility Agent for such Alternate Currency Facility. Each of the U.S. Borrower and, by agreeing to any Alternate Currency Facility designation as contemplated hereby, each relevant Alternate Currency Lender (if any) party thereto which is an affiliate, branch or agency of a Lender, acknowledges and agrees that each reference in this Agreement to any "Lender" shall, to the extent applicable, be deemed to be a reference to such Alternate Currency Lender. In the event of any inconsistency between the terms of this Agreement and the terms of any Alternate Currency Facility, the terms of this Agreement shall prevail.

(b) The documentation governing each Alternate Currency Facility shall set forth (i) the maximum amount (expressed in U.S. Dollars) available to be borrowed from all Alternate Currency Lenders under such Alternate Currency Facility (as the same may be modified from time to time, an "Alternate Currency Facility Maximum Borrowing Amount") and (ii) with respect to each Alternate Currency Lender party to such Alternate Currency Facility, the maximum amount (expressed in U.S. Dollars) available to be borrowed from such Alternate Currency Lender thereunder (as the same may be modified from time to time, an "Alternate Currency Lender Maximum Borrowing Amount").

(c) Except as otherwise required by applicable law, in no event shall the Alternate Currency Lenders party to an Alternate Currency Facility have the right to accelerate the Alternate Currency Loans outstanding thereunder, or to terminate their commitments (if any) to make such Alternate Currency Loans prior to the earlier of the stated termination date in respect thereof or the Revolving Credit Termination Date, except, in each case, in connection with an acceleration of the Loans or a termination of the Commitments pursuant to Section 16, provided, that nothing in this paragraph (c) shall be deemed to require any Alternate Currency Lender to make an Alternate Currency Loan if the applicable conditions precedent to the making of such Alternate Currency Loan set forth in the documentation governing the relevant Alternate Currency Facility have not been satisfied. No Alternate Currency Loan may be made under an Alternate Currency Facility if (i) the conditions precedent in subsection 12.2 are not satisfied on the date such Alternate Currency Loan is requested to be made or (ii) after giving effect to the making of such Alternate Currency Loan and the simultaneous application of the proceeds thereof, the Aggregate Total Outstandings of all Lenders at any time exceeds the Aggregate U.S. Revolving Credit Commitments.

(d) The relevant Alternate Currency Borrower(s) shall furnish to the General Administrative Agent copies of any amendment, supplement or other modification (including any change in commitment amounts or in the Alternate Currency Lenders participating in any

Alternate Currency Facility) to the terms of any Alternate Currency Facility promptly after the effectiveness thereof (together with, if applicable, an English translation thereof). If any such amendment, supplement or other modification to an Alternate Currency Facility shall (i) add an Alternate Currency Lender thereunder or (ii) change the Alternate Currency Facility Maximum Borrowing Amount or any Alternate Currency Lender Maximum Borrowing Amount with respect thereto, the U.S. Borrower shall promptly furnish an appropriately revised Alternate Currency Facility Addendum, executed by the U.S. Borrower, the relevant Alternate Currency Borrower(s) (or the U.S. Borrower on its behalf) and the affected Alternate Currency Lenders (or any agent acting on their behalf), to the General Administrative Agent and the Lenders (through the General Administrative Agent).

(e) The U.S. Borrower may terminate its designation of a facility as an Alternate Currency Facility, with the consent of each Alternate Currency Lender party thereto at the time of such redesignation in its sole discretion, by written notice to the General Administrative Agent, which notice shall be executed by the U.S. Borrower, the relevant Alternate Currency Borrower(s) (or the U.S. Borrower on its behalf) and each Alternate Currency Lender party to such Alternate Currency Facility (or any agent acting on their behalf). Once notice of such termination is received by the General Administrative Agent, such Alternate Currency Facility and the loans and other obligations outstanding thereunder shall immediately cease to be subject to the terms of this Agreement.

(f) At no time shall the aggregate Alternate Currency Facility Maximum Borrowing Amount of all Alternate Currency Facilities exceed $250,000,000. An Alternate Currency Lender may make an Alternate Currency Loan to an Alternate Currency Borrower under the related Alternate Currency Facility so long as after giving effect thereto the Aggregate Total Outstandings of all Lenders do not exceed the Aggregate U.S. Revolving Commitments.

8.2 Reporting of Alternate Currency Outstandings. (a) On the date of the making of any Alternate Currency Loan having a fixed maturity of 30 or more days to an Alternate Currency Borrower and on the last Business Day of each month on which an Alternate Currency Borrower has any outstanding Alternate Currency Loans, the Alternate Currency Facility Agent for such Alternate Currency Facility shall deliver to the General Administrative Agent a Notice of Alternate Currency Outstandings. The General Administrative Agent will, at the request of any Alternate Currency Facility Agent, advise such Alternate Currency Facility Agent of the Exchange Rate used by the General Administrative Agent in calculating the U.S. Dollar Equivalent of Alternate Currency Loans under the related Alternate Currency Facility on any date.

(b) For purposes of any calculation under this Agreement in which the amount of the Aggregate Alternate Currency Outstandings of any Lender is a component, the General Administrative Agent shall make such calculation on the basis of the Notices of Alternate Currency Outstandings received by it at least two Business Days prior to the date of such calculation.

SECTION 9. LETTERS OF CREDIT

9.1 Letters of Credit. (a) Subject to the terms and conditions of this Agreement, Chase Delaware, as Issuing Lender, agrees, and any other Issuing Lender may, as agreed between the U.S. Borrower and such Issuing Lender, agree, on behalf of the U.S. Lenders, and in reliance on the agreement of the Lenders set forth in subsection 9.3, to issue for the account of the U.S. Borrower (or in connection with any Foreign Letter of Credit, for the joint and several accounts of the U.S. Borrower and such applicable Foreign Subsidiary) letters of credit in an aggregate face amount not to exceed at any time outstanding an amount of which the U.S. Dollar Equivalent is $250,000,000, as follows:

(i) standby letters of credit (collectively, the "Standby Letters of Credit") in the form of either (A) in the case of standby letters of credit to be used for the purposes described in subsection 9.8(a) or (c), the Issuing Lender's standard standby letter of credit or (B) in the case of standby letters of credit to be used for the purposes described in subsection 9.8(b), a letter of credit reasonably satisfactory to the Issuing Lender, and in either case, in favor of such beneficiaries as the U.S. Borrower shall specify from time to time (which shall be reasonably satisfactory to the Issuing Lender); and

(ii) commercial letters of credit in the form of the Issuing Lender's standard commercial letters of credit ("Commercial Letters of Credit") in favor of sellers of goods or services to the U.S. Borrower, its Subsidiaries or joint ventures that are Special Entities (the Standby Letters of Credit and Commercial Letters of Credit being referred to collectively as the "Letters of Credit");

provided that on the date of the issuance of any Letter of Credit, and after giving effect to such issuance, (i) the Available U.S. Revolving Credit Commitment of each U.S. Lender is greater than or equal to zero and (ii) the Aggregate Total Outstandings of all Lenders do not exceed the Aggregate U.S. Revolving Credit Commitments at such time. Each Standby Letter of Credit shall (i) have an expiry date no later than (A) with respect to any Standby Letter of Credit to be used for the purposes described in subsection 9.8(a) or (c), one year from the date of issuance thereof or, if earlier, the Revolving Credit Termination Date or (B) with respect to any Standby Letter of Credit to be used for the purposes described in subsection 9.8(b), the Revolving Credit Termination Date, (ii) be denominated in Dollars or another freely-convertible currency acceptable to the Issuing Lender and (iii) be in a minimum face amount of which the U.S. Dollar Equivalent is a minimum of $500,000 determined at the time of issuance. Each Commercial Letter of Credit shall (i) provide for the payment of sight drafts when presented for honor thereunder, or of time drafts, in each case in accordance with the terms thereof and when accompanied by the documents described or when such documents are presented, as the case may be, (ii) be denominated in Dollars or another freely-convertible currency acceptable to the Issuing Lender and (iii) have an expiry date no later than six months from the date of issuance thereof or, if earlier, five Business Days prior to the Revolving Credit Termination Date.

(b) Pursuant to the Existing Credit Agreement, Chase (or Chase Delaware, as the case may be), as Issuing Lender, has issued certain letters of credit which are outstanding on the Closing Date (the "Existing Letters of Credit"). From and after the Closing Date, the

Existing Letters of Credit shall for all purposes be deemed to be Letters of Credit outstanding under this Agreement.

9.2 Procedure for Issuance of Letters of Credit. The U.S. Borrower may from time to time request, upon at least three Business Days' notice, Chase Delaware, as Issuing Lender, to issue a Letter of Credit by delivering to such Issuing Lender at its address specified in subsection 18.2 a Letter of Credit Application, completed to the satisfaction of such Issuing Lender, together with such other certificates, documents and other papers and information as such Issuing Lender may reasonably request. Upon receipt of any Letter of Credit Application from the U.S. Borrower, or, in the case of a Foreign Letter of Credit, from the U.S. Borrower and the Foreign Subsidiary that is an account party on such Letter of Credit, such Issuing Lender will promptly, but in no event later than five Business Days following receipt of such Letter of Credit Application, notify each U.S. Lender thereof. Upon receipt of any Letter of Credit Application, Chase Delaware, as Issuing Lender, will process such Letter of Credit Application, and the other certificates, documents and other papers delivered in connection therewith, in accordance with its customary procedures and shall promptly issue such Letter of Credit (but in no event earlier than three Business Days after receipt by such Issuing Lender of the Letter of Credit Application relating thereto) by issuing the original of such Letter of Credit to the beneficiary thereof and by furnishing a copy thereof to the U.S. Borrower and the Participating Lenders. In addition, the U.S. Borrower may from time to time agree with Issuing Lenders other than Chase Delaware upon procedures for issuance by such Issuing Lenders of Letters of Credit and cause Letters of Credit to be issued by following such procedures. Such procedures shall be reasonably satisfactory to the General Administrative Agent. Prior to the issuance of any Letter of Credit, the Issuing Lender will confirm with the General Administrative Agent that the issuance of such Letter of Credit is permitted pursuant to Section 9 and subsection 12.2. Additionally, each Issuing Lender and the U.S. Borrower shall inform the General Administrative Agent of any modifications made to outstanding Letters of Credit, of any payments made with respect to such Letters of Credit, and of any other information regarding such Letters of Credit as may be reasonably requested by the General Administrative Agent, in each case pursuant to procedures established by the General Administrative Agent.

9.3 Participating Interests. In the case of each Existing Letter of Credit, effective on the Closing Date, and in the case of each Letter of Credit issued in accordance with the terms hereof on or after the Closing Date, effective as of the date of the issuance thereof, the Issuing Lender in respect of such Letter of Credit agrees to allot, and does allot, to each other U.S. Lender, and each such U.S. Lender severally and irrevocably agrees to take and does take, a Participating Interest in such Letter of Credit and the related Letter of Credit Application in a percentage equal to such U.S. Lender's U.S. Revolving Credit Commitment Percentage. On the date that any Purchasing Lender becomes a party to this Agreement in accordance with subsection 18.6, Participating Interests in any outstanding Letter of Credit held by the U.S. Lender from which such Purchasing Lender acquired its interest hereunder shall be proportionately reallotted between such Purchasing Lender and such transferor U.S. Lender. Each Participating Lender hereby agrees that its obligation to participate in each Letter of Credit issued in accordance with the terms hereof and to pay or to reimburse the Issuing Lender in respect of such Letter of Credit for its participating share of the drafts drawn thereunder shall be

irrevocable and unconditional; provided that no Participating Lender shall be liable for the payment of any amount under subsection 9.4(b) resulting solely from such Issuing Lender's gross negligence or willful misconduct.

9.4 Payments. (a) The U.S. Borrower agrees (and in the case of a Foreign Letter of Credit, the Foreign Subsidiary for whose account such Letter of Credit was issued shall also agree, jointly and severally) (i) to reimburse the General Administrative Agent for the account of the relevant Issuing Lender, forthwith upon its demand and otherwise in accordance with the terms of the Letter of Credit Application, if any, relating thereto, for any payment made by such Issuing Lender under any Letter of Credit issued by such Issuing Lender for its account and (ii) to pay to the General Administrative Agent for the account of such Issuing Lender, interest on any unreimbursed portion of any such payment from the date of such payment until reimbursement in full thereof at a fluctuating rate per annum equal to the rate then borne by ABR Loans pursuant to subsection 10.1(b) plus 2%.

(b) In the event that an Issuing Lender makes a payment under any Letter of Credit and is not reimbursed in full therefor, forthwith upon demand of such Issuing Lender, and otherwise in accordance with the terms hereof or of the Letter of Credit Application, if any, relating to such Letter of Credit, such Issuing Lender will promptly through the General Administrative Agent notify each Participating Lender that acquired its Participating Interest in such Letter of Credit from such Issuing Lender. No later than the close of business on the date such notice is given (if such notice is received by such Participating Lender by 12:00 Noon, otherwise no later than 12:00 Noon of the immediately following Business Day), each such Participating Lender will transfer to the General Administrative Agent, for the account of such Issuing Lender, in immediately available funds, an amount equal to such Participating Lender's pro rata share of the unreimbursed portion of such payment. Upon its receipt from such Participating Lender of such amount, such Issuing Lender will, if so requested by such Participating Lender, complete, execute and deliver to such Participating Lender a Letter of Credit Participation Certificate dated the date of such receipt and in such amount.

(c) Whenever, at any time, after an Issuing Lender has made payment under a Letter of Credit and has received from any Participating Lender such Participating Lender's pro rata share of the unreimbursed portion of such payment, such Issuing Lender receives any reimbursement on account of such unreimbursed portion or any payment of interest on account thereof, such Issuing Lender will distribute to the General Administrative Agent, for the account of such Participating Lender, its pro rata share thereof; provided, however, that in the event that the receipt by such Issuing Lender of such reimbursement or such payment of interest (as the case may be) is required to be returned, such Participating Lender will promptly return to the General Administrative Agent, for the account of such Issuing Lender, any portion thereof previously distributed by such Issuing Lender to it.

9.5 Further Assurances. (a) The U.S. Borrower hereby agrees, from time to time, to do and perform any and all acts and to execute any and all further instruments reasonably requested by an Issuing Lender more fully to effect the purposes of this Agreement and the issuance of the Letters of Credit hereunder.

(b) It is understood that in connection with Letters of Credit issued for the purposes described in subsection 9.8(b) it may be customary for the Issuing Lender in respect of such Letter of Credit to obtain an opinion of its counsel relating to such Letter of Credit, and each Issuing Lender that issues such a Letter of Credit agrees to cooperate with the U.S. Borrower in obtaining such customary opinion, which opinion shall be at the U.S. Borrower's expense unless otherwise agreed to by such Issuing Lender.

9.6 Obligations Absolute. The payment obligations of the U.S. Borrower under subsection 9.4 shall be unconditional and irrevocable and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including, without limitation, under the following circumstances:

(a) the existence of any claim, set-off, defense or other right which the U.S. Borrower may have at any time against any beneficiary, or any transferee, of any Letter of Credit (or any Persons for whom any such beneficiary or any such transferee may be acting), any Issuing Lender or any Participating Lender, or any other Person, whether in connection with this Agreement, the transactions contemplated herein, or any unrelated transaction;

(b) any statement or any other document presented under any Letter of Credit opened for its account proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect, except under circumstances involving the gross negligence or willful misconduct of the Issuing Lender; or

(c) payment by an Issuing Lender under any Letter of Credit against presentation of a draft or certificate which does not comply with the terms of such Letter of Credit, except payment resulting solely from the gross negligence or willful misconduct of such Issuing Lender; or

(d) any other circumstances or happening whatsoever, whether or not similar to any of the foregoing, except circumstances or happenings resulting from the gross negligence or willful misconduct of such Issuing Lender.

9.7 Letter of Credit Application. To the extent not inconsistent with the terms of this Agreement (in which case the provisions of this Agreement shall prevail), provisions of any Letter of Credit Application related to any Letter of Credit are supplemental to, and not in derogation of, any rights and remedies of the Issuing Lenders and the Participating Lenders under this Section 9 and applicable law. The U.S. Borrower acknowledges and agrees that all rights of the Issuing Lender under any Letter of Credit Application shall inure to the benefit of each Participating Lender to the extent of its Participating Interest as fully as if such Participating Lender was a party to such Letter of Credit Application.

9.8 Purpose of Letters of Credit. Each Standby Letter of Credit shall be used by the U.S. Borrower solely (a) to provide credit support for borrowings by the U.S. Borrower, its Subsidiaries or joint ventures which are Special Entities, (b) to pay or secure the payment of

the principal amount of, and accrued interest on, and other obligations with respect to, Industrial Revenue Bonds in accordance with the provisions of the indenture related thereto, or (c) for other working capital purposes of the U.S. Borrower and Subsidiaries in the ordinary course of business. Each Commercial Letter of Credit will be used by the U.S. Borrower and Subsidiaries solely to provide the primary means of payment in connection with the purchase of goods or services by the U.S. Borrower and Subsidiaries in the ordinary course of business.

9.9 Currency Adjustments. (a) Notwithstanding anything to the contrary contained in this Agreement, for purposes of calculating any fee in respect of any Letter of Credit in respect of any Business Day, the General Administrative Agent shall convert the amount available to be drawn under any Letter of Credit denominated in a currency other than U.S. Dollars into an amount of U.S. Dollars based upon the Exchange Rate.

(b) Notwithstanding anything to the contrary contained in this Section 9, prior to demanding any reimbursement from the Participating Lenders pursuant to subsection 9.4(b) in respect of any Letter of Credit denominated in a currency other than U.S. Dollars, the Issuing Lender shall convert the relevant Borrower's obligation under subsection 9.4 to reimburse the Issuing Lender in such currency into an obligation to reimburse the Issuing Lender in U.S. Dollars. The U.S. Dollar amount of the reimbursement obligation of the relevant Borrower and the Participating Lenders shall be computed by the Issuing Lender based upon the Exchange Rate in effect for the day on which such conversion occurs.

SECTION 10. GENERAL PROVISIONS APPLICABLE TO LOANS

10.1 Interest Rates and Payment Dates. (a) Each Eurodollar Loan shall bear interest for each day during each Interest Period with respect thereto at a rate per annum equal to the Eurodollar Rate determined for such Interest Period plus the Applicable Margin in effect for such day.

(b) Each ABR Loan shall bear interest for each day on which it is outstanding at a rate per annum equal to the Alternate Base Rate for such day, plus the Applicable Margin in effect on such day.

(c) Each Prime Rate Loan shall bear interest for each day on which it is outstanding at a rate per annum equal to the Prime Rate for such day, plus the Applicable Margin in effect on such day.

(d) Each Canadian Base Rate Loan shall bear interest for each day on which it is outstanding at a rate per annum equal to the Canadian Base Rate for such day, plus the Applicable Margin in effect on such day.

(e) Each Multicurrency Loan shall bear interest for each day during each Interest Period with respect thereto at a rate per annum equal to the Eurocurrency Rate determined for such Interest Period plus the Applicable Margin in effect for such day.

(f) If all or a portion of (i) the principal amount of any Loan, (ii) any interest payable thereon or (iii) any fee or other amount payable hereunder shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest at a rate per annum equal to the rate that would otherwise be applicable thereto pursuant to the foregoing provisions of this subsection plus 2%.

(g) Interest shall be payable in arrears on each Interest Payment Date, provided that interest accruing pursuant to paragraph (f) of this subsection shall be payable from time to time on demand.

(h) Each Money Market Rate Swing Line Loan shall bear interest during the interest period applicable thereto at a rate per annum equal to the applicable Money Market Rate; provided, that any Money Market Rate Swing Line Loan in which Lenders purchase participating interests pursuant to subsection 3.5(a) shall, from and after the date of such purchase, bear interest until the end of the interest period applicable thereto at a rate per annum equal to the ABR.

10.2 Conversion and Continuation Options. (a) The U.S. Borrower may elect from time to time to convert outstanding Eurodollar Loans (in whole or in part) to ABR Loans by giving the General Administrative Agent prior to 12:00 Noon, New York City time, at least one Business Day's prior irrevocable notice of such election, provided that any such conversion of Eurodollar Loans may only be made on the last day of an Interest Period with respect thereto unless the U.S. Borrower shall agree to pay the costs associated therewith as set forth in subsection 10.11(d). The U.S. Borrower may elect from time to time to convert outstanding ABR Loans made to it (other than Swing Line Loans) (in whole or in part) to Eurodollar Loans by giving the General Administrative Agent prior to 12:00 Noon, New York City time, at least three Business Days' prior irrevocable notice of such election. Any such notice of conversion to Eurodollar Loans shall specify the length of the initial Interest Period or Interest Periods therefor. Upon receipt of any such notice the General Administrative Agent shall promptly notify each U.S. Lender thereof. All or any part of outstanding Eurodollar Loans and ABR Loans may be converted as provided herein, provided that (i) no ABR Loan may be converted into a Eurodollar Loan when any Default or Event of Default has occurred and is continuing and the General Administrative Agent or the Majority U.S. Lenders have determined that such conversion is not appropriate, (ii) any such conversion may only be made if, after giving effect thereto, subsection 10.3 shall not have been violated, (iii) no ABR Loan may be converted into a Eurodollar Loan after the date that is one month prior to the Revolving Credit Termination Date and (iv) Swing Line Loans may not be converted to Eurodollar Loans.

(b) Any Eurodollar Loans may be continued as such upon the expiration of the then current Interest Period with respect thereto by the U.S. Borrower giving notice to the General Administrative Agent of the length of the next Interest Period to be applicable to such Loans determined in accordance with the applicable provisions of the term "Interest Period" set forth in subsection 1.1, provided that no Eurodollar Loan may be continued as such (i) when any Default or Event of Default has occurred and is continuing and the General Administrative Agent or the Majority U.S. Lenders have determined that such continuation is not appropriate, (ii) if,

after giving effect thereto, subsection 10.3 would be contravened or (iii) after the date that is one month prior to the Revolving Credit Termination Date, and provided, further, that if the U.S. Borrower shall fail to give such notice or if such continuation is not permitted pursuant to the preceding proviso such Eurodollar Loans shall be automatically converted to ABR Loans on the last day of such then expiring Interest Period.

(c) Any Multicurrency Loans may be continued as such upon the expiration of the then current Interest Period with respect thereto by the U.S. Borrower or the relevant Foreign Subsidiary Borrower giving a Notice of Multicurrency Loan Continuation, provided, that if the relevant Foreign Subsidiary Borrower shall fail to give such Notice of Multicurrency Loan Continuation, such Multicurrency Loans shall automatically be continued for an Interest Period of one month.

10.3 Minimum Amounts of Tranches. (a) All borrowings, conversions and continuations of U.S. Revolving Credit Loans and Multicurrency Loans hereunder and all selections of Interest Periods hereunder shall be in such amounts and be made pursuant to such elections so that, after giving effect thereto, (i) the aggregate principal amount of the Eurodollar Loans comprising each Tranche shall be equal to $10,000,000 or a whole multiple of $1,000,000 in excess thereof, (ii) the aggregate principal amount of the Multicurrency Loans comprising each Tranche shall be in an amount of which the U.S. Dollar Equivalent is at least $2,500,000 (determined at the time of borrowing or continuation) and (iii) there shall not be more than 25 Tranches at any one time outstanding.

(b) All Acceptances created hereunder, all conversions and continuations thereof and all selections of maturity dates with respect thereto shall be made pursuant to such elections so that, after giving effect thereto, there shall be no more than 10 Acceptance Tranches at any one time outstanding.

10.4 Optional and Mandatory Prepayments. (a) The U.S. Borrower may at any time and from time to time prepay U.S. Revolving Credit Loans and/or Swing Line Loans (other than Money Market Rate Swing Line Loans), in whole or in part without premium or penalty upon at least three Business Days' irrevocable notice to the General Administrative Agent (in the case of Eurodollar Loans) and at least one Business Day's irrevocable notice to the General Administrative Agent (in the case of U.S. Revolving Credit Loans that are ABR Loans) specifying the date and amount of prepayment and whether the prepayment of U.S. Revolving Credit Loans is of Eurodollar Loans, ABR Loans or a combination thereof, and, if a combination thereof, the amount allocable to each. Upon the receipt of any such notice the General Administrative Agent shall promptly notify each U.S. Lender thereof. If any such notice is given, the amount specified in such notice shall be due and payable on the date specified therein. Partial prepayments of the U.S. Revolving Credit Loans shall be in an aggregate principal amount of $10,000,000 or a whole multiple of $1,000,000 in excess thereof (or in such lower amount as may be then outstanding). Partial prepayments of the Swing Line Loans shall be in aggregate principal amount of $100,000 or a whole multiple of $100,000 in excess thereof (or in such lower amount as may be then outstanding).

(b) The Canadian Borrower may at any time and from time to time prepay, without premium or penalty, the Canadian Revolving Credit Loans, in whole or in part, upon at least one Business Day's irrevocable notice to the Canadian Administrative Agent specifying the date and amount of prepayment. Upon the receipt of any such notice, the Canadian Administrative Agent shall promptly notify each Canadian Lender thereof. If any such notice is given, the amount specified in such notice shall be due and payable on the date specified therein. Partial prepayments of Canadian Revolving Credit Loans shall be in an aggregate principal amount of C$5,000,000 or a whole multiple of C$1,000,000 in excess thereof (in the case of Canadian Revolving Credit Loans denominated in Canadian Dollars), U.S.$5,000,000 or a whole multiple of U.S.$1,000,000 in excess thereof (in the case of Canadian Revolving Credit Loans denominated in U.S. Dollars, (or in such lower amount as may be then outstanding for either denomination).

(c) The U.S. Borrower and Foreign Subsidiary Borrowers may at any time and from time to time prepay, without premium or penalty, the Multicurrency Loans, in whole or in part, upon at least three Business Days' irrevocable notice to the General Administrative Agent specifying the date and amount of prepayment. Upon the receipt of any such notice, the General Administrative Agent shall promptly notify each Multicurrency Lender thereof. If any such notice is given, the amount specified in such notice shall be due and payable on the date specified therein. Partial prepayments of Multicurrency Loans shall be in an aggregate principal amount of which the U.S. Dollar Equivalent is at least $10,000,000 or a whole multiple of $1,000,000 in excess thereof.

(d) If, at any time during the Revolving Credit Commitment Period, for any reason the Aggregate Total Outstandings of all Lenders exceed the Aggregate U.S. Revolving Credit Commitments then in effect by more than 5%, or the Aggregate Committed Outstandings of any Lender exceeds the Revolving Credit Commitment of such Lender then in effect by more than 5%, (i) the U.S. Borrower shall, upon learning thereof or upon the request of the General Administrative Agent, immediately prepay the Swing Line Loans and the U.S. Revolving Credit Loans and/or (ii) the Canadian Borrower shall, upon learning thereof or upon the request of the General Administrative Agent, immediately prepay the Canadian Revolving Credit Loans and/or (iii) the Foreign Subsidiary Borrowers shall, upon learning thereof or upon the request of the General Administrative Agent, immediately prepay the Multicurrency Loans and/or (iv) the Alternate Currency Borrower shall, upon learning thereof or upon the request of the General Administrative Agent, immediately prepay Alternate Currency Loans, in an aggregate principal amount at least sufficient to reduce any such excess to 0%; provided, however, that nothing in this subsection shall be construed as requiring the Canadian Borrower to so prepay in amounts (i) that would be in violation of, and its obligations to so prepay are subject to, the restrictions on financial assistance set out in the Business Corporations Act (Ontario) or (ii) outstanding by way of Acceptances; and, provided, further, that the preceding proviso shall not be construed in any way as limiting or derogating from the obligations of the Borrowers (other than the Canadian Borrower) set out in this subsection.

(e) Each prepayment of Loans pursuant to this subsection 10.4 (except in the case of Revolving Credit Loans that are ABR Loans, Swingline Loans and Canadian Base Rate

Loans) shall be accompanied by accrued and unpaid interest on the amount prepaid to the date of prepayment and any amounts payable under subsection 10.11 in connection with such prepayment.

(f) Notwithstanding the foregoing, mandatory prepayments of Revolving Credit Loans, Multicurrency Loans or Alternate Currency Loans that would otherwise be required pursuant to this subsection 10.4 solely as a result of fluctuations in Exchange Rates from time to time shall only be required to be made pursuant to this subsection 10.4 on the last Business Day of each month on the basis of the Exchange Rate in effect on such Business Day.

(g) The U.S. Borrower shall prepay all Swing Line Loans then outstanding (other than Money Market Rate Swing Line Loans) simultaneously with each borrowing of U.S. Revolving Credit Loans.

(h) If any Public Indebtedness shall be incurred by the U.S. Borrower or any of its Subsidiaries after the date hereof (excluding any Refinancing Indebtedness and any Public Indebtedness of a Foreign Subsidiary which is not guaranteed by the U.S. Borrower or any Domestic Subsidiary, but including the 2001 Eurobonds, whether or not issued prior to the date hereof), which is guaranteed by any Subsidiary of the U.S. Borrower, in an aggregate amount exceeding the U.S. Dollar Equivalent of $600,000,000 (any such net cash proceeds in excess of such amount, "Prepayment Proceeds"), an amount equal to the Applicable Portion of all Prepayment Proceeds shall be applied on the Business Day immediately following the date of such incurrence toward the reduction of the Commitments as set forth in subsection 10.4(i) (or, if no Commitments then exist, the respective outstanding Loans and other Extensions of Credit hereunder). The "Applicable Portion" of the amount of any net cash proceeds received by the U.S. Borrower or any of its Subsidiaries on any date constituting Prepayment Proceeds shall be the product of (i) the amount of such net cash proceeds minus the aggregate amount of voluntary reductions of the U.S. Revolving Credit Commitments hereunder and the Aggregate Revolving Credit Commitments and Term Loans (each as defined in the Other Revolving Credit Agreement or, if no Aggregate Revolving Commitments then exist, the respective outstanding Loans and other Extensions of Credit thereunder or the aggregate outstanding principal amount of notes, as the case may be) prior to such date, but only to the extent the amount of such voluntary reduction has not been taken into account in the calculation under this Agreement of the Applicable Portion of the net cash proceeds received on any prior date (it being understood that such voluntary reductions shall also include the failure, in whole or in part, to renew or refinance the Other Revolving Credit Agreement) multiplied by (ii) a fraction, the numerator of which is the aggregate amount of the U.S. Revolving Credit Commitments and the denominator of which is the aggregate amount of the U.S. Revolving Credit Commitments and the aggregate amount of the Aggregate Revolving Credit Commitments plus the aggregate outstanding principal amount of Term Loans (each as defined in the Other Revolving Credit Agreement).

(i) Amounts to be applied in connection with prepayments and Commitment reductions made hereunder pursuant to subsection 10.4(h) shall be applied to reduce permanently the Commitments ratably among the U.S. Revolving Credit Commitments, the Canadian Revolving Commitments, the Multicurrency Revolving Commitments and the aggregate

Alternate Currency Facility Maximum Borrowing Amount set forth in subsection 8.1(f); provided that the first $200,000,000 to be applied hereunder shall first be applied ratably to reduce permanently the U.S. Revolving Commitments (and (x) to the extent that such reduction would cause the Canadian Revolving Commitment or the Multicurrency Commitment of any Lender to exceed its U.S. Revolving Commitment, such Lender's (or its Counterpart Lender's) Canadian Revolving Commitment or Multicurrency Commitment, as the case may be, shall be reduced by such excess amount and the aggregate Canadian Revolving Credit Commitments or the aggregate Multicurrency Commitments shall be reduced by the sum of such excess amounts, as applicable and (y) to the extent that such reduction would cause the Alternate Currency Facility Maximum Borrowing Amount set forth in Section 8.1(f) to exceed the Aggregate U.S. Revolving Credit Commitments, such Alternate Currency Facility Maximum Borrowing Amount shall be reduced by such excess amount). Any such reduction of the Commitments shall be accompanied by the ratable prepayment of the Revolving Credit Loans, the Multicurrency Loans, the Alternate Currency Loans and/or Swingline Loans to the extent, if any, that the Extensions of Credit exceed the amount of the Commitments as so reduced, provided that if the aggregate principal amount of Revolving Credit Loans, Multicurrency Loans, Alternate Currency Loans and Swingline Loans then outstanding is less than the amount of such excess (because Letter of Credit Obligations constitute a portion thereof), the Borrower shall, to the extent of the balance of such excess, replace outstanding Letters of Credit and/or deposit an amount in cash in a cash collateral account established with the General Administrative Agent for the benefit of the Lenders on terms and conditions satisfactory to the General Administrative Agent.

10.5 Facility Fees; Other Fees. (a) The U.S. Borrower agrees to pay to the General Administrative Agent for the account of each U.S. Lender, a facility fee for the period from and including the Closing Date to but excluding the Revolving Credit Termination Date (or such earlier date on which the Revolving Credit Commitments shall terminate as provided herein); each such facility fee shall be computed at the Facility Fee Rate on the amount of the U.S. Revolving Credit Commitment of such U.S. Lender during the period for which payment is made, payable quarterly in arrears on the last day of each March, June, September and December and on the Revolving Credit Termination Date or such earlier date on which the U.S. Revolving Credit Commitments shall terminate as provided herein, commencing on the first such date to occur after the date hereof. Each U.S. Common Lender and its Counterpart Lender may elect, upon notice to the U.S. Borrowers and the Administrative Agents, to have all or a portion of the facility fees owed to such U.S. Common Lender by the U.S. Borrower paid by the Canadian Borrower in Canadian Dollars directly to the Canadian Administrative Agent for the account of such U.S. Common Lender's Counterpart Lender. Each U.S. Common Lender and its Counterpart Lender may make such election no more often than once in any year. If any such election is made, amounts otherwise due in U.S. Dollars in respect of facility fees shall be converted to Canadian Dollars at the then Exchange Rate on the date which is one Business Day prior to the date such amount is due.

(b) The U.S. Borrower shall pay (without duplication of any other fee payable under this subsection 10.5) to Chase, JP Morgan and BofA, for their respective accounts, all fees separately agreed to by the U.S. Borrower and Chase, JP Morgan or BofA, as the case may be.

(c) The Canadian Borrower shall (without duplication of any other fee payable under this subsection 10.5) pay to the Canadian Administrative Agent all fees separately agreed to by the Canadian Borrower and the Canadian Administrative Agent.

(d) The U.S. Borrower shall (without duplication of any other fee payable under this subsection 10.5) pay to the General Administrative Agent all fees separately agreed to by the U.S. Borrower and the General Administrative Agent.

(e) In lieu of any letter of credit commissions and fees provided for in any Letter of Credit Application (other than any standard issuance, amendment and negotiation fees), the U.S. Borrower will pay the General Administrative Agent, (i) for the account of the Issuing Lender, a non-refundable fronting fee equal to 0.125% per annum and (ii) for the account of the U.S. Lenders, a non-refundable Letter of Credit fee equal to the Applicable Margin then in effect with respect to Eurodollar Loans less 0.125%, in each case on the amount available to be drawn under such Letter of Credit. Such fee shall be payable quarterly in arrears on the last Business Day of each calendar quarter, and shall be calculated on the average daily amount available to be drawn under the Letters of Credit.

(f) The U.S. Borrower agrees to pay the Issuing Lender for its own account its customary administration, amendment, transfer and negotiation fees charged by the Issuing Lender in connection with its issuance and administration of Letters of Credit.

10.6 Computation of Interest and Fees. (a) Interest based on the Eurodollar Rate, the Eurocurrency Rate, the Money Market Rate or the Alternate Base Rate when it is based upon the Federal Funds Effective Rate shall be calculated on the basis of a 360-day year for the actual days elapsed; and facility fees and interest (other than interest based upon the Eurodollar Rate, the Eurocurrency Rate, the Money Market Rate or the Alternative Base Rate when it is based upon the Federal Funds Effective Rate) shall be calculated on the basis of a 365- (or 366-, as the case may be) day year for the actual days elapsed. The General Administrative Agent shall as soon as practicable notify the U.S. Borrower and the U.S. Lenders of each determination of a Eurodollar Rate or Eurocurrency Rate. Any change in the interest rate on a Loan resulting from a change in the Alternate Base Rate or a change in the Prime Rate shall become effective as of the opening of business on the day on which such change becomes effective. The General Administrative Agent shall as soon as practicable notify the U.S. Borrower and the Lenders of the effective date and the amount of each such change in the Alternate Base Rate, and the Canadian Administrative Agent shall as soon as practicable notify the U.S. Borrower and Canadian Borrower and the Canadian Lenders of each such change in the Prime Rate and the Canadian Base Rate; provided that a failure by the General Administrative Agent or the Canadian Administrative Agent to notify the U.S. Borrower or the Canadian Borrower of such respective rate changes does not affect the obligation of the U.S. Borrower or the Canadian Borrower to pay interest at the applicable rate as changed. For purposes of the Interest Act (Canada), whenever any interest under this Agreement is calculated based on a period which is less than a year (the "Lesser Period"), the interest rate determined pursuant to such calculation, when expressed as an annual rate, is equivalent to (i) the applicable rate based on such Lesser Period, (ii) multiplied by the actual number of days in the calendar year in which the period for

which such interest is payable ends, and (iii) divided by the number of days in such Lesser Period. The rates of interest specified in this Agreement are nominal rates and all interest payments and computations are to be made without allowance or deduction for deemed reinvestment of interest.

(b) Each determination of an interest rate by the General Administrative Agent or the Canadian Administrative Agent, as the case may be, pursuant to any provision of this Agreement shall be conclusive and binding on the Borrowers and the Lenders in the absence of manifest error. Each Administrative Agent shall, at the request of a Borrower, deliver to such Borrower a statement showing in reasonable detail the calculations used by such Administrative Agent in determining any interest rate pursuant to subsection 10.1(a).

(c) (i) [Reserved].

(ii) If any Canadian Reference Lender shall for any reason no longer have a Canadian Revolving Credit Commitment or any Canadian Revolving Credit Loans, such Canadian Reference Lender shall thereupon cease to be a Canadian Reference Lender, and if, as a result, there shall only be one Schedule I Canadian Reference Lender or Schedule II Canadian Reference Lender (as the case may be) remaining, the Canadian Administrative Agent, with the consent of the Canadian Borrower (after consultation with the Schedule I Canadian Lenders or the Schedule II Canadian Lenders, as applicable) shall, by notice to the Canadian Borrower and the Canadian Lenders, designate another Schedule I Canadian Lender or Schedule II Canadian Lender, as applicable, as a Schedule I Canadian Reference Lender or a Schedule II Canadian Reference Lender, as applicable, so that there shall at all times be at least two Schedule I Canadian Reference Lenders and two Schedule II Canadian Reference Lenders.

(d) Each U.S. and Canadian Reference Lender shall use its best efforts to furnish quotations of rates to the applicable Administrative Agent as contemplated hereby. If any of the U.S. or Canadian Reference Lenders shall be unable or shall otherwise fail to supply such rates to the applicable Administrative Agent upon its request, the rate of interest shall, subject to the provisions of subsection 10.7, be determined on the basis of the quotations of the remaining U.S. or Canadian Reference Lenders or Reference Lender, as applicable.

10.7 Inability to Determine Interest Rate. If prior to the first day of any Interest Period:

(a) the General Administrative Agent shall have determined (which determination shall be conclusive and binding upon the Borrowers) that, by reason of circumstances affecting the relevant market, adequate and reasonable means do not exist for ascertaining the Eurodollar Rate or the Eurocurrency Rate, as the case may be, for such Interest Period, or

(b) the General Administrative Agent has received notice from the Majority U.S. Lenders that the Eurodollar Rate or Eurocurrency Rate, as the case may be, determined or to be determined for such Interest Period will not adequately and fairly

reflect the cost to such U.S. Lenders of making or maintaining their Eurodollar Loans or Multicurrency Loans, as the case may be, during such Interest Period,

the General Administrative Agent shall give telecopy or telephonic notice thereof to the U.S. Borrower and the U.S. Lenders as soon as practicable thereafter. Until such time as the Eurodollar Rate or the Eurocurrency Rate, as the case may be, can be determined by the General Administrative Agent in the manner specified in the definitions of such terms in subsection 1.1, no further Eurodollar Loans or Multicurrency Loans (with respect to the Available Currency for which the Eurocurrency Rate cannot be determined only) shall be continued as such at the end of the then current Interest Periods or (other than any Eurodollar Loans or Multicurrency Loans previously requested and with respect to which the Eurodollar Rate or Eurocurrency Rate, as the case may be, was determined) shall be made, nor shall the U.S. Borrower have the right to convert ABR Loans into Eurodollar Loans.

10.8 Pro Rata Treatment and Payments. (a) (i) Except as provided in subsection 2.5, each borrowing of U.S. Revolving Credit Loans by the U.S. Borrower from the U.S. Lenders hereunder shall be made pro rata according to the Funding Commitment Percentages of the U.S. Lenders in effect on the date of such borrowing. Each payment by the U.S. Borrower on account of any facility fee hereunder shall be allocated by the General Administrative Agent among the U.S. Lenders in accordance with the respective amounts which such U.S. Lenders are entitled to receive pursuant to subsection 10.5(a). Any reduction of the U.S. Revolving Credit Commitments of the U.S. Lenders shall be allocated by the General Administrative Agent among the U.S. Lenders pro rata according to the U.S. Revolving Credit Commitment Percentages of the U.S. Lenders. Except as provided in subsection 2.5 or subsection 10.4(d), each payment (other than any optional prepayment) by the U.S. Borrower on account of principal of or interest on the U.S. Revolving Credit Loans or the CAF Advances shall be allocated by the General Administrative Agent pro rata according to the respective principal amounts thereof then due and owing to each U.S. Lender. Each optional prepayment by the U.S. Borrower on account of principal of or interest on the U.S. Revolving Credit Loans shall be allocated by the General Administrative Agent pro rata according to the respective outstanding principal amounts thereof. All payments (including prepayments) to be made by the U.S. Borrower hereunder (other than with respect to Multicurrency Loans), whether on account of principal, interest, fees or otherwise, shall be made without set-off or counterclaim and shall be made prior to 12:00 Noon, New York City time, on the due date thereof to the General Administrative Agent, for the account of the U.S. Lenders, at the General Administrative Agent's office specified in subsection 18.2, in Dollars and in immediately available funds. The General Administrative Agent shall distribute such payments to the U.S. Lenders entitled to receive the same promptly upon receipt in like funds as received.

(ii) Each borrowing of Canadian Revolving Credit Loans by the Canadian Borrower from the Canadian Lenders hereunder shall be made, and any reduction of the Canadian Revolving Credit Commitments of the Canadian Lenders shall be allocated by the Canadian Administrative Agent, pro rata according to the Canadian Revolving Credit Commitment Percentages of the Canadian Lenders. Except as provided in subsection 10.4(d), each payment (other than any optional prepayment) by the Canadian Borrower on account of

principal of or interest on the Canadian Revolving Credit Loans shall be allocated by the Canadian Administrative Agent pro rata according to the respective principal amounts of the Canadian Revolving Credit Loans then due and owing to each Canadian Lender. Each optional prepayment by the Canadian Borrower on account of principal of or interest on the Canadian Revolving Credit Loans shall be allocated by the Canadian Administrative Agent pro rata according to the respective outstanding principal amounts thereof. All payments (including prepayments) to be made by the Canadian Borrower hereunder, whether on account of principal, interest, fees or otherwise, shall be made without set-off or counterclaim and shall be made prior to 12:00 Noon, Toronto time, on the due date thereof to the Canadian Administrative Agent, for the account of the Canadian Lenders, at the Canadian Administrative Agent's office specified in subsection 18.2, in Canadian Dollars and in immediately available funds. The Canadian Administrative Agent shall distribute such payments to the Canadian Lenders entitled to receive the same promptly upon receipt in like funds as received.

(iii) Each borrowing of Multicurrency Loans by the U.S. Borrower or any Foreign Subsidiary Borrower shall be made, and any reduction of the Multicurrency Commitments shall be allocated by the General Administrative Agent, pro rata according to the Multicurrency Commitment Percentages of the Multicurrency Lenders. Except as provided in subsection 10.4(d), each payment (including each prepayment) by the U.S. Borrower or a Foreign Subsidiary Borrower on account of principal of and interest on Multicurrency Loans shall be allocated by the General Administrative Agent pro rata according to the respective principal amounts of the Multicurrency Loans then due and owing by such Foreign Subsidiary Borrower to each Multicurrency Lender. All payments (including prepayments) to be made by a Borrower hereunder in respect of Multicurrency Loans, whether on account of principal, interest, fees or otherwise, shall be made without set-off or counterclaim and shall be made at or before the payment time for the currency of such Multicurrency Loan set forth in the Administrative Schedule, on the due date thereof to the General Administrative Agent, for the account of the Multicurrency Lenders, at the payment office for the currency of such Multicurrency Loan set forth in the Administrative Schedule, in the currency of such Multicurrency Loan and in immediately available funds. The General Administrative Agent shall distribute such payments to the Multicurrency Lenders entitled to receive the same promptly upon receipt in like funds as received.

(iv) If any payment hereunder (other than payments on the Eurodollar Loans, the Multicurrency Loans and the Acceptances) becomes due and payable on a day other than a Business Day, the maturity of such payment shall be extended to the next succeeding Business Day, and, with respect to payments of principal, interest thereon shall be payable at the then applicable rate during such extension. If any payment on a Eurodollar Loan or a Multicurrency Loan becomes due and payable on a day other than a Business Day, the maturity of such payment shall be extended to the next succeeding Business Day (and, with respect to payments of principal, interest thereon shall be payable at the then applicable rate during such extension) unless the result of such extension would be to extend such payment into another calendar month, in which event such payment shall be made on the immediately preceding Business Day. Acceptances may only mature on a Business Day.

(b) A payment in euro shall be deemed to have been made by the General Administrative Agent on the date on which it is required to be made under this Agreement if the General Administrative Agent has, on or before that date, taken all relevant steps to make that payment. With respect to the payment of any amount denominated in euro, the General Administrative Agent shall not be liable to any Borrower or any of the Lenders in any way whatsoever for any delay, or the consequences of any delay, in the crediting to any account of any amount required by this Agreement to be paid by the General Administrative Agent if the General Administrative Agent shall have taken all relevant steps to achieve, on the date required by this Agreement, the payment of such amount in immediately available, freely transferable, cleared funds in the euro unit to the account with the bank in the principal financial center in the Participating Member State which the relevant Borrower or, as the case may be, any Lender shall have specified for such purpose. In this paragraph (b), "all relevant steps" means all such steps as may be prescribed from time to time by the regulations or operating procedures of such clearing or settlement system as the General Administrative Agent may from time to time determine for the purpose of clearing or settling payments of euro.

(c) Unless the applicable Administrative Agent shall have been notified in writing by any Lender prior to a Borrowing Date that such Lender will not make the amount that would constitute its share of such borrowing available to such Administrative Agent, such Administrative Agent may assume that such Lender is making such amount available to such Administrative Agent, and such Administrative Agent may, in reliance upon such assumption, make available to the applicable Borrower a corresponding amount. If such amount is not made available to such Administrative Agent by the required time on the Borrowing Date therefor, such Lender shall pay to such Administrative Agent, on demand, such amount with interest thereon at a rate per annum equal to (i) the daily average Federal Funds Effective Rate (in the case of a borrowing of U.S. Revolving Credit Loans or CAF Advances), (ii) the Canadian Administrative Agent's reasonable estimate of its average daily cost of funds (in the case of a borrowing of Canadian Revolving Credit Loans or Acceptances) and (iii) the General Administrative Agent's reasonable estimate of its average daily cost of funds (in the case of a borrowing of Multicurrency Loans), in each case for the period until such Lender makes such amount immediately available to such Administrative Agent. A certificate of such Administrative Agent submitted to any Lender with respect to any amounts owing under this subsection shall be conclusive in the absence of manifest error. If such Lender's share of such borrowing is not made available to such Administrative Agent by such Lender within three Business Days of such Borrowing Date, the applicable Borrower shall repay such Lender's share of such borrowing (together with interest thereon from the date such amount was made available to such Borrower (i) at the rate per annum applicable to ABR Loans hereunder (in the case of amounts made available to the U.S. Borrower and amounts made available in U.S. Dollars to the Canadian Borrower), (ii) at the rate per annum applicable to Prime Rate Loans hereunder (in the case of amounts made available in Canadian Dollars to the Canadian Borrower) and (iii) the General Administrative Agent's reasonable estimate of its average daily cost of funds plus the Applicable Margin applicable to Multicurrency Loans (in the case of a borrowing of Multicurrency Loans)) to such Administrative Agent not later than three Business Days after receipt of written notice from such Administrative Agent specifying such Lender's share of such borrowing that was not made available to such Administrative Agent. Nothing contained in this

subsection 10.8(b) shall prejudice any claims otherwise available to any Borrower against any Lender as a result of such Lender's failure to make its share of any borrowing available to an Administrative Agent for the account of a Borrower.

(d) Any amount payable by the General Administrative Agent to the Lenders under this Agreement in the currency of a Participating Member State shall be paid in the euro unit.

(e) If, in relation to the currency of any Subsequent Participant, the basis of accrual of interest or fees expressed in this Agreement with respect to such currency shall be inconsistent with any convention or practice in the London Interbank Market or, as the case may be, the Paris Interbank Market for the basis of accrual of interest or fees in respect of the euro, such convention or practice shall replace such expressed basis effective as of and from the date on which such Subsequent Participant becomes a Participating Member State; provided, that if any Multicurrency Loan in the currency of such Subsequent Participant is outstanding immediately prior to such date, such replacement shall take effect, with respect to such Multicurrency Loan, at the end of the then current Interest Period.

(f) Without prejudice and in addition to any method of conversion or rounding prescribed by any EMU Legislation and (i) without prejudice to the respective liabilities for indebtedness of the Borrowers to the Lenders and the Lenders to the Borrowers under or pursuant to this Agreement and (ii) without increasing the Available Multicurrency Commitment of any Lender:

(x) the Multicurrency Loans and each reference in this Agreement to a minimum amount (or an integral multiple thereof) in a national currency denomination of a Subsequent Participant to be paid to or by the General Administrative Agent shall, immediately upon such Subsequent Participant becoming a Participating Member State, be replaced by a reference to such reasonably comparable and convenient amount (or an integral multiple thereof) in the euro unit as the General Administrative Agent may from time to time specify; and

(y) except as expressly provided in this subsection 10.8, each provision of this Agreement shall be subject to such reasonable changes of construction as the General Administrative Agent may from time to time specify to be necessary or appropriate to reflect the adoption of the euro in any Participating Member State and any relevant market conventions or practices relating to the euro.

10.9 Illegality. (i) Notwithstanding any other provision herein, if the adoption of or any change in any Requirement of Law or in the interpretation or application thereof shall make it unlawful for any Lender to make or maintain Eurodollar Loans or Multicurrency Loans as contemplated by this Agreement, (a) the commitment of such Lender hereunder to make Eurodollar Loans or Multicurrency Loans, continue Eurodollar Loans or Multicurrency Loans as such and convert ABR Loans to Eurodollar Loans shall forthwith be cancelled until such time as it shall no longer be unlawful for such Lender to make or maintain the affected Loans, (b) such Lender's Loans then outstanding as Eurodollar Loans, if any, shall be converted automatically to

ABR Loans on the respective last days of the then current Interest Periods with respect to such Eurodollar Loans or within such earlier period as may be required by law and (c) such Lender's Multicurrency Loans shall be prepaid on the last day of the then current Interest Period with respect thereto. If any such conversion of a Eurodollar Loan occurs on a day which is not the last day of the then current Interest Period Interest Period with respect thereto, the U.S. Borrower shall pay to such Lender such amounts, if any, as may be required pursuant to subsection 10.11.

(ii) Notwithstanding any other provision herein, if the adoption of or any change in any Requirement of Law or in the interpretation or application thereof shall make it unlawful for any Canadian Lender to create or maintain Acceptances as contemplated by this Agreement, (a) the commitment of such Canadian Lender hereunder to accept Drafts, purchase Acceptances, continue Acceptances as such and convert Canadian Revolving Credit Loans to Acceptances shall forthwith be cancelled until such time as it shall no longer be unlawful for such Canadian Lender to create or maintain Acceptances and (b) such Canadian Lender's then outstanding Acceptances, if any, shall be converted automatically to Prime Rate Loans on the respective maturities thereof or within such earlier period as may be permitted and required by law.

(iii) Notwithstanding any other provision herein, if the adoption of or any change in any Requirement of Law or in the interpretation or application thereof shall make it unlawful for any Canadian Lender to make or maintain Canadian Base Rate Loans, (a) the commitment of such Canadian Lender hereunder to make Canadian Base Rate Loans shall forthwith be cancelled until such time as it shall no longer be unlawful for such Canadian Lender to make or maintain Canadian Base Rate Loans and (b) such Canadian Lender's then outstanding Canadian Base Rate Loans, if any, shall be converted automatically to Canadian Dollars and Prime Rate Loans on the respective maturities thereof or within such earlier period as may be permitted and required by law.

10.10 Requirements of Law. (a) In the event that any Requirement of Law (or any change therein or in the interpretation or application thereof) or compliance by any Lender with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority:

(i) does or shall subject any Lender to any tax of any kind whatsoever with respect to this Agreement, any Note, any Acceptance created by it, any Letter of Credit issued or participated in by it or any Loans made by it, or change the basis of taxation of payments to such Lender of principal, fees, interest or any other amount payable hereunder (except for taxes covered by subsection 10.12 and changes in the rate of tax on the overall net income of such Lender);

(ii) does or shall impose, modify or hold applicable any reserve, special deposit, compulsory loan or similar requirement against assets held by, or deposits or other liabilities in or for the account of, advances or loans by, or other credit extended by, or any other acquisition of funds by, any office of such Lender which are not otherwise included in the determination of the Eurodollar Rate or Eurocurrency Rate, including,

without limitation, the imposition of any reserves with respect to Eurocurrency Liabilities under Regulation D of the Board; or

(iii) does or shall impose on such Lender any other condition;

and the result of any of the foregoing is to increase the cost to such Lender, by any amount which such Lender deems to be material, of making, renewing or maintaining advances or extensions of credit or to reduce any amount receivable hereunder, in each case in respect of its Loans, its Acceptances or its Participating Interests, then, in any such case, the applicable Borrower shall promptly pay such Lender, upon receipt of its demand setting forth in reasonable detail, any additional amounts necessary to compensate such Lender for such additional cost or reduced amount receivable, such additional amounts together with interest on each such amount from the date two Business Days after the date demanded until payment in full thereof at the ABR. A certificate as to any additional amounts payable pursuant to the foregoing sentence submitted by such Lender, through the General Administrative Agent, to the applicable Borrower shall be conclusive in the absence of manifest error. This covenant shall survive the termination of this Agreement and payment of all amounts outstanding hereunder.

(b) In the event that any Lender shall have determined that the adoption of any law, rule, regulation or guideline regarding capital adequacy (or any change therein or in the interpretation or application thereof) or compliance by any Lender or any corporation controlling such Lender with any request or directive regarding capital adequacy (whether or not having the force of law) from any central bank or Governmental Authority, including, without limitation, the issuance of any final rule, regulation or guideline, does or shall have the effect of reducing the rate of return on such Lender's or such corporation's capital as a consequence of its obligations hereunder to a level below that which such Lender or such corporation could have achieved but for such adoption, change or compliance (taking into consideration such Lender's or such corporation's policies with respect to capital adequacy) by an amount deemed by such Lender to be material, then from time to time, after submission by such Lender to the U.S. Borrower (with a copy to the General Administrative Agent) of a written request therefor, the U.S. Borrower shall promptly pay to such Lender such additional amount or amounts as will compensate such Lender for such reduction.

(c) If the obligation of any Lender to make Eurodollar Loans or Multicurrency Loans has been suspended pursuant to subsection 10.7 or 10.9 for more than three consecutive months or any Lender has demanded compensation under subsection 10.10(a) or 10.10(b), the U.S. Borrower shall have the right to substitute a financial institution or financial institutions (which may be one or more of the Lenders) reasonably satisfactory to the General Administrative Agent by causing such financial institution or financial institutions to purchase the rights (by paying to such Lender the principal amount of its outstanding Loans together with accrued interest thereon and all other amounts accrued for its account or owed to it hereunder and executing an Assignment and Acceptance) and to assume the obligations of such Lender under the Loan Documents. Upon such purchase and assumption by such substituted financial institution or financial institutions, the obligations of such Lender hereunder shall be discharged;

provided such Lender shall retain its rights hereunder with respect to periods prior to such substitution including, without limitation, its rights to compensation under this subsection 10.10.

10.11 Indemnity. Each Borrower agrees to indemnify each Lender and to hold each Lender harmless from any loss or expense which such Lender may sustain or incur as a consequence of (a) default by such Borrower in payment when due of the principal amount of or interest on any Loans of such Lender, (b) default by such Borrower in making a borrowing or conversion after the Borrower has given a notice of borrowing or a notice of conversion in accordance with this Agreement, (c) default by such Borrower in making any prepayment after such Borrower has given a notice in accordance with this Agreement, (d) the making of a prepayment of a Eurodollar Loan or Multicurrency Loan on a day which is not the last day of an Interest Period with respect thereto or the making by the U.S. Borrower of a prepayment of Money Market Rate Swing Line Loans on a day which is not the last day of the interest period with respect thereto, including, without limitation, in each case, any such loss or expense arising from the reemployment of funds obtained by it or from fees payable to terminate the deposits from which such funds were obtained, or (e) the prepayment of an Acceptance or an Acceptance Note on a day which is not the maturity date thereof, including, without limitation, in each case, any such loss or expense arising from the reemployment of funds obtained by it to maintain its Eurodollar Loans or Multicurrency Loans hereunder or from fees payable to terminate the deposits from which such funds were obtained. A certificate as to any such loss or expense submitted by such Lender shall be conclusive, absent manifest error. This covenant shall survive termination of this Agreement and payment of all amounts outstanding hereunder.

10.12 Taxes. (a) All payments made by any Borrower under this Agreement shall be made free and clear of, and without reduction or withholding for or on account of, any present or future income, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority excluding, in the case of each Administrative Agent and each Lender, income or franchise taxes imposed on such Administrative Agent or such Lender by the jurisdiction under the laws of which such Administrative Agent or such Lender is organized or any political subdivision or taxing authority thereof or therein or by any jurisdiction in which such Lender's lending office is located or any political subdivision or taxing authority thereof or therein or as a result of a connection between such Lender and any jurisdiction other than a connection resulting solely from entering into this Agreement (all such non-excluded taxes, levies, imposts, deductions, charges or withholdings being thereinafter called "Taxes"). Subject to the provisions of subsection 10.12(d), if any Taxes are required to be withheld from any amounts payable by such Borrower to any Administrative Agent or any Lender hereunder or under the Notes, the amounts so payable to such Administrative Agent or such Lender shall be increased to the extent necessary to yield to such Administrative Agent or such Lender (after payment of all Taxes) interest or any such other amounts payable hereunder at the rates or in the amounts specified in this Agreement and the Notes. Whenever any Taxes are paid by any Borrower with respect to payments made in connection with this Agreement, as promptly as possible thereafter, such Borrower shall send to the applicable Administrative Agent for its own account or for the account of such Lender, as the case may be, a certified copy of an original official receipt received by such Borrower showing payment thereof. Subject to the provisions

of subsection 10.12(d), if any Borrower fails to pay any Taxes when due to the appropriate taxing authority or fails to remit to the applicable Administrative Agent the required receipts or other required documentary evidence, such Borrower shall indemnify such Administrative Agent and the Lenders for any incremental taxes, interest or penalties that may become payable by such Administrative Agent or any Lenders as a result of any such failure.

(b) Each U.S. Lender that is not incorporated or organized under the laws of the United States of America or a state thereof agrees that, prior to the first date any payment is due to be made to it hereunder or under any Note, it will deliver to the U.S. Borrower and the General Administrative Agent two valid, duly completed copies of United States Internal Revenue Service Form W-8BEN or W-8ECI or successor applicable form, as the case may be, certifying in each case that such Lender is entitled to receive payments by the U.S. Borrower under this Agreement and the Notes payable to it, without deduction or withholding of any United States federal income taxes; provided, however, that any Lender that is not the beneficial owner of a payment (as defined in Treasury Regulation Section 1.1441-1(c)(6)) and is unable to provide a Form W-8BEN or W-8ECI may provide the U.S. Borrower and the General Administrative Agent with a validly, duly executed copy of IRS Form W-8IMY and all necessary attachments to establish that it is entitled to receive payments without deduction of any U.S. federal income taxes. Each Lender which delivers to the U.S. Borrower and the General Administrative Agent a Form W-8BEN or W-8ECI or W-8IMY pursuant to the preceding sentences further undertakes to deliver to the U.S. Borrower and the General Administrative Agent two further copies of the said Form W-8BEN or W-8ECI or W-8IMY, or successor applicable forms, or other manner or certification, as the case may be, on or before the date that any such form expires or becomes obsolete or otherwise is required to be resubmitted as a condition to obtaining an exemption from withholding tax, or after the occurrence of any event requiring a change in the most recent form previously delivered by it to the U.S. Borrower, and such extensions or renewals thereof as may reasonably be requested by the U.S. Borrower, certifying in the case of a Form W-8BEN or W-8ECI or W-8IMY or successor applicable form that such Lender is entitled to receive payments by the U.S. Borrower under this Agreement without deduction or withholding of any United States federal income taxes unless any change in treaty, law or regulation or official interpretation thereof has occurred prior to the date on which any such delivery would otherwise be required which renders all such forms inapplicable or which would prevent such Lender from duly completing and delivering any such letter or form with respect to it and such Lender advises the U.S. Borrower that it is not capable of receiving payments without any deduction or withholding of United States federal income tax or any deduction or withholding of United States backup withholding tax.

(c) Each Multicurrency Lender shall, upon request by a Foreign Subsidiary Borrower (or the U.S. Borrower on its behalf), within a reasonable period of time after such request, deliver to such Foreign Subsidiary Borrower or the applicable governmental or taxing authority, as the case may be, any form or certificate required in order that any payment by such Foreign Subsidiary Borrower under this Agreement or any Notes to such Lender may be made free and clear of, and without deduction or withholding for or on account of any Taxes (or to allow any such deduction or withholding to be at a reduced rate) imposed on such payment under the laws of the jurisdiction under which such Foreign Subsidiary Borrower is incorporated or

organized, provided that such Lender is legally entitled to complete, execute and deliver such form or certificate and in such Lender's reasonable judgment such completion, execution or submission would not materially prejudice the legal position of such Lender.

(d) Neither the U.S. Borrower nor any other Borrower shall be required to pay any additional amounts to any Administrative Agent or any Lender (or Transferee except to the extent such Transferee's transferor was entitled, at the time of transfer, to receive additional amounts from the U.S. Borrower) in respect of Taxes pursuant to subsection 10.12(a) if (i) the obligation to pay such additional amounts would not have arisen but for a failure by the General Administrative Agent or such Lender (or Transferee) to comply with the requirements of subsection 10.12(b) or (c) (or in the case of a Transferee, the requirements of subsection 18.6(h)).

(e) The Canadian Borrower shall not be requested to pay any additional amounts pursuant to this subsection 10.12 to any Canadian Lender in respect of any time after which such Canadian Lender has ceased to maintain its status as a resident of Canada for the purposes of the Tax Act.

(f) Each Lender agrees to use reasonable efforts (including reasonable efforts to change its lending office) to avoid or to minimize any amounts which might otherwise be payable pursuant to this subsection 10.12; provided, however, that such efforts shall not impose on such Lender any additional costs or legal or regulatory burdens deemed by such Lender in its reasonable judgment to be material.

(g) The agreements in subsection 10.12(a) shall survive the termination of this Agreement and the payment of the Notes and all other amounts payable hereunder until the expiration of the applicable statute of limitations for such taxes.

10.13 Assignment of Commitments Under Certain Circumstances. (a) In the event that any Lender shall have delivered a notice or certificate pursuant to subsection 10.10 or any Borrower has been required to pay any Taxes in respect of any Lender pursuant to subsection 10.12, the U.S. Borrower shall have the right, at its own expense, upon notice to such Lender and the General Administrative Agent, to require such Lender to transfer and assign without recourse (in accordance with and subject to the restrictions contained in subsection 18.6) all its interests, rights and obligations under this Agreement to another bank or financial institution identified by the U.S. Borrower and reasonably acceptable to the General Administrative Agent (subject to the restrictions contained in subsection 18.6) which shall assume such obligations; provided that (i) no such assignment shall conflict with any law, rule or regulation or order of any Governmental Authority and (ii) the Borrower or the assignee, as the case may be, shall pay to the transferor Lender in immediately available funds on the date of such assignment the principal of and interest accrued to the date of payment on the Loans made by it hereunder and all other amounts accrued for its account or owed to it hereunder, including, without limitation, amounts payable pursuant to subsection 10.10 and any amounts that would be payable under Subsection 10.11 if such amount were a prepayment made in the amount and on the date of such assignment.

(b) In the event that any Multicurrency Lender (including a Transferee) does not, for any reason, deliver all forms and certificates required to permit all payments by all Foreign Subsidiary Borrowers hereunder to be made free and clear of, and without deduction or withholding for or on account of, any Taxes, the U.S. Borrower may, so long as no Event of Default has occurred and is continuing, require such Multicurrency Lender, upon five Business Days' prior written notice from the U.S. Borrower, to assign the entire then outstanding principal amount of the Multicurrency Loans owing to such Multicurrency Lender and the entire Multicurrency Commitment of such Multicurrency Lender to one or more Lenders selected by the U.S. Borrower which, after giving effect to such assignment, will have a U.S. Revolving Credit Commitment in excess of its Multicurrency Commitment. In the case of any such assignment to another Lender, such assignee Lender shall assign to such assignor Multicurrency Lender a principal amount of outstanding U.S. Revolving Credit Loans owing to such assignee Lender equal to the lesser of (i) the U.S. Dollar Equivalent of the amount of Multicurrency Loans assigned to such assignee Lender and (ii) the aggregate outstanding principal amount of U.S. Revolving Credit Loans owing to such assignee Lender. Any such assignments pursuant to the two precedent sentences shall be effected in accordance with subsection 18.6(c) and, as a condition to such assignment, simultaneously with such assignment, the U.S. Borrower shall pay or cause to be paid all amounts due to the assignor Multicurrency Lender and the assignee Lender hereunder on the effective date of such assignments.

10.14 Use of Proceeds. The proceeds of the Loans shall be used to refinance all amounts under the Existing Credit Facility and for general corporate purposes of the U.S. Borrower and its Subsidiaries, including acquisitions permitted hereunder.

SECTION 11. REPRESENTATIONS AND WARRANTIES

To induce the Lenders to enter into this Agreement and to make the Loans, and to induce the Issuing Lender to issue Letters of Credit, each Borrower hereby represents and warrants to each Administrative Agent and to each Lender that:

11.1 Financial Statements. The audited consolidated balance sheets of the U.S. Borrower as of December 31, 2000 and the related statements of income and cash flow for the fiscal year ending on such date, heretofore furnished to the General Administrative Agent and the Lenders and certified by a Responsible Officer of the U.S. Borrower are complete and correct in all material respects and fairly present the financial condition of the U.S. Borrower on such date. All such financial statements, including the related schedules and notes thereto, have been prepared in conformity with GAAP applied on a consistent basis (subject to normal year-end adjustments). All liabilities, direct and contingent, of the U.S. Borrower on such date required to be disclosed pursuant to GAAP are disclosed in such financial statements.

11.2 No Change. There has been no material adverse change in the business, operations, assets or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole from that reflected on the financial statements dated December 31, 2000 referred to in subsection 11.1.

11.3 Existence; Compliance with Law. The U.S. Borrower and each of its Material Subsidiaries (a) is duly organized, validly existing and in good standing (or the functional equivalent thereof in the case of Foreign Subsidiaries) under the laws of the jurisdiction of its organization, (b) has the corporate or partnership power and authority, as the case may be, and the legal right, to own and operate its property, to lease the property it operates as lessee and to conduct the business in which it is currently engaged, (c) is duly qualified as a foreign corporation or partnership, as the case may be, and in good standing (or the functional equivalent thereof in the case of Foreign Subsidiaries) under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification except where the failure to be so qualified and in good standing would not, individually or in the aggregate, have a material adverse effect on the business, operations, property or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole and would not adversely affect the ability of any Loan Party to perform its respective obligations under the Loan Documents to which it is a party and (d) is in compliance with all Requirements of Law, except to the extent that the failure to comply therewith would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the business, operations, assets or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole and would not reasonably be expected to adversely affect the ability of any Loan Party to perform its obligations under the Loan Documents to which it is a party.

11.4 Power; Authorization; Enforceable Obligations. (a) Each Loan Party has the corporate or partnership power and authority, as the case may be, and the legal right, to execute, deliver and perform each of the Loan Documents to which it is a party or to which this Agreement requires it to become a party. The U.S. Borrower has the corporate power and authority to borrow hereunder and has taken all necessary corporate action to authorize the borrowings on the terms and conditions of this Agreement and the U.S. Revolving Credit Notes. The Canadian Borrower has the partnership power and authority to borrow hereunder and has taken all necessary partnership action to authorize the borrowings on the terms and conditions of this Agreement and the Canadian Revolving Credit Notes. Each Loan Party has taken all necessary corporate or partnership action, as the case may be, to authorize the execution, delivery and performance of each of the Loan Documents to which it is a party or to which this Agreement requires it to become a party.

(b) No consent or authorization of, filing with or other act by or in respect of any Person (including, without limitation, any Governmental Authority) is required in connection with the borrowings hereunder or with the execution, delivery, performance, validity or enforceability of the Loan Documents or the consummation of any of the transactions contemplated hereby or thereby, except for consents, authorizations, or filings which have been obtained and are in full force and effect.

(c) This Agreement and each other Loan Document to which any Loan Party is a party has been, and each other Loan Document to be executed by a Loan Party hereunder will be, duly executed and delivered on behalf of such Loan Party. This Agreement and each other Loan Document to which any Loan Party is a party constitutes, and each other Loan

Document to be executed by a Loan Party hereunder will constitute, a legal, valid and binding obligation of such Loan Party enforceable against such Loan Party in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

11.5 No Legal Bar; Senior Debt. The execution, delivery and performance by each Loan Party of the Loan Documents to which it is a party, the borrowings hereunder and the use of the proceeds thereof, (a) will not violate any Requirement of Law or any Contractual Obligation of the U.S. Borrower or any other Loan Party (including, without limitation, the 9 1/2% Subordinated Note Indenture and the Subordinated Note Indenture) except for violations of Requirements of Law and Contractual Obligations (other than such Indentures) which, individually or in the aggregate will not have a material adverse effect on the business, operations, property or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole and will not adversely affect the ability of any Loan Party to perform its obligations under any of the Loan Documents to which it is a party and (b) will not result in, or require, the creation or imposition of any Lien (other than the Liens created by the Security Documents) on any of its or their respective properties or revenues pursuant to any Requirement of Law or Contractual Obligation. The Obligations of the U.S. Borrower constitute "Senior Indebtedness" benefiting from the subordination provisions contained in the Subordinated Debt, except to the extent that such Obligations are owed to an Affiliate of the U.S. Borrower.

11.6 No Material Litigation. No litigation, investigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of the U.S. Borrower, overtly threatened by or against the U.S. Borrower or any of its Subsidiaries or against any of its or their respective properties or revenues (a) with respect to any Loan Document or any of the transactions contemplated hereby or thereby, (b) which would reasonably be expected to have a material adverse effect on the business, operations, property or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole or (c) which would be reasonably expected to adversely affect the ability of any Loan Party to perform its obligations under any of the Loan Documents to which it is a party.

11.7 No Default. Neither the U.S. Borrower nor any of its Subsidiaries is in default under or with respect to any Contractual Obligation or any order, award or decree of any Governmental Authority or arbitrator binding upon it or any of its properties in any respect which would have a material adverse effect on the business, operations, property or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole or which would adversely affect the ability of any Loan Party to perform its obligations under any of the Loan Documents to which it is a party. No Default or Event of Default has occurred and is continuing.

11.8 Ownership of Property; Liens. The U.S. Borrower and each of its Material Subsidiaries has good record and marketable title in fee simple to, or a valid and subsisting leasehold interest in all its material real property, and good title to all its other property, and none of such property is subject to any Lien, except as permitted in subsection 14.3 and except, in each case, where any failure to have good title or a valid and subsisting leasehold

interest or the existence of any Lien would not reasonably be expected to have a material adverse effect on the business, operations, property or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole.

11.9 Taxes. (a) The U.S. Borrower and each of its Material Subsidiaries has filed or caused to be filed all tax returns which to the knowledge of the U.S. Borrower are required to be filed and has paid all taxes shown to be due and payable on said returns or on any assessments made against it or any of its property and all other taxes, fees or other charges imposed on it or any of its property by any Governmental Authority (other than those which, in the aggregate, are not substantial in amount or those the amount or validity of which are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of the U.S. Borrower or its Subsidiaries, as the case may be and except insofar as the failure to make such filings or payments would not reasonably be expected to have a material adverse effect on the business, operations, property or financial condition of the U.S. Borrower and its Subsidiaries taken as a whole); and (b) no tax lien (other than a Lien permitted in subsection 14.3) has been filed and, to the knowledge of the U.S. Borrower, no claim is being asserted with respect to any such tax, fee or other charge.

11.10 Securities Law, etc. Compliance. All transactions contemplated by this Agreement and the other Loan Documents comply in all material respects with all applicable laws and any rules and regulations thereunder, including takeover, disclosure and other federal, state and foreign securities law and Regulations T, U and X of the Federal Reserve Board.

11.11 ERISA. As to each Plan other than a Multiemployer Plan, neither a Reportable Event nor an "accumulated funding deficiency" (within the meaning of Section 412 of the Code or Section 302 of ERISA) has occurred during the five-year period prior to the date on which this representation is made or deemed made with respect to any Plan, and each Plan has complied in all material respects with the applicable provisions of ERISA and the Code. No termination of a Single Employer Plan has occurred and no Lien under the Code or ERISA in favor of PBGC or a Single Employer Plan has arisen during the five-year period prior to the date as of which this representation is deemed made. The present value of all accrued benefits under each Single Employer Plan maintained by the U.S. Borrower or any Commonly Controlled Entity (based on those assumptions used to fund the Plans) did not, as of the last annual valuation date prior to the date on which this representation is made or deemed made, exceed the value of the assets of such Plan allocable to such accrued benefits, either individually or in the aggregate with all other Single Employer Plans under which such accrued benefits exceed such assets, by more than $125,000,000. Neither the U.S. Borrower nor any Commonly Controlled Entity has had a complete or partial withdrawal from any Multiemployer Plan during the five year period prior to the date as of which this representation is made or deemed made, and neither the U.S. Borrower nor any Commonly Controlled Entity would become subject to liability under ERISA in the aggregate which exceeds $145,000,000 if the U.S. Borrower or any such Commonly Controlled Entity were to withdraw completely from all Multiemployer Plans as of the valuation date most closely preceding the date hereof, and no such withdrawal is likely to occur. No such Multiemployer Plan is in Reorganization or Insolvent. The present value (determined using

actuarial and other assumptions which are reasonable in respect of the benefits provided and the employees participating) of the liability of the U.S. Borrower and each Commonly Controlled Entity for post retirement benefits to be provided to their current and former employees under Plans which are welfare benefit plans (as defined in Section 3(1) of ERISA) does not, in the aggregate, exceed the assets under all such Plans allocable to such benefits by an amount in excess of $145,000,000.

11.12 Investment Company Act; Other Regulations. The U.S. Borrower is not an "investment company" within the meaning of the Investment Company Act of 1940, as amended. The U.S. Borrower is not subject to regulation under any federal or state statute or regulation which limits its ability to incur Indebtedness.

11.13 Subsidiaries, etc. The Subsidiaries of the U.S. Borrower as of the Closing Date are those listed on Schedule VI. The U.S. Borrower owns, as of the Closing Date, the percentage of the issued and outstanding Capital Stock or other evidences of the ownership of each Subsidiary listed on Schedule VI as set forth on such Schedule. Except as disclosed on Schedule VI, no such Subsidiary has issued any securities convertible into shares of its Capital Stock (or other evidence of ownership) or any options, warrants or other rights, to acquire such shares or securities convertible into such shares (or other evidence of ownership), and the outstanding stock and securities (or other evidence of ownership) of such Subsidiaries are owned by the U.S. Borrower and its Subsidiaries free and clear of all Liens, warrants, options or rights of others of any kind whatsoever except for Liens permitted by subsection 14.3.

11.14 Accuracy and Completeness of Information. All information, reports and other papers and data with respect to the U.S. Borrower or this Agreement or any transaction contemplated hereby furnished to the Lenders by the U.S. Borrower or on behalf of the U.S. Borrower, were, at the time the same were so furnished, complete and correct in all material respects, or have been subsequently supplemented by other information, reports or other papers or data, to the extent necessary to give the Lenders a true and accurate knowledge of the subject matter in all material respects. All projections with respect to the U.S. Borrower and its Subsidiaries, so furnished by the U.S. Borrower, as supplemented, were prepared and presented in good faith by the U.S. Borrower, it being recognized by the Lenders that such projections as to future events are not to be viewed as facts and that actual results during the period or periods covered by any such projections may differ materially from the projected results. No document furnished or statement made in writing to the Lenders by the U.S. Borrower in connection with the negotiation, preparation or execution of this Agreement contains any untrue statement of a material fact, or, to the knowledge of the U.S. Borrower after due inquiry, omits to state any such material fact necessary in order to make the statements contained therein not misleading, in either case which has not been corrected, supplemented or remedied by subsequent documents furnished or statements made in writing to the Lenders.

11.15 Security Documents. Each Pledge Agreement is effective to create in favor of the General Administrative Agent, for the ratable benefit of the Lenders, a legal, valid and enforceable security interest in the pledged assets described therein. Each Pledge Agreement

constitutes a fully perfected first Lien on, and security interest in, all right, title and interest of the Loan Party thereto in the pledged assets described therein.

11.16 Patents, Copyrights, Permits and Trademarks. Each of the U.S. Borrower and its Subsidiaries owns, or has a valid license or sub-license in, all domestic and foreign letters patent, patents, patent applications, patent and know-how licenses, inventions, technology, permits, trademark registrations and applications, trademarks, trade names, trade secrets, service marks, copyrights, product designs, applications, formulae, processes and the industrial property rights ("Proprietary Rights") used in the operation of its businesses in the manner in which they are currently being conducted and which are material to the business, operations, assets or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole. Neither the U.S. Borrower nor any of its Subsidiaries is aware of any existing or threatened infringement or misappropriation of any Proprietary Rights of others by the U.S. Borrower or any of its Subsidiaries or of any Proprietary Rights of the U.S. Borrower or any of its Subsidiaries by others which is material to the business operations, assets or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole.

11.17 Environmental Matters. Except as disclosed in Schedule VII, and other than such exceptions to any of the following that would not reasonably be expected to give rise to a material adverse effect on the business, operations, property or financial condition of the U.S. Borrower and its Subsidiaries taken as a whole:

(a) To the best knowledge of the U.S. Borrower and its Subsidiaries, after reasonable investigation, the Properties do not contain, and have not previously contained, any Hazardous Materials in amounts or concentrations or under such conditions which (A) constitute a violation of, or (B) could reasonably give rise to any liability under any applicable Environmental Laws.

(b) To the best knowledge of the U.S. Borrower and its Subsidiaries, after reasonable investigation, the Properties and all operations at the Properties are in compliance, and have been in compliance for the time period that each of the Properties has been owned by the U.S. Borrower or its Subsidiaries, with all Environmental Laws, and there is no contamination at, on or under the Properties, or violation of any Environmental Laws with respect to the Properties which could interfere with the continued operation of the Properties or impair the fair saleable value thereof. Neither the U.S. Borrower nor any Subsidiary has knowingly assumed any liability, by contract or otherwise, of any person under any Environmental Laws.

(c) Neither the U.S. Borrower nor any of its Subsidiaries has received any Environmental Complaint with regard to any of the Properties or the operations of the U.S. Borrower or any of its Subsidiaries, nor does the U.S. Borrower or any of its Subsidiaries have knowledge or reason to believe that any such notice will be received or is being threatened.

(d) To the best knowledge of the U.S. Borrower and its Subsidiaries, based on the U.S. Borrower's and the Subsidiaries' customary practice of contracting only with

licensed haulers for removal of Hazardous Materials from the Properties only to facilities authorized to receive such Hazardous Materials, Hazardous Materials have not been transported or disposed of from the Properties in violation of, or in a manner or to a location which could reasonably give rise to liability under, Environmental Laws, nor have any Hazardous Materials been generated, treated, stored or disposed of at, on or under any of the Properties in violation of, or in a manner that could reasonably give rise to liability under any Environmental Laws.

(e) No judicial proceedings or governmental or administrative action is pending, or, to the knowledge of the U.S. Borrower and its Subsidiaries, threatened, under any Environmental Law to which the U.S. Borrower and its Subsidiaries are or will be named as a party with respect to the Properties, nor are there any consent decrees or other decrees, consent orders, administrative orders or other orders, or other administrative or judicial requirements outstanding under any Environmental Law with respect to the Properties.

(f) To the best knowledge of the U.S. Borrower and its Subsidiaries after reasonable investigation, there has been no release or threat of release of Hazardous Materials at or from the Properties, or arising from or related to the operations of the U.S. Borrower or its Subsidiaries in connection with the Properties in violation of or in amounts or in a manner that could reasonably give rise to liability under any Environmental Laws.

SECTION 12. CONDITIONS PRECEDENT

12.1 Conditions to Closing Date. The Closing Date shall occur on the date of satisfaction of the following conditions precedent:

(a) Agreement. The General Administrative Agent shall have received counterparts of this Agreement, duly executed by a Responsible Officer of each Borrower and by each Agent, each Lender having a Commitment hereunder and Lenders constituting the Majority Lenders (as defined in the Existing Credit Agreement).

(b) Subsidiary Guarantee. The General Administrative Agent shall have received the Subsidiary Guarantee duly executed by each guarantor party thereto.

(c) Pledge Agreements. The General Administrative Agent shall have received (i) the Pledge Agreement, duly executed by each pledgor party thereto and (ii) a confirmation of the German Subsidiary Pledge, in form and substance reasonably satisfactory to the General Administrative Agent.

(d) Pledged Stock; Stock Powers. The General Administrative Agent shall have received the certificates representing the shares pledged pursuant to the Pledge Agreement, together with an undated stock power for each such certificate executed in blank by a duly authorized officer of the pledgor thereof.

(e) Perfection Actions. The General Administrative Agent shall have received evidence in form and substance satisfactory to it that all filings, recordings, registrations and other actions necessary or, in the opinion of the General Administrative Agent, desirable to perfect the Liens created by the Pledge Agreement shall have been completed.

(f) [Reserved.]

(g) [Reserved.]

(h) Consents. The General Administrative Agent shall have received, and made available to each Lender, true and correct copies (in each case certified as to authenticity on such date by a duly authorized officer of the U.S. Borrower) of all documents and instruments, including all consents, authorizations and filings, required under any Requirement of Law or by Contractual Obligation of the U.S. Borrower or any of its Subsidiaries, in connection with the execution, delivery, performance, validity and enforceability of this Agreement and the other Loan Documents, and such consents, authorizations and filings shall be satisfactory in form and substance to the Lenders and be in full force and effect.

(i) Incumbency Certificates. The General Administrative Agent shall have received, with a copy for each Lender, a certificate of the Secretary or Assistant Secretary of each Domestic Loan Party and the Canadian Borrower, dated the Closing Date, as to the incumbency and signature of their respective officers executing each Loan Document to be entered into on the Closing Date to which it is a party, together with satisfactory evidence of the incumbency of such Secretary or Assistant Secretary.

(j) Corporate Proceedings. The General Administrative Agent shall have received, with a copy for each Lender, a copy of the resolutions in form and substance satisfactory to the General Administrative Agent, of the Board of Directors (or the executive committee or other governing authority thereof) of each Domestic Loan Party and the Canadian Borrower authorizing (i) the execution, delivery and performance of each Loan Document to be entered into on the Closing Date to which it is a party, and (ii) the granting by it of the pledge and security interests, if any, granted by it pursuant to such Loan Document, certified by their respective Secretary or an Assistant Secretary as of the Closing Date, which certificate shall state that the resolutions thereby certified have not been amended, modified, revoked or rescinded as of the date of such certificate.

(k) Fees. The General Administrative Agent shall have received all fees required to be paid to the General Administrative Agent and/or the Lenders pursuant to Section 10.5 and/or any other written agreement on or prior to the Closing Date.

(l) Legal Opinion of Counsel to U.S. Borrower. The General Administrative Agent shall have received, with a copy for each Lender, an opinion, dated the Closing Date, of Winston & Strawn, special counsel to the U.S. Borrower and its Subsidiaries and

in substantially the form of Exhibit L and covering such other matters incident to the transactions contemplated hereby as the Lenders may reasonably require.

(m) Legal Opinion of Canadian Counsel; Other Legal Opinions. The General Administrative Agent shall have received, with a copy for each Lender, (i) an opinion of Torys, Canadian counsel to the U.S. Borrower and the Canadian Borrower, in substantially the form of Exhibit M and covering such other matters incident to the transactions contemplated hereby as the General Administrative Agent may reasonably require and (ii) a legal opinion of counsel in the jurisdiction of incorporation of each Foreign Subsidiary Borrower that is a party hereto on the Closing Date, in form and substance reasonably acceptable to the General Administrative Agent.

(n) Indentures. The General Administrative Agent shall have received a certified true copy of the outstanding Subordinated Debt Indentures and the Senior Notes Indenture and, if the 2001 Eurobonds have been issued on or prior to the Closing Date, the 2001 Eurobond Indenture.

(o) Existing Credit Agreement. The General Administrative Agent shall have received evidence that all amounts payable to lenders under the Existing Credit Agreement shall have been paid.

(p) Intercreditor Agreement. The Intercreditor Agreement shall have been duly executed and delivered by the parties thereto.

12.2 Conditions to Each Extension of Credit. The agreement of each Lender to make any Extension of Credit requested to be made by it on any date (including, without limitation, the Closing Date), is subject to the satisfaction of the following conditions precedent as of the date such Extension of Credit is requested to be made:

(a) Representations and Warranties. The representations and warranties made by each of the Loan Parties in or pursuant to the Loan Documents shall be true and correct in all material respects on and as of such date as if made on and as of such date (except that any representation or warranty which by its terms is made as of a specified date shall be true and correct in all material respects as of such specified date).

(b) No Default. No Default or Event of Default shall have occurred and be continuing on such date or after giving effect to the Extension of Credit requested to be made on such date.

(c) Foreign Subsidiary Opinion. If such requested Extension of Credit is the initial Multicurrency Loan to be made to any Foreign Subsidiary Borrower that is not a party to this Agreement on the Closing Date, the General Administrative Agent shall have received (with a copy for each Lender) a Foreign Subsidiary Opinion in respect of such Foreign Subsidiary Borrower.

Each Extension of Credit made to a Borrower hereunder shall constitute a representation and warranty by such Borrower as of the date of such Extension of Credit that the conditions contained in this subsection 12.2 have been satisfied.

SECTION 13. AFFIRMATIVE COVENANTS

The U.S. Borrower hereby agrees that, so long as the Commitments (or any of them) remain in effect, any Loan, Acceptance Reimbursement Obligation, Acceptance Note, Reimbursement Obligation or Subsidiary Reimbursement Obligation remains outstanding and unpaid or any other amount is owing to any Lender or either Administrative Agent hereunder or under any other Loan Document, the U.S. Borrower shall and shall cause each of its Subsidiaries to:

13.1 Financial Statements. Furnish to each Lender (or to the General Administrative Agent on behalf of such Lender):

(a) as soon as available, but in any event within 95 days after the end of each fiscal year of the U.S. Borrower, a copy of the audited consolidated balance sheet of the U.S. Borrower and its consolidated Subsidiaries as at the end of such year and the related consolidated statements of income and cash flows for such year, setting forth in each case in comparative form the figures for the previous year, reported on without a "going concern" or like qualification or exception, or qualification arising out of the scope of the audit, by independent certified public accountants of nationally recognized standing; and

(b) as soon as available, but in any event not later than 50 days after the end of each of the first three quarterly periods of each fiscal year of the U.S. Borrower, the unaudited consolidated balance sheet of the U.S. Borrower and its consolidated Subsidiaries as at the end of each such quarter and the related unaudited consolidated statements of income and cash flows of the U.S. Borrower and its consolidated Subsidiaries for such quarter and the portion of the fiscal year through such date, setting forth in each case in comparative form the figures for the corresponding quarterly period of the previous year, certified by a Responsible Officer (subject to normal year-end audit adjustments).

The U.S. Borrower covenants and agrees that all such financial statements shall be complete and correct in all material respects and shall be prepared in reasonable detail and in accordance with GAAP (subject, in the case of interim statements, to normal year-end adjustments and to the fact that such financial statements may be abbreviated and may omit footnotes or contain incomplete footnotes) applied consistently throughout the periods reflected therein (except as approved by such accountants or officer, as the case may be, and disclosed therein).

13.2 Certificates; Other Information. Furnish to each Lender (or to the General Administrative Agent on behalf of such Lender):

(a) concurrently with the delivery of the financial statements referred to in subsection 13.1(a), a certificate of the independent certified public accountants reporting

on such financial statements stating that in making the examination necessary therefor no knowledge was obtained of any Default or Event of Default, except as specified in such certificate;

(b) concurrently with the delivery of the financial statements referred to in subsection 13.1(a) and (b), a certificate of a Responsible Officer of the U.S. Borrower (i) stating that such Responsible Officer has obtained no knowledge of any Default or Event of Default except as specified in such certificate, (ii) stating, to the best of such Responsible Officer's knowledge, that all such financial statements are complete and correct in all material respects (subject, in the case of interim statements, to normal year-end audit adjustments) and have been prepared in reasonable detail and in accordance with GAAP applied consistently throughout the periods reflected therein (except as disclosed therein) and (iii) showing in detail the calculations supporting such statements in respect of subsection 14.1;

(c) promptly upon receipt thereof, copies of all final reports submitted to the U.S. Borrower by independent certified public accountants in connection with each annual, interim or special audit of the books of the U.S. Borrower made by such accountants, including, without limitation, any management letter commenting on the U.S. Borrower's internal controls submitted by such accountants to management in connection with their annual audit;

(d) promptly after the same are sent, copies of all financial statements and reports which the U.S. Borrower sends to its public equity holders, and within five days after the same are filed, copies of all financial statements and reports which the U.S. Borrower may make to, or file with, the Securities and Exchange Commission or any successor or analogous Governmental Authority; and

(e) promptly, subject to reasonable confidentiality requirements and confidentiality agreements to which the U.S. Borrower or any of its Subsidiaries is a party, such additional financial and other information as any Lender may from time to time reasonably request.

13.3 Performance of Obligations. Perform in all material respects all of its obligations under the terms of each material mortgage, indenture, security agreement and other debt instrument by which it is bound or to which it is a party and pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all its material obligations of whatever nature, except when the amount or validity thereof is currently being contested in good faith by appropriate proceedings and reserves in conformity with GAAP with respect thereto have been provided for on the books of the U.S. Borrower or its Subsidiaries, as the case may be.

13.4 Conduct of Business, Maintenance of Existence and Compliance with Obligations and Laws. Continue to engage in business of the same general type as now conducted by it and preserve, renew and keep in full force and effect its corporate existence and take all reasonable action to maintain all rights, privileges and franchises necessary or desirable

in the normal conduct of its business except as otherwise permitted pursuant to subsection 14.5 and except, with respect to the corporate existence of Subsidiaries that are not Loan Parties and any rights, privileges and franchises, to the extent that the Board of Directors of the U.S. Borrower shall determine in good faith that the preservation or maintenance thereof is no longer desirable in the conduct of the business of the U.S. Borrower and its Subsidiaries; comply with all Contractual Obligations and Requirements of Law except to the extent that failure to comply therewith would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the business, operations, property or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole and would not reasonably be expected to adversely affect the ability of the U.S. Borrower or any of its Subsidiaries to perform their respective obligations under any of the Loan Documents to which they are a party.

13.5 Maintenance of Property; Insurance. Keep all property useful and necessary in its business in good working order and condition where the failure to maintain such property in good working order and condition would reasonably be expected to have a material adverse effect on the business, operations, property or financial condition of the U.S. Borrower and its Subsidiaries taken as a whole; maintain with financially sound and reputable insurance companies such insurance coverage as is reasonable for the business activities of the U.S. Borrower and its Subsidiaries; and furnish to the General Administrative Agent, upon written request, full information as to the insurance carried.

13.6 Inspection of Property; Books and Records; Discussions. Keep proper books of records and account in which full, true and correct entries in conformity with GAAP and all Requirements of Law shall be made of all dealings and transactions in relation to its business and activities; and permit representatives of any Lender (subject to reasonable confidentiality requirements) to visit and inspect any of its properties and examine and make abstracts from any of its books and records upon reasonable notice and at any reasonable time and as often as may reasonably be desired, and to discuss the business, operations, properties and financial and other condition of the U.S. Borrower and its Subsidiaries with officers and employees of the U.S. Borrower and its Subsidiaries and, provided the U.S. Borrower is given an opportunity to participate, with its independent certified public accountants.

13.7 Notices. Promptly give notice to the General Administrative Agent and each Lender:

(a) of the occurrence of any Default or Event of Default;

(b) of any (i) default or event of default under any Contractual Obligation of the U.S. Borrower or any of its Subsidiaries or (ii) litigation, investigation or proceeding which may exist at any time between the U.S. Borrower or any of its Subsidiaries and any Governmental Authority, which in the case of either clause (i) or (ii) above, would reasonably be expected to have a material adverse effect on the business, operations, property or financial condition of the U.S. Borrower and its Subsidiaries taken as a whole or would reasonably be expected to adversely affect the ability of the U.S. Borrower or any of its Subsidiaries to perform their respective obligations under any of the Loan Documents to which they are a party;

(c) of any litigation or proceeding affecting the U.S. Borrower or any of its Subsidiaries in which the then reasonably anticipated exposure of the U.S. Borrower and its Subsidiaries is $20,000,000 or more and not covered by insurance, or in which injunctive or similar relief is sought which is then reasonably anticipated to have an adverse economic effect on the U.S. Borrower and its Subsidiaries of $20,000,000 or more;

(d) of the following events, as soon as possible and in any event within 30 days after the U.S. Borrower knows or has reason to know thereof: (i) the occurrence or expected occurrence of any Reportable Event with respect to any Single Employer Plan, a failure to make any required contribution to any Single Employer Plan, unless such failure is cured within such 30 days, any Lien under the Code or ERISA in favor of the PBGC or a Single Employer Plan, or any withdrawal from, or the termination, Reorganization or Insolvency of any Multiemployer Plan or (ii) the institution of proceedings or the taking of any other action by the PBGC or the U.S. Borrower or any Commonly Controlled Entity or any Multiemployer Plan with respect to the withdrawal from, or the termination, Reorganization or Insolvency of, any Single Employer or Multiemployer Plan, where, in connection with any of the events described in clauses (i) or (ii), the resulting liability would reasonably be expected to cause a material adverse change in the business, assets, operations or financial condition of the U.S. Borrower and its Subsidiaries taken as a whole;

(e) of any Environmental Complaint which would reasonably be expected to have a material adverse effect on the business, operations, property or financial condition of the U.S. Borrower and its Subsidiaries, taken as a whole, and any notice from any Person of (i) the occurrence of any release, spill or discharge of any Hazardous Material that is reportable under any Environmental Law, (ii) the commencement of any clean up pursuant to or in accordance with any Environmental Law of any Hazardous Material at, on, under or within the Property or any part thereof or (iii) any other condition, circumstance, occurrence or event, any of which would reasonably be expected to have a material adverse effect on the business, operations, property or financial condition of the U.S. Borrower and its Subsidiaries, taken as a whole, under any Environmental Law;

(f) of (i) the incurrence of any Lien (other than Liens permitted pursuant to subsection 14.3) on, or claim asserted against any of the collateral security in the Security Documents or (ii) the occurrence of any other event which could reasonably be expected to have a material adverse effect on the aggregate value of the collateral under any Security Document; and

(g) of a material adverse change in the business, operations, property or financial condition of the U.S. Borrower and its Subsidiaries taken as a whole.

Each notice pursuant to this subsection 13.7 shall be accompanied by a statement of a Responsible Officer of the U.S. Borrower setting forth details of the occurrence referred to therein and stating what action the U.S. Borrower proposes to take with respect thereto.

13.8 Maintenance of Liens of the Security Documents. Promptly, upon the reasonable request of any Lender, at the U.S. Borrower's expense, execute, acknowledge and deliver, or cause the execution, acknowledgment and delivery of, and thereafter register, file or record, or cause to be registered, filed or recorded, in an appropriate governmental office, any document or instrument supplemental to or confirmatory of the Security Documents or otherwise deemed by the General Administrative Agent necessary or desirable for the continued validity, perfection and priority of the Liens on the collateral covered thereby.

13.9 Environmental Matters. (a) Comply in all material respects with, and use all reasonable efforts to ensure compliance in all material respects by all tenants and subtenants, if any, with, all Environmental Laws and all requirements existing thereunder and obtain and comply in all material respects with and maintain, and use all reasonable efforts to ensure that all tenants and subtenants obtain, comply in all material respects with and maintain, any and all licenses, approvals, notifications, registrations or permits required by Environmental Laws.

(b) Promptly comply in all material respects with all lawful orders and directives of all Governmental Authorities regarding Environmental Laws, other than such orders and directives as to which an appeal has been taken in good faith and the pendency of any and all such appeals does not materially and adversely affect the U.S. Borrower or any Subsidiary or the operations of the U.S. Borrower or any Subsidiary.

(c) Defend, indemnify and hold harmless the General Administrative Agent and the Lenders and their Affiliates, and their respective employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature known or unknown, contingent or otherwise, arising out of, or in any way relating to the violation of, noncompliance with or liability under any Environmental Laws applicable to the U.S. Borrower or its Subsidiaries or the Properties, or any orders, requirements or demands of Governmental Authorities related thereto, including, without limitation, attorney's and consultant's fees, investigation and laboratory fees, response costs, court costs and litigation expenses, except to the extent that any of the foregoing arise solely out of the gross negligence or willful misconduct of the party seeking indemnification therefor. This indemnity shall continue in full force and effect regardless of the termination of this Agreement.

13.10 Security Documents; Guarantee Supplement. (a) [Reserved].

(b) As soon as possible and in no event later than 45 days after the delivery of any financial statements under subsection 13.1(a) or (b), for any fiscal period ending on or after March 31, 2001, cause (i) all of the Capital Stock owned directly or indirectly by the U.S. Borrower of each of the U.S. Borrower's direct or indirect Domestic Subsidiaries (other than any Excluded Subsidiary) which on the date of such financial statements constituted at least 10% of Consolidated Assets or for the twelve month period ended on the date of such financial statements represented at least 10% of Consolidated Revenues to be pledged to the General Administrative Agent, in its capacity as Agent pursuant to the Intercreditor Agreement, pursuant to a pledge agreement in form and substance satisfactory to the General Administrative Agent, (ii) 65% of the Capital Stock (or such lesser amount as may be owned by the U.S. Borrower) of

each of the U.S. Borrower's direct Foreign Subsidiaries which on the date of such financial statements constituted at least 10% of Consolidated Assets or for the twelve month period ended on the date of such financial statements represented at least 10% of Consolidated Revenues to be pledged to the General Administrative Agent, in its capacity as Agent pursuant to the Intercreditor Agreement, for the ratable benefit of the Lenders hereunder and the lenders parties to the Other Revolving Credit Agreement, pursuant to a pledge agreement in form and substance satisfactory to the General Administrative Agent, and (iii) the General Administrative Agent, in its capacity as Agent pursuant to the Intercreditor Agreement, to receive, with a counterpart for each Lender, legal opinions of counsel to the U.S. Borrower acceptable to the General Administrative Agent covering such matters in respect of such pledges as the General Administrative Agent shall reasonably request.

(c) As soon as possible and in no event later than 45 days after the delivery of any financial statements under subsection 13.1(a) or (b) for any fiscal period ending on or after March 31, 2001, cause (i) each of the U.S. Borrower's direct and indirect Domestic Subsidiaries (other than any Excluded Subsidiary) which on the date of such financial statements constituted 10% of Consolidated Assets or for the twelve month period ended on the date of such financial statements represented at least 10% of Consolidated Revenues to execute and deliver a Guarantee Supplement to the General Administrative Agent, in its capacity as Agent pursuant to the Intercreditor Agreement, and (ii) the General Administrative Agent, in its capacity as Agent pursuant to the Intercreditor Agreement, to receive, with a counterpart for each Lender, opinions of counsel to the U.S. Borrower, in form and substance satisfactory to the General Administrative Agent, covering such matters in respect of the Subsidiary Guarantee as the General Administrative Agent shall reasonably request; provided, that, notwithstanding the foregoing, a Domestic Subsidiary shall not be required to execute and deliver a Guarantee Supplement or otherwise become a party to the Subsidiary Guarantee if (x) it is a holding company whose only material asset consists of Capital Stock of one or more Foreign Subsidiaries and (y) the Capital Stock of such Domestic Subsidiary is pledged to the General Administrative Agent, in its capacity as Agent pursuant to the Intercreditor Agreement and; provided further, that any Domestic Subsidiary of the U.S. Borrower (whether or not such Subsidiary satisfies the criteria set forth in clause (i) above in this paragraph (c)) which has guaranteed any Public Indebtedness of the U.S. Borrower or any of its Subsidiaries shall be required in any event to execute and deliver a Guarantee Supplement or otherwise become a party to the Subsidiary Guarantee concurrently with entering into any such guarantee of Public Indebtedness.

(d) (i) Cause to be pledged to the General Administrative Agent, in its capacity as Agent pursuant to the Intercreditor Agreement, on the Closing Date 100% of the Capital Stock of each Domestic Subsidiary (other than any Excluded Subsidiary) which would have constituted more than 10% of Consolidated Assets on December 31, 2000 or represented at least 10% of Consolidated Revenues for the twelve-month period ended on December 31, 2000, and (ii) cause each Domestic Subsidiary (other than any Excluded Subsidiary) described in the foregoing clause (i) to be Subsidiary Guarantors on the Closing Date; provided, that Lear Corporation (Germany) Ltd. shall not be required to be a Subsidiary Guarantor and the U.S. Borrower shall not be required to pledge its Capital Stock.

SECTION 14. NEGATIVE COVENANTS

The U.S. Borrower hereby agrees that, so long as the Commitments (or any of them) remain in effect, any Loan, Acceptance Reimbursement Obligation, Acceptance Note, Reimbursement Obligation or Subsidiary Reimbursement Obligation remains outstanding and unpaid or any other amount is owing to any Lender or either Administrative Agent hereunder or under any other Loan Document, the U.S. Borrower shall not, and shall not permit any of its Subsidiaries to, directly or indirectly:

14.1 Financial Covenants.

(a) Interest Coverage. Permit the ratio of (i) Consolidated Operating Profit for any four consecutive fiscal quarters ending during any period set forth below to (ii) Consolidated Interest Expense for such four consecutive fiscal quarters, to be less than the ratio set forth opposite such period below:

Period	Ratio
October 1, 2000 - December 31, 2001	3.00x
January 1, 2002 - December 31, 2002	3.25x
January 1, 2003 - thereafter	3.50x

(b) Leverage Ratio. Permit the Leverage Ratio at the end of any fiscal quarter ending during any period set forth below to be greater than the ratio set forth opposite such period below:

Period	Ratio
October 1, 2000 - December 31, 2000	4.00x
January 1, 2001 - December 31, 2001	3.75x
January 1, 2002 - December 31, 2004	3.50x
January 1, 2005 - thereafter	3.25x

14.2 Limitation on Indebtedness. Permit any Subsidiary to create, incur, assume or suffer to exist any Indebtedness, except:

(a) (i) Indebtedness in respect of the Extensions of Credit and other obligations arising under this Agreement and, without duplication, Indebtedness of any Subsidiary backed by Letters of Credit issued under this Agreement and (ii) Indebtedness in respect of extensions of credit under the Other Revolving Credit Agreement and, without duplication, Indebtedness of any Subsidiary backed by letters of credit issued under the Other Revolving Credit Agreement;

(b) [Reserved];

(c) Indebtedness in respect of Interest Rate Agreement Obligations and Currency Agreement Obligations entered into to protect against fluctuations in interest rates or exchange rates and not for speculative reasons;

(d) Indebtedness incurred by a Special Purpose Subsidiary in connection with a Receivable Financing Transaction;

(e) intercompany Indebtedness permitted by subsection 14.9; and

(f) other Indebtedness, subject to the provisions of subsection 14.8.

14.3 Limitation on Liens. Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, except (subject, in the case of Liens described in paragraphs (o) through (t) below, to the provisions of subsection 14.8):

(a) Liens for taxes not yet due or which are being contested in good faith by appropriate proceedings; provided that adequate reserves with respect thereto are maintained on the books of the U.S. Borrower or its Subsidiaries, as the case may be, in conformity with GAAP (or, in the case of Foreign Subsidiaries, generally accepted accounting principles in effect from time to time in their respective jurisdictions of organization);

(b) carriers', warehousemen's, mechanics', materialmen's, repairmen's, suppliers or other like Liens arising in the ordinary course of business relating to obligations not overdue for a period of more than 60 days or which are bonded or being contested in good faith by appropriate proceedings;

(c) pledges or deposits in connection with workers' compensation, unemployment insurance and other social security legislation, including any Lien securing letters of credit issued in the ordinary course of business in connection therewith and deposits securing liabilities to insurance carriers under insurance and self-insurance programs;

(d) Liens (other than any Lien imposed by ERISA) incurred on deposits to secure the performance of bids, trade contracts (other than for borrowed money), leases, statutory obligations, surety and appeal bonds, performance bonds, utility payments and other obligations of a like nature incurred in the ordinary course of business;

(e) easements, rights-of-way, restrictions and other similar encumbrances incurred which, in the aggregate, do not materially interfere with the ordinary conduct of the business of the U.S. Borrower and its Subsidiaries taken as a whole;

(f) Liens created pursuant to the Security Documents;

(g) attachment, judgment or other similar Liens arising in connection with court or arbitration proceedings fully covered by insurance or involving individually or in the aggregate, no more than $40,000,000 at any one time, provided that the same are discharged, or that execution or enforcement thereof is stayed pending appeal, within 60 days or, in the case of any stay of execution or enforcement pending appeal, within such lesser time during which such appeal may be taken;

(h) Liens securing obligations (other than obligations representing Indebtedness for borrowed money) under operating, reciprocal easement or similar agreements entered into in the ordinary course of business;

(i) statutory Liens and rights of offset arising in the ordinary course of business of the U.S. Borrower and its Subsidiaries;

(j) Liens in connection with leases or subleases granted to others and the interest or title of a lessor or sublessor (other than the U.S. Borrower or any Subsidiary of the U.S. Borrower) under any lease;

(k) Liens arising in connection with Industrial Development Bonds or other industrial development, pollution control or other tax-favored or government-sponsored financing transactions, provided that such liens do not at any time encumber any property, other than the property financed by such transaction and other property, assets or revenues related to the property so financed on which Liens are customarily granted in connection with such transactions (in each case, together with improvements and attachments thereto);

(l) Liens on receivables subject to a Receivable Financing Transaction;

(m) Liens securing Indebtedness permitted by subsection 14.2(c) and any other Indebtedness in respect of Interest Rate Agreement Obligations or Currency Agreement Obligations entered into to protect against fluctuations in interest rates or exchange rates and not for speculative reasons, provided that such Liens run in favor of a Lender hereunder or a lender under the Other Revolving Credit Agreement;

(n) extensions, renewals and replacements of any Lien described in subsections 14.3(a) through (m) above;

(o) Liens (including, without limitation, Liens incurred in connection with Financing Leases, operating leases and sale-leaseback transactions) securing Indebtedness of the U.S. Borrower and its Subsidiaries permitted by subsection 14.2 incurred to finance the acquisition of property; provided that (i) such Liens shall be created substantially simultaneously with the purchase of such property, (ii) such Liens do not at any time encumber any property other than the property financed by such Indebtedness, (iii) the amount of Indebtedness secured thereby is not increased and (iv) the principal amount of Indebtedness secured by any such Lien shall at no time exceed 100% of the purchase price of such property;

(p) Liens securing the Indebtedness of Foreign Subsidiaries permitted by subsection 14.2, provided that such Liens permitted by this paragraph do not at any time encumber any property located in the United States;

(q) Liens securing reimbursement obligations with respect to documentary letters of credit permitted hereunder which encumber documents and other property relating to such letters of credit;

(r) Liens securing Acquired Indebtedness permitted by subsection 14.2, provided, that (i) such Liens existed at the time such corporation became a Subsidiary or such assets were acquired and were not created in anticipation thereof, (ii) any such Lien does not by its terms cover any property or assets after the time such corporation became or becomes a Subsidiary or such assets were acquired which were not covered immediately prior thereto (and improvements and attachments thereto) and (iii) any such Lien does not by its terms secure any Indebtedness other than Indebtedness existing immediately prior to the time such corporation became or becomes a Subsidiary or such assets were acquired;

(s) except as otherwise provided for in subsections 14.3(a) through (n), Liens securing Indebtedness of Domestic Subsidiaries permitted under subsection 14.2;

(t) other Liens; and

(u) extensions, renewals and replacements of any Lien described in subsections 14.3(o) through (t) above.

14.4 Limitation on Guarantee Obligations. Create, incur, assume or suffer to exist any Guarantee Obligation except:

(a) Guarantee Obligations of (i) the U.S. Borrower under this Agreement and the Other Revolving Credit Agreement and (ii) of the Domestic Subsidiaries under the Subsidiary Guarantee and any Bond Guarantee;

(b) Guarantee Obligations of any Subsidiary Guarantor in respect of obligations of the U.S. Borrower or any other Subsidiary Guarantor, subject to the prepayment provisions of subsection 10.4(h);

(c) Guarantee Obligations of any Subsidiary that is not a Subsidiary Guarantor in respect of obligations of any other Subsidiary that is not a Subsidiary Guarantor, subject to the prepayment provisions of subsection 10.4(h);

(d) Guarantee Obligations in respect of operating leases;

(e) Guarantee Obligations of the U.S. Borrower in respect of obligations of any Subsidiary that are permitted to be incurred under this Agreement; and

(f) other Guarantee Obligations, subject to the provisions of subsection 14.8.

14.5 Limitations on Fundamental Changes. Unless expressly permitted under this Agreement, enter into any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or convey, sell, lease, assign, transfer or otherwise dispose of, all or substantially all of its property, business or assets, or make any material change in its present method of conducting business, except:

(a) any Subsidiary of the U.S. Borrower may be merged or consolidated with or into the U.S. Borrower (provided that the U.S. Borrower shall be the continuing or surviving corporation) or with or into any one or more other Subsidiaries of the U.S. Borrower;

(b) any Subsidiary may sell, lease, transfer or otherwise dispose of any or all of its assets (upon voluntary liquidation or otherwise) to the U.S. Borrower or any other Subsidiary of the U.S. Borrower;

(c) the U.S. Borrower may merge or consolidate with any Person, provided that (A) the U.S. Borrower is the surviving corporation of such merger or consolidation, (B) after giving effect thereto, no Default or Event of Default is in existence and (C) if such merger or consolidation had occurred on the first day of the period of four full fiscal quarters most recently ended prior to the date of such event, the U.S. Borrower would have been in compliance with subsection 14.1 during such period of four full fiscal quarters; and

(d) any Subsidiary may be merged, consolidated or amalgamated with or into any Person, or may sell, lease, transfer or otherwise dispose of its assets (upon voluntary liquidation, dissolution or otherwise) to any Person or may liquidate, wind up or dissolve itself if (A) after giving effect thereto, no Default or Event of Default is in existence and (B) if such merger, consolidation, amalgamation, sale, lease, transfer or other disposition had occurred on the first day of the period of four fiscal quarters most recently ended prior to the date of such event, the U.S. Borrower would have been in compliance with subsection 14.1 during such period of four full fiscal quarters.

14.6 Limitation on Sale of Assets. Convey, sell, lease, assign, transfer or otherwise dispose of, any of its property, business or assets (including, without limitation, receivables and leasehold interests) whether now owned or hereafter acquired, or, in the case of any Subsidiary, issue or sell any shares of such Subsidiary's Capital Stock to any Person other than the U.S. Borrower or any Wholly Owned Subsidiary (or to qualify directors if required by applicable law or similar de minimis issuances of Capital Stock to comply with Requirements of Law), except:

(a) the sale or other disposition of obsolete or worn out property or other property not necessary for operations disposed of in the ordinary course of business; provided that (i) the Net Proceeds of each such transaction are applied to obtain a replacement item or items of property within 120 days of the disposition thereof or (ii) the fair market value of any property not replaced pursuant to clause (i) above shall not exceed $20,000,000 in the aggregate in any one fiscal year of the U.S. Borrower;

(b) the sale of inventory or Cash Equivalents in the ordinary course of business;

(c) the sale of any property in connection with any sale and leaseback transaction;

(d) the sale by any Foreign Subsidiary of its accounts receivable; provided that the terms of each such sale are satisfactory in form and substance to the General Administrative Agent;

(e) the sale by any Domestic Subsidiary of its accounts receivable; provided that the terms of each such sale are satisfactory in form and substance to the General Administrative Agent;

(f) any sale or other disposition permitted under subsections 14.5 or 14.9;

(g) any operating lease entered into in the ordinary course of business;

(h) any assignments or licenses of intellectual property in the ordinary course of business;

(i) any sale, contribution or transfer to or by a Special Purpose Subsidiary in connection with a Receivable Financing Transaction; and

(j) any sale or other disposition of assets if (A) after giving effect thereto and the application of the proceeds therefrom, no Default or Event of Default is in existence and (B) if such sale or other disposition had occurred on the first day of the period of four full final quarters most recently ended prior to the date of such sale or other disposition, the U.S. Borrower would have been in compliance with subsection 14.1 during such period of four full fiscal quarters.

14.7 Limitation on Dividends. Declare or pay any dividend on, or make any payment on account of, or set apart assets for a sinking or other analogous fund for, the purchase, redemption, defeasance, retirement or other acquisition of, any shares of any class of Capital Stock of the U.S. Borrower or any warrants or options to purchase any such stock, whether now or hereafter outstanding, or make any other distribution in respect thereof, either directly or indirectly, whether in cash or property or in obligations of the U.S. Borrower or any Subsidiary, except for (a) (i) payment by the U.S. Borrower of amounts then owing to management personnel of the U.S. Borrower pursuant to the terms of their respective employment contracts or under any employee benefit plan, (ii) mandatory purchases by the U.S. Borrower of its common stock from management personnel pursuant to the terms of their respective employment agreements or any employee benefit plan, (iii) additional repurchases by the U.S. Borrower of its common stock from management personnel, and other officers or employees of the U.S. Borrower or any Subsidiary in an amount not to exceed $35,000,000 in the aggregate and (iv) the purchase, redemption or retirement of any shares of any Capital Stock of the U.S. Borrower or options to purchase Capital Stock of the U.S. Borrower in connection with the exercise of

outstanding stock options, (b) if no Default or Event of Default has occurred and is continuing (or would occur and be continuing after giving effect thereto) when any such dividend is declared by the Board of Directors of the U.S. Borrower or such payment is made on the account of the purchase of Capital Stock of the U.S. Borrower, cash dividends on the U.S. Borrower's Capital Stock or such payments made on the account of the purchase of Capital Stock of the U.S. Borrower not to exceed, in the aggregate, in any fiscal quarter (the "Payment Quarter") an amount equal to the greater of (i) $25,000,000 and (ii) (A) 50% (100% if the U.S. Borrower shall have attained Investment Grade Status) of Consolidated Net Income of the U.S. Borrower and its consolidated Subsidiaries for the period of four consecutive fiscal quarters ended immediately prior to the Payment Quarter (such period of four quarters being the "Calculation Period" in respect of such Payment Quarter), less (B) the cash amount of all (I) dividends paid and redemptions made by the U.S. Borrower during such Calculation Period in respect of Capital Stock and (II) payments made on the account of the purchase of Capital Stock of the U.S. Borrower during such Calculation Period, but only to the extent permitted by the terms of the outstanding Subordinated Debt, (c) if (x) no Default or Event of Default has occurred and is continuing (or would occur and be continuing after giving effect thereto) with respect to such purchase of Capital Stock of the U.S. Borrower and (y) the Leverage Ratio for the fiscal quarter then ended is equal to or less than 3.0 to 1.0, the U.S. Borrower may from time to time and in addition to the amounts permitted under clause (b) above purchase its Capital Stock in an aggregate amount of up to $100,000,000 during the term of this Agreement and (d) dividends or distributions in the form of additional shares of such Capital Stock or in options, warrants or other rights to purchase Capital Stock.

14.8 Limitation on Subsidiary and Secured Indebtedness. Create, incur, assume or suffer to exist Subsidiary and Secured Indebtedness in an aggregate principal amount at any time outstanding exceeding 10% of Consolidated Assets at such time; or create, incur, assume or suffer to exist any Indebtedness that constitutes Subsidiary and Secured Indebtedness and that is secured by any Lien on any property, assets or receivables of the U.S. Borrower or any of its Subsidiaries (other than Liens permitted by paragraphs (a) through (n) of subsection 14.3) in an aggregate principal amount at any time exceeding 5% of Consolidated Assets at such time, provided that, in each case, the proceeds of any Subsidiary and Secured Indebtedness constituting Public Indebtedness incurred hereunder shall, to the extent required, be applied in accordance with subsection 10.4(h).

14.9 Limitation on Investments, Loans and Advances. Make or suffer to exist any advance, loan, extension of credit or capital contribution to, or purchase any stock, bonds, notes, debentures or other securities of or any assets constituting a business unit of, or make any other investment in, any Person, or acquire or invest in any interest in any Person, except:

(a) extensions of trade credit in the ordinary course of business;

(b) investments in Cash Equivalents;

(c) investments by Foreign Subsidiaries in high quality investments of a type similar to Cash Equivalents made outside of the United States of America;

(d) capital contributions and equity investments made prior to the date hereof in any Subsidiary or Special Entity and any recapitalization thereof not increasing the amounts thereof;

(e) (i) loans, advances, and extensions of credit by any Subsidiary to the U.S. Borrower and (ii) loans, advances, extensions of credit, capital contributions and other investments by the U.S. Borrower or any Subsidiary to or in any Subsidiary;

(f) the purchase by the U.S. Borrower or any Subsidiary of participating interests in loans to Foreign Subsidiaries; provided that the amount of each such participating interest does not exceed the amount which the U.S. Borrower or such Subsidiary would otherwise be permitted to lend or contribute to such Foreign Subsidiaries pursuant to this subsection 14.9;

(g) the U.S. Borrower and its Subsidiaries may acquire or invest in any Special Entities or the assets constituting a business unit of any Person that would be a Special Entity, provided that the aggregate purchase price of such acquisitions after the date hereof does not exceed $400,000,000 (less, in the case of Special Entities that become Subsidiaries of the U.S. Borrower, the aggregate amount of Indebtedness of such Special Entities at the time such Special Entities are acquired) per fiscal year; and provided, further, that up to $100,000,000 of such permitted amount which is not expended in any fiscal year may be carried over for such acquisitions in any subsequent fiscal year; and provided, still further, that no more than $150,000,000 per fiscal year of any such permitted amount may be expended to acquire stock or other evidence of beneficial ownership of Special Entities that do not become Subsidiaries of the U.S. Borrower;

(h) advances to employees in the ordinary course of business for travel, relocation and related expenses;

(i) investments received in connection with the bankruptcy or reorganization of suppliers, customers and other Persons having obligations in favor of the U.S. Borrower or any Subsidiary in settlement of delinquent obligations of, and other disputes with, customers, suppliers and such other Persons arising in the ordinary course of business;

(j) advances, loans, extensions of credit or other investments held by a Person at the time it becomes a Subsidiary of the U.S. Borrower in connection with an acquisition permitted hereunder; provided, that such advances, loans, extensions of credit or other investments have not been made in anticipation of such acquisition;

(k) other investments, advances, loans, extensions of credit and capital contributions by the U.S. Borrower and its Subsidiaries not exceeding $125,000,000 in the aggregate at any one time outstanding;

(l) [Reserved]; and

(m) investments in or acquisitions of companies or business units, in each case, engaged primarily in the manufacturing of automotive parts business and businesses related thereto so long as (i) no Default or Event of Default shall have occurred and be continuing before and after giving effect to such transaction, (ii) the U.S. Borrower would be in pro forma compliance with subsection 14.1 after giving effect to such transaction and (iii) such transaction is not the result of a hostile bid made by the U.S. Borrower or its Subsidiaries.

14.10 Limitation on Optional Payments and Modification of Debt Instruments; Certain Derivative Transactions. (a) Prepay, purchase, redeem, retire, defease or otherwise acquire, or make any payment on account of any principal of, interest on, or premium payable in connection with the prepayment, redemption or retirement of any outstanding Subordinated Debt, except that the U.S. Borrower may prepay, purchase or redeem Subordinated Debt with the proceeds of the issuance of other subordinated Indebtedness of the U.S. Borrower or Capital Stock of the U.S. Borrower; provided that, in the case of the issuance of subordinated Indebtedness, either (i) the principal terms of such other subordinated Indebtedness are no more restrictive, taken as a whole, to the U.S. Borrower and its Subsidiaries than the principal terms of the Subordinated Debt being repaid, purchased or redeemed or (ii) the terms and conditions of the other subordinated Indebtedness are reasonably satisfactory to the General Administrative Agent; provided, further, that, notwithstanding any provision contained in this subsection 14.10, if no Default or Event of Default has occurred and is continuing or would occur and be continuing as a result of the following, the Subordinated Debt may be prepaid at any time without restriction; (b) enter into any derivative transaction or similar transaction obligating the U.S. Borrower or any of its Subsidiaries to make any payment (other than a payment made in Capital Stock) to any other Person as a result of any change in value or market price of Subordinated Debt or Capital Stock of the U.S. Borrower; or (c) without the consent of the General Administrative Agent, amend, modify or change, or consent or agree to any amendment, modification or change to any of the terms of any Subordinated Debt (except that without the consent of the General Administrative Agent or any Lender, the terms of the Subordinated Debt may be amended, modified or changed if such amendment, modification or change would extend the maturity or reduce the amount of any payment of principal thereof, would reduce the rate or extend the date for payment of interest thereon, would eliminate covenants (other than covenants with respect to subordination to Indebtedness under this Agreement and, if applicable, the Subsidiary Guarantee) or defaults in such Subordinated Debt or would make such covenants or defaults less restrictive or make any other change that would not require the consent of the holders of such Subordinated Debt).

14.11 Transactions with Affiliates. Enter into any transaction, including, without limitation, any purchase, sale, lease or exchange of property or the rendering of any service, with any Affiliate unless such transactions are otherwise permitted under this Agreement, or such transactions are in the ordinary course of the U.S. Borrower's or such Subsidiary's business and are upon fair and reasonable terms no less favorable to the U.S. Borrower or such Subsidiary, as the case may be, than it would obtain in a comparable arm's length transaction with a Person not an Affiliate; provided, however, that the U.S. Borrower may engage, The Cypress Group, LLC or any Affiliate of The Cypress Group, LLC as financial

advisor, underwriter, broker, dealer-manager or finder in connection with any transaction at the then customary market rates for similar services.

14.12 Corporate Documents. Amend its Certificate of Incorporation or By-Laws, each as in effect on the Closing Date, if such amendment would reasonably be expected to impair the ability of the Loan Parties to perform their respective obligations under the Loan Documents to which they are a party.

14.13 Fiscal Year. Permit the fiscal year of the U.S. Borrower to end on a day other than December 31.

14.14 Limitation on Restrictions Affecting Subsidiaries. Enter into any agreement with any Person other than the Lenders pursuant hereto which prohibits or limits the ability of any Subsidiary to (a) pay dividends or make other distributions or pay any Indebtedness owed to the U.S. Borrower or any Subsidiary, (b) make loans or advances to the U.S. Borrower or any Subsidiary or (c) transfer any of its properties or assets to the U.S. Borrower or any Subsidiary, except (i) prohibitions or restrictions under applicable law, (ii) agreements and instruments governing or evidencing secured Indebtedness otherwise permitted to be incurred under this Agreement that limits the right of the borrower to (A) dispose of the assets securing such Indebtedness or (B) in the case of any Foreign Subsidiary, to make dividends or distributions, (iii) prohibitions or restrictions under agreements relating to Acquired Indebtedness and any refinancings thereof, (iv) prohibitions or restrictions with respect to the distribution or dispositions of assets or property in joint venture and similar agreements entered into in the ordinary course of business, (v) customary non-assignment provisions in leases and other agreements entered into in the ordinary course of business, (vi) customary net worth provisions contained in leases and other agreements entered into by a Subsidiary in the ordinary course of business, (vii) customary restrictions with respect to a Subsidiary pursuant to an agreement that has been entered into for the sale or disposition of the assets or stock of such Subsidiary, (viii) (x) any such restrictions existing by reasons of Contractual Obligations listed on Schedule VIII or (y) Contractual Obligations in effect on the Closing Date affecting Subsidiaries acquired in the UT Automotive Acquisition, (ix) any restrictions on a Special Purpose Subsidiary, (x) restrictions on cash or other deposits or net worth provisions under customer and supply agreements entered into in the ordinary course of business, and (xi) any restrictions contained in any instrument or agreement that refinances any Indebtedness or other obligations which contains similar restrictions.

14.15 Special Purpose Subsidiary. Permit (a) any Special Purpose Subsidiary to engage in any business other than Receivable Financing Transactions and activities directly related thereto or (b) at any time the U.S. Borrower or any of its Subsidiaries (other than a Special Purpose Subsidiary) or any of their respective assets to incur any liability, direct or indirect, contingent or otherwise, in respect of any obligation of a Special Purpose Subsidiary whether arising under or in connection with any Receivable Financing Transaction or otherwise.

14.16 Interest Rate Agreements. Enter into, or become a party to, any Interest Rate Agreement that is speculative in nature.

SECTION 15. GUARANTEE

15.1 Guarantee. (a) The U.S. Borrower hereby unconditionally and irrevocably guarantees to the General Administrative Agent, for the ratable benefit of the Administrative Agents and the Lenders and their respective successors, indorsees, transferees and assigns, the prompt and complete payment and performance by each of the other Borrowers when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations of the Subsidiaries.

(b) The U.S. Borrower further agrees to pay any and all expenses (including, without limitation, all reasonable fees and disbursements of counsel, provided that the U.S. Borrower shall only be required to pay the fees and disbursements of (i) one counsel for the General Administrative Agent, (ii) one counsel for the Canadian Administrative Agent, (iii) one counsel for the Canadian Lenders, (iv) one counsel for the U.S. Lenders and (v) one counsel for the General Administrative Agent and the Multicurrency Lenders in the jurisdiction of each Foreign Subsidiary Borrower) which may be paid or incurred by the Administrative Agents, or any Lender in enforcing, or obtaining advice of counsel in respect of, any rights with respect to, or collecting, any or all of the Obligations and/or enforcing any rights with respect to, or collecting against, the U.S. Borrower under this Section. This Section shall remain in full force and effect until the Obligations are paid in full and the Commitments are terminated, notwithstanding that from time to time prior thereto any Borrower may be free from any Obligations.

(c) No payment or payments made by any Borrower or any other Person or received or collected by the Administrative Agents or any Lender from any Borrower or any other Person by virtue of any action or proceeding or any set-off or appropriation or application, at any time or from time to time, in reduction of or in payment of the Obligations shall be deemed to modify, reduce, release or otherwise affect the liability of the U.S. Borrower hereunder which shall, notwithstanding any such payment or payments, remain liable hereunder for the Obligations until the Obligations are paid in full and the Commitments are terminated.

(d) The U.S. Borrower agrees that whenever, at any time, or from time to time, it shall make any payment to any Administrative Agent or any Lender on account of its liability hereunder, it will notify such Administrative Agent and such Lender in writing that such payment is made under this Section for such purpose.

15.2 No Subrogation. Notwithstanding any payment or payments made by the U.S. Borrower hereunder, or any set-off or application of funds of the U.S. Borrower by any Administrative Agent or any Lender, the U.S. Borrower shall not be entitled to be subrogated to any of the rights of any Administrative Agent or any Lender against the other Borrowers or against any collateral security or guarantee or right of offset held by any Administrative Agent or any Lender for the payment of the Obligations, nor shall the U.S. Borrower seek or be entitled to seek any contribution or reimbursement from the other Borrowers in respect of payments made by the U.S. Borrower hereunder, until all amounts owing to the Administrative Agent and the Lenders by the other Borrowers on account of the Obligations are paid in full and the Commitments are terminated. If any amount shall be paid to the U.S. Borrower on account of

such subrogation rights at any time when all of the Obligations shall not have been paid in full, such amount shall be held by the U.S. Borrower in trust for the Administrative Agents and the Lenders, segregated from other funds of the U.S. Borrower, and shall, forthwith upon receipt by the U.S. Borrower, be turned over to the General Administrative Agent in the exact form received by the U.S. Borrower (duly indorsed by the U.S. Borrower to the General Administrative Agent, if required), to be applied against the Obligations, whether matured or unmatured, in such order as the General Administrative Agent may determine.

15.3 Amendments, etc. with respect to the Obligations; Waiver of Rights. The U.S. Borrower shall remain obligated hereunder notwithstanding that, without any reservation of rights against the U.S. Borrower, and without notice to or further assent by the U.S. Borrower, any demand for payment of any of the Obligations made by any Administrative Agent or any Lender may be rescinded by such Administrative Agent or such Lender, and any of the Obligations continued, and the Obligations, or the liability of any other party upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by any Administrative Agent or any Lender, and any Loan Documents and any other documents executed and delivered in connection therewith may be amended, modified, supplemented or terminated, in whole or in part, in accordance with the provisions thereof as the General Administrative Agent or the Lenders (or the Majority Lenders, as the case may be) may deem advisable from time to time, and any collateral security, guarantee or right of offset at any time held by any Administrative Agent or any Lender for the payment of the Obligations may be sold, exchanged, waived, surrendered or released. None of any Administrative Agent or any Lender shall have any obligation to protect, secure, perfect or insure any Lien at any time held by it as security for the Obligations or for this Agreement or any property subject thereto. When making any demand hereunder against the U.S. Borrower, any Administrative Agent or any Lender may, but shall be under no obligation to, make a similar demand on any other Borrowers or any other guarantor, and any failure by any Administrative Agent or any Lender to make any such demand or to collect any payments from any such Borrower or any such other guarantor or any release of such Borrower or such other guarantor shall not relieve the U.S. Borrower of its obligations or liabilities hereunder, and shall not impair or affect the rights and remedies, express or implied, or as a matter of law, of any Administrative Agent or any Lender against the U.S. Borrower. For the purposes hereof "demand" shall include the commencement and continuance of any legal proceedings.

15.4 Guarantee Absolute and Unconditional. The U.S. Borrower waives any and all notice of the creation, renewal, extension or accrual of any of the Obligations and notice of or proof of reliance by any Administrative Agent or any Lender upon this Agreement or acceptance of this Agreement; the Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended, amended or waived, in reliance upon this Agreement; and all dealings between the Borrowers and the U.S. Borrower and the other Borrowers, on the one hand, and the Administrative Agents and the Lenders, on the other, shall likewise be conclusively presumed to have been had or consummated in reliance upon this Agreement. The U.S. Borrower waives diligence, presentment, protest, demand for payment and notice of default or nonpayment to or upon the other Borrowers and the U.S. Borrower with

respect to the Obligations. This Section 15 shall be construed as a continuing, absolute and unconditional guarantee of payment without regard to (a) the validity or enforceability of this Agreement, any other Loan Document, any of the Obligations or any other collateral security therefor or guarantee or right of offset with respect thereto at any time or from time to time held by any Administrative Agent or any Lender, (b) any defense, set-off or counterclaim (other than a defense of payment or performance) which may at any time be available to or be asserted by the Borrowers (other than the U.S. Borrower) against any Administrative Agent or any Lender, or (c) any other circumstance whatsoever (with or without notice to or knowledge of the Borrowers or the U.S. Borrower) which constitutes, or might be construed to constitute, an equitable or legal discharge of the Borrowers for the Obligations, or of the U.S. Borrower under this Section 15, in bankruptcy or in any other instance. When pursuing its rights and remedies hereunder against the Borrower, any Administrative Agent and any Lender may, but shall be under no obligation to, pursue such rights and remedies as it may have against the other Borrowers or any other Person or against any collateral security or guarantee for the Obligations or any right of offset with respect thereto, and any failure by any Administrative Agent or any Lender to pursue such other rights or remedies or to collect any payments from such other Borrowers or any such other Person or to realize upon any such collateral security or guarantee or to exercise any such right of offset, or any release of the other Borrowers or any such other Person or of any such collateral security, guarantee or right of offset, shall not relieve the U.S. Borrower of any liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of any Administrative Agent or any Lender against the U.S. Borrower. This Section 15 shall remain in full force and effect and be binding in accordance with and to the extent of its terms upon the U.S. Borrower and its successors and assigns, and shall inure to the benefit of the Administrative Agents and the Lenders, and their respective successors, indorsees, transferees and assigns, until all the Obligations and the obligations of the U.S. Borrower under this Agreement shall have been satisfied by payment in full and the Commitments shall be terminated, notwithstanding that from time to time during the term of this Agreement the Borrowers may be free from any Obligations.

15.5 Reinstatement. This Section 15 shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by any Administrative Agent or any Lender upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of any Borrower or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, any Borrower or any substantial part of its property, or otherwise, all as though such payments had not been made.

15.6 Payments. The U.S. Borrower hereby agrees that all payments required to be made by it hereunder will be made to the General Administrative Agent, for the benefit of the Administrative Agents and the Lenders, as the case may be, without set-off or counterclaim in accordance with the terms of the Obligations, including, without limitation, in the currency in which payment is due.

SECTION 16. EVENTS OF DEFAULT

Upon the occurrence of any of the following events:

(a) Any Borrower shall fail to pay (i) any principal of any Loans or any Acceptance Reimbursement Obligations when due (whether at the stated maturity, by acceleration or otherwise) in accordance with the terms thereof or hereof or (ii) any interest on any Loans, any Reimbursement Obligations or Subsidiary Reimbursement Obligations, or any fee or other amount payable hereunder, within five days after any such interest, fee or other amount becomes due in accordance with the terms hereof; or

(b) Any representation or warranty made or deemed made by the U.S. Borrower or any other Loan Party herein or in any other Loan Document or which is contained in any certificate, document or financial or other statement furnished at any time under or in connection with this Agreement or any other Loan Document shall prove to have been incorrect in any material respect on or as of the date made or deemed made; or

(c) The U.S. Borrower or any other Loan Party shall default in the observance or performance of any negative covenant contained in Section 14; or

(d) The U.S. Borrower or any other Loan Party shall default in the observance or performance of any other agreement contained in this Agreement or any other Loan Document other than as provided in (a) through (c) above, and such default shall continue unremedied for a period of 30 days; or

(e) Any Loan Document shall cease, for any reason, to be in full force and effect, or the U.S. Borrower or any other Loan Party shall so assert; or any security interest created by any of the Security Documents shall cease to be enforceable and of the same effect and priority purported to be created thereby, except, in each case, as provided in subsection 18.18; or

(f) The Subsidiary Guarantee shall cease, for any reason, to be in full force and effect, or any guarantor thereunder shall so assert, except as provided in subsection 18.18; or

(g) The subordination provisions contained in any instrument pursuant to which the Subordinated Debt was created or in any instrument evidencing such Subordinated Debt shall cease, for any reason, to be in full force and effect or enforceable in accordance with their terms; or

(h) The U.S. Borrower or any of its Subsidiaries shall (i) default in any payment of principal of or interest on any Indebtedness (other than Indebtedness under this Agreement), in the payment of any Guarantee Obligation or in the payment of any Interest Rate Agreement Obligation, in any case where the principal amount thereof then outstanding exceeds $40,000,000 beyond the period of grace (not to exceed 60 days), if

any, provided in the instrument or agreement under which such Indebtedness, Guarantee Obligation or Interest Rate Agreement Obligation was created; or (ii) default in the observance or performance of any other agreement or condition relating to any such Indebtedness, Guarantee Obligation or Interest Rate Agreement Obligation or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness or beneficiary or beneficiaries of such Guarantee Obligation (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Indebtedness to become due prior to its stated maturity or such Guarantee Obligation to become payable; or

(i) (i) The U.S. Borrower or any Material Subsidiary shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or the U.S. Borrower or any Material Subsidiary shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the U.S. Borrower or any Material Subsidiary any case, proceeding or other action of a nature referred to in clause (i) above which (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged or unbonded for a period of 60 days; or (iii) there shall be commenced against the U.S. Borrower or any Material Subsidiary any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within 60 days from the entry thereof; or (iv) the U.S. Borrower or any Material Subsidiary shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above; or (v) the U.S. Borrower or any Material Subsidiary shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or

(j) (i) Any Person shall engage in any non-exempt "prohibited transaction" (as defined in Section 406 of ERISA or Section 4975 of the Code) involving any Plan, (ii) any "accumulated funding deficiency" (as defined in Section 302 of ERISA), whether or not waived, shall exist with respect to any Single Employer Plan, (iii) a Reportable Event shall occur with respect to, or proceedings shall commence to have a trustee appointed, or a trustee shall be appointed, to administer or to terminate, any Single Employer Plan, which Reportable Event or commencement of proceedings or appointment of a trustee is, in the reasonable opinion of the Majority Lenders, likely to result in the termination of such Plan for purposes of Title IV of ERISA, (iv) any Single

Employer Plan shall terminate for purposes of Title IV of ERISA, (v) the U.S. Borrower or any Commonly Controlled Entity shall, or in the reasonable opinion of the Majority Lenders is likely to, incur any liability in connection with a withdrawal from, or the Insolvency or Reorganization of, a Multiemployer Plan or (vi) any other event or condition shall occur or exist, with respect to a Plan; and in each case in clauses (i) through (vi) above, such event or condition, together with all other such events or conditions, if any, would reasonably be expected to subject the U.S. Borrower or any of its Subsidiaries to any tax, penalty or other liabilities in the aggregate material in relation to the business, operations, property or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole; or

(k) One or more judgments or decrees shall be entered against the U.S. Borrower or any of its Subsidiaries involving in the aggregate a liability (not paid or fully covered by insurance) of $40,000,000 or more and all such judgments or decrees shall not have been vacated, discharged, stayed or bonded pending appeal within 60 days from the entry thereof; or

(l) (i) Any Person or "group" (within the meaning of Section 13(d) or 15(d) of the Exchange Act) (A) shall have acquired beneficial ownership of 35% or more of any outstanding class of Capital Stock of the U.S. Borrower having ordinary voting power in the election of directors or (B) shall obtain the legal right (whether or not exercised) to elect a majority of the U.S. Borrower's directors or (ii) the Board of Directors of the U.S. Borrower shall not consist of a majority of Continuing Directors;

then, and in any such event, (A) if such event is an Event of Default specified in clause (i) or (ii) of paragraph (i) above with respect of the U.S. Borrower or the Canadian Borrower, automatically the Commitments shall immediately terminate and the Loans hereunder (with accrued interest thereon) and all other amounts owing under this Agreement (including, without limitation, all Reimbursement Obligations, Subsidiary Reimbursement Obligations and Acceptance Reimbursement Obligations, regardless of whether or not such Reimbursement Obligations, Subsidiary Reimbursement Obligations and Acceptance Reimbursement Obligations are then due and payable) shall immediately become due and payable, and (B) if such event is any other Event of Default, any of the following actions may be taken: (i) with the consent of the Majority Lenders, the General Administrative Agent may, or upon the request of the Majority Lenders, the General Administrative Agent shall, by notice to the U.S. Borrower declare the Commitments to be terminated forthwith, whereupon the Commitments shall immediately terminate; (ii) with the consent of the Majority Lenders, the General Administrative Agent may, or upon the direction of the Majority Lenders, the General Administrative Agent shall, by notice of default to the U.S. Borrower, declare the Loans hereunder (with accrued interest thereon) and all other amounts owing under this Agreement (including all amounts payable in respect of Letters of Credit whether or not the beneficiaries thereof shall have presented the drafts and other documents required thereunder) and the Notes to be due and payable forthwith, whereupon the same shall immediately become due and payable and (iii) the General Administrative Agent may, and upon the direction of the Majority Lenders shall,

exercise any and all remedies and other rights provided pursuant to this Agreement and/or the other Loan Documents.

With respect to all outstanding Reimbursement Obligations and Subsidiary Reimbursement Obligations which have not matured at the time of an acceleration pursuant to the preceding paragraph, the U.S. Borrower shall at such time deposit in a cash collateral account opened by and maintained by the General Administrative Agent an amount equal to the aggregate amount of all such Reimbursement Obligations and Subsidiary Reimbursement Obligations. Amounts held in such cash collateral account shall be applied by the General Administrative Agent to the payment of Reimbursement Obligations and Subsidiary Reimbursement Obligations when drawings under the related Letters of Credit are made, and any balance in such account shall be applied to repay other obligations of the U.S. Borrower hereunder. After all Reimbursement Obligations and Subsidiary Reimbursement Obligations shall have been satisfied and all other obligations of the U.S. Borrower hereunder shall have been paid in full, the balance, if any, in such cash collateral account shall be returned to the U.S. Borrower.

With respect to all outstanding Acceptance Reimbursement Obligations in respect of Acceptances which have not matured at the time of an acceleration pursuant to the second preceding paragraph, the Canadian Borrower shall at such time deposit in a cash collateral account opened by and maintained by the Canadian Administrative Agent an amount equal to the aggregate undiscounted face amount of all such unmatured Acceptances. Amounts held in such cash collateral account shall be applied by the Canadian Administrative Agent to the payment of maturing Acceptances, and any balance in such account shall be applied to repay other obligations of the Canadian Borrower hereunder and under any Canadian Revolving Credit Notes. After all Acceptance Reimbursement Obligations shall have been satisfied and all other obligations of the Canadian Borrower hereunder and under any Canadian Revolving Credit Notes shall have been paid in full, the balance, if any, in such cash collateral account shall be returned to the Canadian Borrower.

Except as expressly provided above in this Section, presentment, demand, protest and all other notices of any kind are hereby expressly waived.

SECTION 17. THE ADMINISTRATIVE AGENTS, THE DOCUMENTATION AGENT, THE SYNDICATION AGENTS, THE SENIOR MANAGING AGENTS, THE MANAGING AGENTS AND THE CO-AGENTS

17.1 Appointment. Each Lender hereby irrevocably designates and appoints (a) Chase as the General Administrative Agent and (b) The Bank of Nova Scotia as the Canadian Administrative Agent of such Lender under this Agreement and the other Loan Documents, and each Lender irrevocably authorizes (a) Chase to act as the General Administrative Agent of such Lender, and (b) The Bank of Nova Scotia to act as the Canadian Administrative Agent, and, in each case, to take such action on its behalf under the provisions of this Agreement and the other Loan Documents and to exercise such powers and perform such duties as are expressly delegated to the General Administrative Agent and the Canadian Administrative Agent, respectively, by

the terms of this Agreement and the other Loan Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Administrative Agents shall not have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against either Administrative Agent.

17.2 Delegation of Duties. Each Administrative Agent may execute any of its duties under this Agreement and the other Loan Documents by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. Neither Administrative Agent shall be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

17.3 Exculpatory Provisions. Neither Administrative Agent nor any of its respective officers, directors, employees, agents, attorneys-in-fact or affiliates shall be (i) liable for any action lawfully taken or omitted to be taken by it or such Person under or in connection with this Agreement or any other Loan Document (except for its or such Person's gross negligence or willful misconduct) or (ii) responsible in any manner to any of the Lenders for any recitals, statements, representations or warranties made by any Borrower or other Person or any officer thereof contained in this Agreement or any other Loan Document or in any certificate, report, statement or other document referred to or provided for in, or received by such Administrative Agent under or in connection with, this Agreement or any other Loan Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document or for any failure of a Borrower or any other Person to perform its obligations hereunder or thereunder. Neither Administrative Agent shall be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Loan Document or to inspect the properties, books or records of the Borrowers.

17.4 Reliance by Administrative Agent. Each Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any Note, writing, resolution, notice, consent, certificate, affidavit, letter, telecopy, telex or teletype message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including, without limitation, counsel to the Borrowers or any of them), independent accountants and other experts selected by such Administrative Agent. Each Administrative Agent may deem and treat the payee of any Note as the owner thereof for all purposes unless a written notice of assignment or transfer thereof shall have been filed with such Administrative Agent. Each Administrative Agent shall be fully justified as between itself and the Lenders in failing or refusing to take any action under this Agreement or any other Loan Document unless it shall first receive such advice or concurrence of the Majority Lenders as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. Each Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the other Loan Documents in accordance with a request of the

Majority Lenders, and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans and the Acceptance Reimbursement Obligations.

17.5 Notice of Default. Neither Administrative Agent shall be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless such Administrative Agent has received notice from a Lender or a Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default". In the event that the General Administrative Agent receives such a notice, such Administrative Agent shall give notice thereof to the Lenders. The General Administrative Agent shall take such action reasonably promptly with respect to such Default or Event of Default as shall be reasonably directed by the Majority Lenders; provided that unless and until the General Administrative Agent shall have received such directions, such Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders.

17.6 Non-Reliance on Administrative Agents and Other Lender. Each Lender expressly acknowledges that neither Administrative Agent nor any of their respective officers, directors, employees, agents, attorneys-in-fact or affiliates has made any representations or warranties to it and that no act by such Administrative Agent hereinafter taken, including any review of the affairs of any Borrower, shall be deemed to constitute any representation or warranty by such Administrative Agent to any Lender. Each Lender represents to each Administrative Agent that it has, independently and without reliance upon such Administrative Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of the Borrowers and made its own decision to make its Extensions of Credit hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon either Administrative Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Borrowers. Except for notices, reports and other documents expressly required to be furnished to the Lenders by an Administrative Agent hereunder, such Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property, condition (financial or otherwise), prospects or creditworthiness of the Borrowers which may come into the possession of such Administrative Agent or any of its respective officers, directors, employees, agents, attorneys-in-fact or affiliates.

17.7 Indemnification. Each U.S. Lender (together with, in the case of a U.S. Common Lender, its Counterpart Lender on a joint and several basis) agrees to indemnify each Administrative Agent in its capacity as such (to the extent not reimbursed by the Borrowers and without limiting the obligation of the Borrowers to do so), ratably according to its U.S.

Revolving Credit Commitment Percentage in effect on the date on which indemnification is sought from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever which may at any time (including, without limitation, at any time following the payment of the Loans and the Acceptance Reimbursement Obligations) be imposed on, incurred by or asserted against such Administrative Agent in any way relating to or arising out of this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by such Administrative Agent under or in connection with any of the foregoing; provided that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the gross negligence or willful misconduct of such Administrative Agent. The agreements in this subsection shall survive the payment of the Loans, the Acceptance Reimbursement Obligations and all other amounts payable hereunder.

17.8 Administrative Agents in their Individual Capacity. Each Administrative Agent and its respective affiliates may make loans to, accept Drafts, accept deposits from and generally engage in any kind of business with the Borrowers as though such Administrative Agent was not an Administrative Agent hereunder and under the other Loan Documents. With respect to the Loans made or renewed by such Administrative Agent, any Acceptances created by such Administrative Agent and any Note or Acceptance Note issued to it, such Administrative Agent shall have the same rights and powers under this Agreement and the other Loan Documents as any Lender and may exercise the same as though it were not an Administrative Agent, and the terms "Lender" and "Lenders" shall include each Administrative Agent in its individual capacity.

17.9 Successor Administrative Agents. The General Administrative Agent may resign as General Administrative Agent, and the Canadian Administrative Agent may resign as Canadian Administrative Agent, in each case upon 30 days' notice to the Lenders and the other Administrative Agent. If either Administrative Agent shall resign as General Administrative Agent or Canadian Administrative Agent, as the case may be, under this Agreement and the other Loan Documents, then the Majority Lenders shall appoint from among the U.S. Lenders (in the case of a resignation of the General Administrative Agent) or the Canadian Lenders (in the case of a resignation of the Canadian Administrative Agent) a successor administrative agent for the Lenders, which successor administrative agent shall be approved by the U.S. Borrower (such approval not to be unreasonably withheld), whereupon such successor administrative agent shall succeed to the rights, powers and duties of the resigning Administrative Agent, and the terms "General Administrative Agent" or "Canadian Administrative Agent", as the case may be, shall mean such successor administrative agent effective upon such appointment and approval, and the former Administrative Agent's rights, powers and duties as either General Administrative Agent or Canadian Administrative Agent, as the case may be, shall be terminated, without any other or further act or deed on the part of such former Administrative Agent or any of the parties to this Agreement or any holders of the Loans. After any resigning Administrative Agent's resignation as either General Administrative Agent or Canadian Administrative Agent, as the case may be, the provisions of this subsection shall inure to its benefit as to any actions taken or omitted to be

taken by it while it was either General Administrative Agent or Canadian Administrative Agent, as the case may be, under this Agreement and the other Loan Documents.

17.10 The Documentation Agent, Syndication Agents, Senior Managing Agents, Managing Agents and Co-Agents. Each Lender, the Documentation Agent, each Syndication Agent, each Senior Managing Agent, each Managing Agent and each Co-Agent acknowledges that the Documentation Agent, Syndication Agents, Senior Managing Agents, Managing Agents and Co-Agents, in such capacity, shall have no duties or responsibilities, and shall incur no liabilities, under this Agreement or the other Loan Documents in its capacity as such.

17.11 Actions Under Security Documents. With respect to any action under or in respect of the Security Documents that the provisions of this Agreement permit or require the General Administrative Agent to take only with the consent, or upon the direction, of all of the Lenders or the Majority Lenders, as the case may be, the Lenders acknowledge that the General Administrative Agent shall be required to take such action only if such action is approved by, in addition to all the Lenders or the Majority Lenders, as the case may be, such instructing group of lenders under the Other Revolving Credit Agreement as the Other Revolving Credit Agreement requires for such action.

17.12 Intercreditor Agreement. In the event that a Refinancing Agreement is entered into, the General Administrative Agent is authorized and directed to enter into an intercreditor agreement reasonably satisfactory to the General Administrative Agent as contemplated by the definition of "Refinancing Agreement" set forth in subsection 1.1, and to enter into such amendments, if any, to the Subsidiary Guarantee and the Security Documents as it shall reasonably deem required in order to give effect to such intercreditor agreement, provided, that, in any case, the Indebtedness of the U.S. Borrower hereunder and under the Other Revolving Credit Agreement (including any Refinancing Agreement in respect of the Other Revolving Credit Agreement) shall be pari passu and equally and ratably secured.

SECTION 18. MISCELLANEOUS

18.1 Amendments and Waivers. (a) Neither this Agreement or any other Loan Document, nor any terms hereof or thereof may be amended, supplemented, waived or modified except in accordance with the provisions of this subsection 18.1. The Majority Lenders may, or, with the written consent of the Majority Lenders, the Administrative Agents may, from time to time, (i) enter into with the U.S. Borrower written amendments, supplements or modifications hereto and to the other Loan Documents for the purpose of adding any provisions to this Agreement or the other Loan Documents or changing in any manner the rights or obligations of the Lenders or of the U.S. Borrower hereunder or thereunder or (ii) waive at the U.S. Borrower's request, on such terms and conditions as the Majority Lenders or the Administrative Agents, as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Loan Documents or any Default or Event of Default and its consequences; provided, however, that no such waiver and no such amendment, supplement or modification shall:

(A) reduce the amount or extend the scheduled date of maturity of any Loan, Reimbursement Obligation or any Acceptance or any Acceptance Note or of any

scheduled installment thereof, or reduce the stated rate of any interest or fee payable hereunder or extend the scheduled date of any payment thereof or increase the amount or extend the expiration date of any Lender's Canadian Revolving Credit Commitment, Multicurrency Commitment or U.S. Revolving Credit Commitment, in each case without the consent of each Lender affected thereby;

(B) amend, supplement, modify or waive any provision of this subsection 18.1 or reduce the percentages specified in the definition of "Majority Lenders" or consent to the assignment or transfer by the U.S. Borrower of any of its rights and obligations under this Agreement and the other Loan Documents, in each case without the consent of all the Lenders or reduce the percentages specified in the definitions of (I) "Majority U.S. Lenders" or "Majority Multicurrency Lenders" without the consent of all of the U.S. Lenders or (II) "Majority Canadian Lenders" without the consent of all of the Canadian Lenders;

(C) amend, supplement, modify or waive any provision of Section 17 or any other provision of this Agreement governing the respective rights or obligations of the General Administrative Agent or the Canadian Administrative Agent without the consent of the then Administrative Agents, respectively;

(D) amend, supplement, modify or waive any provision of Section 3 or any other provision of this Agreement governing the rights and obligations of the Swing Line Lenders; or the definitions used therein without the consent of each Swing Line Lender;

(E) extend the expiring date on any Letter of Credit beyond the Revolving Credit Termination Date without the consent of each Lender;

(F) [Reserved];

(G) amend, modify or waive any provision of subsection 10.8 without the consent of each Lender affected thereby; or

(H) release all or substantially all of the guarantees contained in Section 15 and under the Subsidiary Guarantee or all or substantially all of the Collateral under, and as defined in, the Security Documents without the consent of each Lender other than as permitted under subsection 18.18.

Any waiver and any amendment, supplement or modification pursuant to this subsection 18.1 shall apply to each of the Lenders and shall be binding upon the Borrowers, the Lenders, the General Administrative Agent, the Canadian Administrative Agent and all future holders of the Loans and the Reimbursement Obligations, Subsidiary Reimbursement Obligations and Acceptance Reimbursement Obligations. In the case of any waiver, the Borrowers, the Lenders, the General Administrative Agent and the Canadian Administrative Agent shall be restored to their former positions and rights hereunder and under the other Loan Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing; but no such

waiver shall extend to any subsequent or other Default or Event of Default, or impair any right consequent thereon.

(b) In addition to amendments effected pursuant to the foregoing paragraph (a), Schedules II and III may be amended as follows:

(i) Schedule II will be amended to add Subsidiaries of the U.S. Borrower as additional Foreign Subsidiary Borrowers upon (A) execution and delivery by the U.S. Borrower, any such Foreign Subsidiary Borrower and the General Administrative Agent, of a Joinder Agreement providing for any such Subsidiary to become a Foreign Subsidiary Borrower, and (B) delivery to the General Administrative Agent of (I) a Foreign Subsidiary Opinion in respect of such additional Foreign Subsidiary Borrower and (II) such other documents with respect thereto as the General Administrative Agent shall reasonably request.

(ii) Schedule II will be amended to remove any Subsidiary as a Foreign Subsidiary Borrower upon (A) execution and delivery by the U.S. Borrower of a written amendment providing for such amendment and (B) repayment in full of all outstanding Loans of such Foreign Subsidiary Borrower.

(iii) Schedule III will be amended (A) to change administrative information contained therein (other than any interest rate definition, funding time, payment time or notice time contained therein) or (B) to add Available Foreign Currencies (and related interest rate definitions and administrative information) with the approval of the Majority Multicurrency Lenders, in each case, upon execution and delivery by the U.S. Borrower and the General Administrative Agent of a written amendment providing for such amendment.

(iv) Schedule III will be amended to conform any funding time, payment time or notice time contained therein to then-prevailing market practices, upon execution and delivery by the U.S. Borrower and the General Administrative Agent of a written amendment providing for such amendment.

(v) Schedule III will be amended to change any interest rate definition contained therein, upon execution and delivery by the U.S. Borrower, all the Multicurrency Lenders and the General Administrative Agent of a written amendment providing for such amendment.

(c) The General Administrative Agent shall give prompt notice to each U.S. Lender of any amendment effected pursuant to subsection 18.1(b).

(d) Notwithstanding the provisions of this subsection 18.1, any Alternate Currency Facility may be amended, supplemented or otherwise modified in accordance with its terms so long as after giving effect thereto either (i) such Alternate Currency Facility ceases to be an "Alternate Currency Facility" and the U.S. Borrower so notifies the General Administrative

Agent or (ii) the Alternate Currency Facility continues to meet the requirements of an Alternate Currency Facility set forth herein.

18.2 Notices. All notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing (including by facsimile transmission) and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered by hand, or five days after being deposited in the mail, postage prepaid, or, in the case of telecopy notice, when received, or, in the case of delivery by a nationally recognized overnight courier, when received, addressed as follows in the case of the U.S. Borrowers, the Canadian Borrower, the General Administrative Agent and the Canadian Administrative Agent, and as set forth in Schedule I in the case of the other parties hereto, or to such other address as may be hereafter notified by the respective parties hereto and any future holders of the Notes:

The U.S. Borrower:	Lear Corporation 21557 Telegraph Road Southfield, Michigan 48034 Attention: Cameron C. Hitchcock Telecopy: (248) 447-1730
The Canadian Borrower:	Lear Canada c/o 21557 Telegraph Road Southfield, Michigan 48034 Attention: Cameron C. Hitchcock Telecopy: (248) 447-1730
The Foreign Subsidiary Borrowers:	Lear Corporation 21557 Telegraph Road Southfield, Michigan 48034 Attention: Cameron C. Hitchcock Telecopy: (248) 447-1730
The General Administrative Agent:	The Chase Manhattan Bank 270 Park Avenue New York, New York 10017 Attention: Richard Duker Telecopy: (212) 270-5127
The Canadian Administrative Agent:	The Bank of Nova Scotia 44 King Street West, 14th Floor Toronto, Ontario M5H1H1 Attention: IBP Loan Administration and Agency Services Manager Telecopy: (416) 866-5991

provided that any notice, request or demand to or upon (i) the Administrative Agents or the Lenders pursuant to subsection 2.3, 3.2, 4.2, 5.3, 6.2, 7.3, 9.2, 10.2, 10.4 or 10.7 or (ii) the Swing Line Lenders pursuant to Section 3, shall not be effective until received.

18.3 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of any Borrower, the General Administrative Agent, the Canadian Administrative Agent or any Lender, any right, remedy, power or privilege hereunder or under the other Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

18.4 Survival of Representations and Warranties. All representations and warranties made hereunder and in the other Loan Documents (or in any amendment, modification or supplement hereto or thereto) and in any certificate delivered pursuant hereto or such other Loan Documents shall survive the execution and delivery of this Agreement and the Notes and the making of the Loans hereunder.

18.5 Payment of Expenses and Taxes. The U.S. Borrower agrees (a) to pay or reimburse each Administrative Agent for all its reasonable out-of-pocket costs and reasonable expenses incurred in connection with the development, preparation and execution of, and any amendment, supplement or modification to, this Agreement, the Notes and the other Loan Documents (other than documents relating to any Alternate Currency Facility) and any other documents prepared in connection herewith or therewith, and the consummation of the transactions contemplated hereby and thereby, including, without limitation, the reasonable fees and disbursements of one U.S. counsel to the Administrative Agents and such foreign counsel as the Administrative Agents shall reasonably deem necessary, (b) to pay or reimburse each Lender and each Administrative Agent for all their costs and expenses incurred in connection with the enforcement or preservation of any rights under this Agreement, the Notes and any such other documents, including, without limitation, fees and disbursements of counsel to each Administrative Agent and the reasonable fees and disbursements of counsel to the several Lenders, and (c) to pay, indemnify, and hold each Lender and each Administrative Agent and their respective directors, officers, employees and agents harmless from, any and all recording and filing fees and any and all liabilities with respect to, or resulting from any delay in paying, stamp, excise and other taxes, if any, which may be payable or determined to be payable in connection with the execution and delivery of, or consummation of any of the transactions contemplated by, or any amendment, supplement or modification of, or any waiver or consent under or in respect of, this Agreement, the Notes and any such other documents, and (d) to pay, indemnify, and hold each Lender and each Administrative Agent harmless from and against any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever with respect to the execution, delivery, enforcement, performance and administration of this Agreement, the Notes and the other Loan Documents, the use or proposed use by the Borrowers of the proceeds of the Loans

(all the foregoing, collectively, the "indemnified liabilities"); provided that the U.S. Borrower shall have no obligation hereunder to (i) any Administrative Agent with respect to indemnified liabilities arising from the gross negligence or willful misconduct of such Administrative Agent or (ii) any Lender with respect to indemnified liabilities arising from gross negligence or willful misconduct of such Lender, in each case as finally determined by a court of competent jurisdiction; provided, however, that nothing in this subsection shall be construed as requiring the Canadian Borrower to so indemnify in amounts that would be in violation of, and its obligations to so indemnify are subject to, the restrictions on financial assistance set out in the Business Corporations Act (Ontario); and, provided, further, that the preceding proviso shall not be construed in any way as limiting or derogating from the obligations of the other Borrowers set out in this subsection. The agreements in this subsection shall survive repayment of the Loans, the Acceptance Reimbursement Obligations and all other amounts payable hereunder.

18.6 Successors and Assigns; Participations and Assignments. (a) This Agreement shall be binding upon and inure to the benefit of the Borrowers, the Lenders, the Administrative Agents, all future holders of the Loans, the Reimbursement Obligations, the Subsidiary Reimbursement Obligations and the Acceptance Reimbursement Obligations and their respective successors and assigns, except that no Borrower assign or transfer any of its rights or obligations under this Agreement without the prior written consent of each Lender.

(b) Any Lender may, in the ordinary course of its commercial banking business and in accordance with applicable law, at any time sell to one or more banks or other entities ("Participants") participating interests in any Loan owing to such Lender, any Commitment of such Lender or any other interest of such Lender hereunder and under the other Loan Documents; provided that, in the case of participations granted by a Canadian Lender, such Participant must be a resident of Canada for purposes of the Tax Act unless such participation is granted pursuant to subsection 18.8. In the event of any such sale by a Lender of a participating interest to a Participant, such Lender's obligations under this Agreement to the other parties to this Agreement shall remain unchanged, such Lender shall remain solely responsible for the performance thereof, such Lender shall remain the holder of any such Loan for all purposes under this Agreement and the other Loan Documents, and the Borrowers and the Administrative Agents shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement and the other Loan Documents. At the time of each sale of a participating interest, any Lender not organized under the laws of the United States of America or a state thereof shall provide the U.S. Borrower and the General Administrative Agent with revised Forms required under Section 10.12 reflecting that portion of its Commitment and Loan which has been sold to the Participant on an IRS Form W-8IMY. Any agreement pursuant to which any Lender shall sell any such participating interest shall provide that such Lender shall retain the sole right and responsibility to exercise such Lender's rights and enforce the Borrowers' obligations hereunder, including the right to consent to any amendment, supplement, modification or waiver of any provision of this Agreement or any of the other Loan Documents, provided that such participation agreement may provide that such Lender will not agree to any amendment, supplement, modification or waiver described in clause (A) or (B) of the proviso to the second sentence of subsection 18.1(a) without the consent of the Participant. Each Borrower agrees that if amounts outstanding under this Agreement are due or unpaid, or

shall have been declared or shall have become due and payable upon the occurrence of an Event of Default, each Participant shall be deemed to have the right of setoff in respect of its participating interest in amounts owing under this Agreement to the same extent as if the amount of its participating interest were owing directly to it as a Lender under this Agreement; provided that, in purchasing such participating interest, such Participant shall be deemed to have agreed to share with the Lenders the proceeds thereof as provided in subsection 18.7(a) as fully as if it were a Lender hereunder. Each Borrower agrees that each Participant shall be entitled to the benefits of subsections 10.10, 10.11, 10.12 and 18.6 with respect to its participation in the Commitments and the Loans outstanding from time to time hereunder as if it was a Lender; provided, that no Participant shall be entitled to receive any greater amount pursuant to such subsections than the transferor Lender would have been entitled to receive in respect of the amount of the participation transferred by such transferor Lender to such Participant had no such transfer occurred.

(c) Any Lender may, in the ordinary course of its commercial banking business and in accordance with applicable law, at any time and from time to time assign to any Lender or any Affiliate thereof or, with the prior written consent of the U.S. Borrower (such consent not to be unreasonably withheld) and the Administrative Agents (such consent not to be unreasonably withheld), to an additional bank or financial institution (an "Assignee") all or any part of its rights and obligations under this Agreement and the other Loan Documents including, without limitation, its Commitments, Loans and Acceptance Reimbursement Obligations, pursuant to an Assignment and Acceptance, substantially in the form of Exhibit K, executed by such Assignee, such assigning Lender (and, in the case of an Assignee that is not then a Lender or an Affiliate thereof, by the U.S. Borrower and the Administrative Agents) and delivered to the Administrative Agents for their acceptance and recording in the Register; provided that (i) if any Lender assigns a part of its rights and obligations in respect of Revolving Credit Loans and/or Revolving Credit Commitment under this Agreement to an Assignee, such Lender and such Lender's Counterpart Lender (if any) shall each assign proportionate interests in their respective Revolving Credit Commitment and Revolving Credit Loans and other related rights and obligations hereunder to such Assignee and a Counterpart Lender for such Assignee designated by it, (ii) if any U.S. Lender assigns a part of its rights and obligations under this Agreement in respect of its U.S. Revolving Credit Loans and/or U.S. Revolving Credit Commitment to an Assignee, such U.S. Lender shall assign proportionate interests in (A) its participations in the Swing Line Loans and other rights and obligations hereunder in respect of the Swing Line Loans to such Assignee and (B) Multicurrency Loans and Multicurrency Commitments (provided, that with the consent of the U.S. Borrower and the General Administrative Agent, a Lender may assign portions of its Revolving Credit Commitment without assigning a proportionate share of its Multicurrency Commitment if either (x) such proportionate share of such Multicurrency Commitment shall be assumed by another Lender or (y) if the U.S. Borrower so agrees, such proportionate share of such Multicurrency Commitment shall be terminated), (iii) in the case of any such assignment to an additional bank or financial institution, the aggregate amount of any U.S. Revolving Credit Commitment (or, if the U.S. Revolving Credit Commitments have terminated or

expired, the aggregate principal amount of any U.S. Revolving Credit Loans) being assigned, or the U.S. Dollar Equivalent of the aggregate amount of the Canadian Revolving Credit Commitment (or, if the Canadian Revolving Credit Commitments have terminated or expired, the aggregate amount of Canadian Revolving Credit Loans and Acceptance Reimbursement Obligations) being assigned shall not be less than $10,000,000 (or (i) if less, the then outstanding amount of such Commitments, Loans and/or Acceptance Reimbursement Obligations or (ii) such lesser amount as may be agreed by the U.S. Borrower and the Administrative Agents), and after giving effect to such assignment such assignor Lender, if it retains any U.S. Revolving Credit Commitment, shall retain a U.S. Revolving Credit Commitment of at least $10,000,000 and (iv) in the case of any such assignment made by a Canadian Lender, such Assignee must be a resident of Canada for purposes of the Tax Act unless such assignment is made pursuant to 18.8. Upon such execution, delivery, acceptance and recording, from and after the closing date determined pursuant to such Assignment and Acceptance, (I) the Assignee thereunder shall be a party hereto and, to the extent provided in such Assignment and Acceptance, have the rights and obligations of a Lender hereunder with Commitments, rights in respect of Acceptance Reimbursement Obligations and Loans as set forth therein, and (II) the assigning Lender thereunder shall be released from its obligations under this Agreement to the extent that such obligations shall have been expressly assumed by the Assignee pursuant to such Assignment and Acceptance (and, in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Lender's rights and obligations under this Agreement, such assigning Lender shall cease to be a party hereto). Notwithstanding the foregoing, no consent of the Borrower shall be required for any assignment effected while an Event of Default under Section 16(i) is in existence.

(d) The Administrative Agents, on behalf of the Borrowers, shall maintain at their respective addresses referred to in subsection 18.2 a copy of each Assignment and Acceptance delivered to it and a register (the "Register") for the recordation of (i) the names and addresses of the Lenders and the Commitments of, and principal amounts of the Loans and Acceptances owing to, each Lender from time to time and (ii) the other information required from time to time pursuant to subsection 3.1 in respect of Swing Line Loans. The entries in the Register shall constitute prima facie evidence of the information recorded therein, and the Borrowers, the Administrative Agents and the Lenders may (and, in the case of any Loan, Acceptance or other obligation hereunder not evidenced by a Note, shall) treat each Person whose name is recorded in the Register as the owner of a Loan, Acceptance or other obligation hereunder as the owner thereof for all purposes of this Agreement and the other Loan Documents, notwithstanding any notice to the contrary. Any assignment of any Loan, Acceptance or other obligation hereunder not evidenced by a Note shall be effective only upon appropriate entries with respect thereto being made in the Register. The Register shall be available for inspection by the U.S. Borrowers or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(e) Upon its receipt of an Assignment and Acceptance executed by an assigning Lender and an Assignee (and, in the case of an Assignee that is not then a Lender or an Affiliate thereof, executed by the Borrowers and the Administrative Agents), together with payment to the Administrative Agents of a registration and processing fee of $3,500, the Administrative Agents shall (i) promptly accept such Assignment and Acceptance and (ii) on the effective date determined pursuant thereto record the information contained therein in the

Register and give prompt notice of such acceptance and recordation to the Lenders and the Borrowers.

(f) Each Borrower authorizes each Lender to disclose to any Participant or Assignee (each, a "Transferee") and any prospective Transferee any and all financial information in such Lender's possession concerning such Borrower and its Affiliates which has been delivered to such Lender by or on behalf of such Borrower pursuant to this Agreement or which has been delivered to such Lender by or on behalf of such Borrower in connection with such Lender's credit evaluation of such Borrower and its Affiliates prior to becoming a party to this Agreement; provided, that any such Transferee is advised of the confidential nature of such information, if applicable, such Lender takes reasonable steps, in accordance with customary practices, to ensure that any such information is not used in violation of federal or state securities laws and such Lender otherwise complies with subsection 18.20.

(g) For avoidance of doubt, the parties to this Agreement acknowledge that the provisions of this subsection concerning assignments of Loans and Notes relate only to absolute assignments and that such provisions do not prohibit assignments creating security interests, including, without limitation, any pledge or assignment by a Lender of any Loan or Note to any Federal Reserve Bank in accordance with applicable law.

(h) If, pursuant to this subsection, any interest in this Agreement or any Loan is transferred from a U.S. Lender to any Transferee which is organized under the laws of any jurisdiction other than the United States or any state thereof, the transferor Lender shall cause such Transferee, concurrently with the effectiveness of such transfer, to agree (for the benefit of the transferor Lender, the General Administrative Agent and the U.S. Borrower) to provide the transferor Lender (and, in the case of any Transferee registered in the Register, the General Administrative Agent and the U.S. Borrower) the tax forms and other documents required to be delivered pursuant to subsection 10.12(b) or (c) and to comply from time to time with all applicable U.S. laws and regulations with regard to such withholding tax exemption.

(i) If, pursuant to this subsection, any interest in this Agreement or any Loan is transferred from a Lender (other than a U.S. Lender) to any Transferee, the transferor Lender shall cause such Transferee, concurrently with the effectiveness of such transfer, to agree (for the benefit of the transferor Lender, the General Administrative Agent and the Foreign Subsidiary Borrowers) to provide the transferor Lender, the General Administrative Agent and the Foreign Subsidiary Borrowers the tax forms and other documents required to be delivered pursuant to subsection 10.12(c) and (e) and to comply from time to time with all applicable laws and regulations with regard to such withholding tax exemption.

18.7 Adjustments; Set-Off. (a) If any Lender (a "Benefited Lender") shall at any time receive any payment of all or part of its Extensions of Credit then due and owing to it from any Borrower, or interest thereon, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off, pursuant to events or proceedings of the nature referred to in Section 16(i), or otherwise), in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of such other Lender's Extensions of Credit then due and owing to it from such Borrower, or interest thereon, such Benefitted Lender shall

purchase for cash from the other Lenders a participating interest in such portion of each such other Lender's Extensions of Credit owing to it from such Borrower, or shall provide such other Lenders with the benefits of any such collateral, or the proceeds thereof, as shall be necessary to cause such Benefitted Lender to share the excess payment or benefits of such collateral or proceeds ratably with each of the Lenders; provided, however, that if all or any portion of such excess payment or benefits is thereafter recovered from such Benefitted Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest.

(b) In addition to any rights and remedies of the Lenders provided by law, each Lender shall have the right, without prior notice to any Borrower, any such notice being expressly waived by the Borrowers to the extent permitted by applicable law, upon any amount becoming due and payable hereunder (whether at the stated maturity thereof, by acceleration or otherwise) to set-off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any branch, agency or Affiliate thereof to or for the credit or the account of such Borrower. Each Lender agrees promptly to notify the Borrowers and the Administrative Agents after any such set-off and application made by such Lender, provided that the failure to give such notice shall not affect the validity of such set-off and application.

18.8 Loan Conversion/Participations. (a) (i) On any Conversion Date, to the extent not otherwise prohibited by a Requirement of Law or otherwise, all Loans outstanding in any currency other than U.S. Dollars ("Loans to be Converted") shall be converted into U.S. Dollars (calculated on the basis of the relevant Exchange Rates as of the Business Day immediately preceding the Conversion Date) ("Converted Loans"), (ii) on each date on or after the Conversion Date on which any Acceptances or Acceptance Notes shall mature such Acceptances and Acceptance Notes ("Acceptances to be Converted") shall be converted into Canadian Revolving Credit Loans denominated in U.S. Dollars (calculated on the basis of the Exchange Rate as of the Business Day immediately preceding such maturity date) ("Converted Acceptances") and (iii) on the Conversion Date (with respect to Loans described in the foregoing clause (i)), and on the respective maturity date (with respect to Acceptances and Acceptance Notes described in the foregoing clause (ii)) (A) each U.S. Lender severally, unconditionally and irrevocably agrees that it shall purchase in U.S. Dollars a participating interest in such Converted Loans and Converted Acceptances in an amount equal to its Conversion Sharing Percentage of (x) the outstanding principal amount of the Converted Loans and (y) the face amount of matured Acceptances and Acceptance Notes, as applicable, and (B) to the extent necessary to cause the Committed Outstandings Percentage of each U.S. Lender, after giving effect to the purchase and sale of participating interests under the foregoing clause (iii), to equal its U.S. Revolving Credit Commitment Percentage (calculated immediately prior to the termination or expiration of the U.S. Revolving Credit Commitments), each U.S. Lender severally, unconditionally and irrevocably agrees that it shall purchase or sell a participating interest in U.S. Revolving Credit Loans then outstanding. Each U.S. Lender will immediately transfer to the appropriate Administrative Agent, in immediately available funds, the amounts of its participation(s), and the

proceeds of such participation(s) shall be distributed by such Administrative Agent to each Lender from which a participating interest is being purchased in the amount(s) provided for in the preceding sentence. All Converted Loans and Converted Acceptances (which shall have been converted into Canadian Revolving Credit Loans denominated in Dollars) shall bear interest at the rate which would otherwise be applicable to ABR Loans.

(b) If, for any reason, the Loans to be Converted or Acceptances to be Converted, as the case may be, may not be converted into U.S. Dollars in the manner contemplated by paragraph (a) of this subsection 18.8, (i) the General Administrative Agent shall determine the U.S. Dollar Equivalent of the Loans to be Converted or Acceptances to be Converted, as the case may be, (calculated on the basis of the Exchange Rate as of the Business Day immediately preceding the date on which such conversion would otherwise occur pursuant to paragraph (a) of this subsection 18.8), (ii) effective on such Conversion Date, each Lender severally, unconditionally and irrevocably agrees that it shall purchase in U.S. Dollars a participating interest in such Loans to be Converted or Acceptances to be Converted, as the case may be, in an amount equal to its Conversion Sharing Percentage of such Loans to be Converted or Acceptances to be Converted, as the case may be, and (iii) each U.S. Lender shall purchase or sell participating interests as provided in paragraph (a)(iii) of this subsection 18.8. Each U.S. Lender will immediately transfer to the appropriate Administrative Agent, in immediately available funds, the amount(s) of its participation(s), and the proceeds of such participation(s) shall be distributed by such Administrative Agent to each relevant Lender in the amount(s) provided for in the preceding sentence.

(c) To the extent any Taxes are required to be withheld from any amounts payable by a Lender (the "First Lender") to another Lender (the "Other Lender") in connection with its participating interest in any Converted Loan or Converted Acceptance, each Borrower, with respect to the relevant Loans made to it, shall be required to pay increased amounts to the Other Lender receiving such payments from the First Lender to the same extent they would be required under subsection 10.12 if such Borrower were making payments with respect to the participating interest directly to the Other Lender.

(d) To the extent not prohibited by any Requirement of Law or otherwise, at any time after the actions contemplated by paragraphs (a) or (b) of this subsection 18.8 have been taken, upon the notice of any U.S. Lender to the Borrowers the following shall occur: (i) the U.S. Borrower (through the guarantee contained in Section 15) shall automatically be deemed to have assumed the Converted Loans and Converted Acceptances in which such U.S. Lender holds a participation, (ii) any Acceptances and Loans outstanding in any currency other than U.S. Dollars shall be converted into U.S. Dollars on the dates of such assumption (calculated on the basis of the Exchange Rate on the Business Day immediately preceding such date of assumption) and such Loans shall bear interest at the rate which would otherwise be applicable to ABR Loans and (iii) such Loans and obligations in respect of Acceptances shall be assigned by the relevant Lender holding such Loans or obligations to the U.S. Lender who gave the notice requesting such assumption by the U.S. Borrower.

18.9 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by facsimile transmission), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Agreement signed by all the parties shall be delivered to the Borrowers and the Administrative Agents.

18.10 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

18.11 Integration. This Agreement and the other Loan Documents represent the agreement of the Borrowers, the Administrative Agents and the Lenders with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by the Borrowers, the Administrative Agents or any Lender relative to the subject matter hereof not expressly set forth or referred to herein or in the other Loan Documents.

18.12 GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

18.13 Submission to Jurisdiction; Waivers. (a) Each Borrower hereby irrevocably and unconditionally:

(i) submits for itself and its property in any legal action or proceeding relating to this Agreement or any other Loan Document to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the courts of the State of New York, the courts of the United States of America for the Southern District of New York, and appellate courts from any thereof;

(ii) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(iii) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such Borrower at its address set forth in subsection 18.2 or at such other address of which the General Administrative Agent shall have been notified pursuant thereto; and

(iv) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction.

(b) Each of the Canadian Borrower and each Foreign Subsidiary Borrower hereby irrevocably appoints the U.S. Borrower as its agent for service of process in any proceeding referred to in subsection 18.13(a) and agrees that service of process in any such proceeding may be made by mailing or delivering a copy thereof to it care of U.S. Borrower at its address for notice set forth in subsection 18.2.

18.14 Acknowledgments. Each Borrower hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Loan Documents;

(b) none of the Administrative Agents or any Lender has any fiduciary relationship with or duty to such Borrower arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between the Administrative Agents and the Lenders, on the one hand, and the U.S. Borrower, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and

(c) no joint venture is created hereby or by the other Loan Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Borrowers and the Lenders.

18.15 WAIVERS OF JURY TRIAL. EACH OF THE BORROWERS, THE ADMINISTRATIVE AGENTS AND THE LENDERS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

18.16 Power of Attorney. Each Foreign Subsidiary Borrower hereby grants to U.S. Borrower an irrevocable power of attorney to act as its attorney-in-fact with regard to matters relating to this Agreement and each other Loan Document, including, without limitation, execution and delivery of any amendments, supplements, waivers or other modifications hereto or thereto, receipt of any notices hereunder or thereunder and receipt of service of process in connection herewith or therewith. Each Foreign Subsidiary Borrower hereby explicitly acknowledges that the Administrative Agents and each Lender have executed and delivered this Agreement and each other Loan Document to which it is a party, and has performed its obligations under this Agreement and each other Loan Document to which it is a party, in reliance upon the irrevocable grant of such power of attorney pursuant to this subsection. The power of attorney granted by each Foreign Subsidiary Borrower hereunder is coupled with an interest.

18.17 Intercreditor Agreement. The General Administrative Agent is hereby authorized to enter into the Intercreditor Agreement.

18.18 Release of Collateral and Guarantees. (a) The Lenders hereby agree with the U.S. Borrower, and hereby instruct the General Administrative Agent, that if (i) the U.S. Borrower attains Investment Grade Status, (ii) the General Administrative Agent has no actual

knowledge of the existence of a Default, (iii) the U.S. Borrower shall have delivered a certificate of a Responsible Officer stating that such Responsible Officer has obtained no knowledge of any Default or Event of Default, and (iv) all Bond Guarantees, all guarantees by any Domestic Subsidiary of Public Indebtedness and all guarantees pursuant to which the Intercreditor Agreement and any intercreditor agreement entered into pursuant to subsection 17.12 relates, shall have been released or shall be released concurrently with the requested release of the Subsidiary Guarantee, the General Administrative Agent shall, at the request and expense of the U.S. Borrower, take such actions as shall be reasonably requested by the U.S. Borrower to release its security interest in all collateral held by it pursuant to the Security Documents and to release all Subsidiary Guarantors from their obligations under the Subsidiary Guarantee. In such event, the provisions of subsection 13.10 shall be deemed terminated and of no further force or effect.

(b) [Reserved].

(c) The Lenders hereby agree with the U.S. Borrower, and hereby instruct the General Administrative Agent, that if the U.S. Borrower shall have delivered to the General Administrative Agent written notice that it proposes to sell or otherwise dispose of any Subsidiary whose stock is pledged pursuant to a Pledge Agreement or which is a Subsidiary Guarantor, and such disposition is permitted by this Agreement, the General Administrative Agent shall, at the request and expense of the U.S. Borrower, take such actions as shall be reasonably requested by the U.S. Borrower to release its security interest in the stock of such Subsidiary and to release such Subsidiary Guarantor from its obligations under the Subsidiary Guarantee; provided, that such Subsidiary shall have been, or shall simultaneously be, released from all Bond Guarantees, all guarantees by any Subsidiary of Public Indebtedness and all guarantees pursuant to which the Intercreditor Agreement and any intercreditor agreement entered into pursuant to subsection 17.12 relates.

18.19 Judgment. (a) If for the purpose of obtaining judgment in any court it is necessary to convert a sum due hereunder in one currency into another currency, the parties hereto agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the General Administrative Agent could purchase the first currency with such other currency in the city in which it normally conducts its foreign exchange operation for the first currency on the Business Day preceding the day on which final judgment is given.

(b) The obligation of each Borrower in respect of any sum due from it to any Lender hereunder shall, notwithstanding any judgment in a currency (the "Judgment Currency") other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the "Agreement Currency"), be discharged only to the extent that on the Business Day following receipt by such Lender of any sum adjudged to be so due in the Judgment Currency such Lender may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency; if the amount of Agreement Currency so purchased is less than the sum originally due to such Lender in the Agreement Currency, such Borrower agrees notwithstanding any such judgment to indemnify such Lender against such loss,

and if the amount of the Agreement Currency so purchased exceeds the sum originally due to any Lender, such Lender agrees to remit to such Borrower such excess.

18.20 Confidentiality. Each Lender agrees to take normal and reasonable precautions to maintain the confidentiality of information designated in writing as confidential and provided to it by the U.S. Borrower or any Subsidiary in connection with this Agreement; provided, however, that any Lender may disclose such information (a) at the request of any bank regulatory authority or in connection with an examination of such Lender by any such authority, (b) pursuant to subpoena or other court process, (c) when required to do so in accordance with the provisions of any applicable law, (d) at the discretion of any other Governmental Authority, (e) to such Lender's Affiliates, independent auditors and other professional advisors or (f) to any Transferee or potential Transferee; provided that such Transferee agrees to comply with the provisions of this subsection 18.20.

18.21 Effect of Amendment and Restatement of the Existing Credit Agreement. On the Closing Date, the Existing Credit Agreement shall be amended, restated and superseded in its entirety. The parties hereto acknowledge and agree that (a) this Agreement and the other Loan Documents, whether executed and delivered in connection herewith or otherwise, do not constitute a novation, payment and reborrowing, or termination of the "Obligations" (as defined in the Existing Credit Agreement) under the Existing Credit Agreement as in effect prior to the Closing Date and (b) such "Obligations" are in all respects continuing (as amended and restated hereby) with only the terms thereof being modified as provided in this Agreement.

18.22 Conflicts. In the event that there exists a conflict between provisions in this Agreement and provisions in any other Loan Document, the provisions of this Agreement shall control.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

LEAR CORPORATION

By: /s/ Cameron C. Hitchcock
Title: Vice President and Treasurer

LEAR CANADA

By: /s/ Jospeh F. McCarthy

LEAR CORPORATION SWEDEN AB

By: /s/ Paul Jefferson
Title: Director

LEAR CORPORATION FRANCE SARL

By: /s/ Paul Jefferson
Title: Director

LEAR CORPORATION ITALIA S.P.A.

By: /s/ Paul Jefferson
Title: Director

LEAR CORPORATION GMBH & CO. KG

By: /s/ Paul Jefferson
Title: Director

LEAR CORPORATION BETEILIGUNGS GMBH

By: /s/ Paul Jefferson
Title: Director

THE CHASE MANHATTAN BANK, as Administrative Agent and as a Lender

By: /s/ Richard W. Duker
Title: Vice President

THE BANK OF NOVA SCOTIA, as Documentation Agent and as a Lender

By: /s/ F.C.H. Ashby
Title: Senior Manager Loan Operations

THE BANK OF NOVA SCOTIA, as Canadian Administrative Agent and as a Lender

By: /s/ Eric W. Read
Title: Director

By: /s/ Jeffrey L. Page
Title: Associate

BANK OF AMERICA, N.A., as
Syndication Agent

By: /s/ Steve Ahrenholz

Title: Principal

CITIBANK, N.A., as
Syndication Agent

By: /s/ Richard Marshall

Title: Managing Director

DEUTSCHE BANC ALEX.BROWN INC., as
Syndication Agent

By: /s/ Dan Horn

Title: Director

ABN AMRO BANK N.V., CHICAGO BRANCH

By: /s/ David C. Sagers

Name: David C. Sagers
Title: Group Vice President

By: /s/ John J. Mack

Name: John J. Mack
Title: Group Vice President

BANCA NAZIONALE DEL LAVORO
S.p.A., NEW YORK BRANCH

By: /s/ Giulio Giovine

Name: Giulio Giovine
Title: Vice President

By:/s/ Leonardo Valentini

Name: Leonardo Valentini
Title: First Vice President

BANK OF AMERICA N.A.

By: /s/ Steve Ahrenholz

Name:
Title: Principal

THE BANK OF NEW YORK

By: /s/ Edward J. Dougherty III

Name:
Title: Vice President

THE BANK OF NOVA SCOTIA

By: /s/ F.C.H. Ashby

Name:
Title: Senior Manager Loan
Operations

BANK OF TOKYO-MITSUBISHI TRUST COMPANY

By: /s/ Friedrich N. Wilrus

Name:
Title: Global Relationships
Manager

BANK ONE, MICHIGAN

By: /s/ Paul E. Flynn

Name:

Title: First Vice President

BANKERS TRUST COMPANY

By: /s/ Robert R. Telesca

Name:
Title: Assistant Vice President

BAYERISCHE HYPO-UND VEREINSBANK AG,
NEW YORK BRANCH

By: /s/ Christine A. Renard

Name:
Title: Associate Director

By: /s/ W. Scott Harwood

Name:
Title: Associate Director

BNP PARIBAS

By: /s/ Ann B. McAloon

Name:
Title: Vice President

By:/s/ Richard L Sted

Name:
Title: Central Region Manager

CITICORP USA, INC.

By:/s/ Richard Marshall

Name:
Title: Managing Director

COMERICA BANK

By:/s/ Michael T. Shea

Name:
Title: Vice President

CREDIT LYONNAIS CHICAGO BRANCH

By: /s/ Nigel R. Carter

Name:
Title: Vice President

CREDIT SUISSE FIRST BOSTON

By: /s/ Kristin Lepri

Name:
Title: Associate

By: /s/ Bill O'Daly

Name:
Title: Vice President

DAI ICHI KANGYO BANK LTD

By: /s/ Nobuyasu Fukatsu

Name:
Title: General Manager

FIFTH THIRD BANK

By: /s/ Dirk Van Hext

Name:
Title: Senior Vice President

FIRST UNION NATIONAL BANK

By: /s/ Frederick E. Blumer

Name:
Title: Vice President

FIRSTAR BANK N.A.

By: /s/ Sandra J. Hartay

Name:
Title: Vice President

FLEET NATIONAL BANK

By: /s/ Jack M. Harcourt

Name:
Title: Managing Director

THE FUJI BANK LIMITED

By: /s/ Peter L. Chinnici

Name:
Title: Senior Vice President & Group Head

INDUSTRIAL BANK OF JAPAN LIMITED

By: /s/ Walter Wolff

Name:
Title: Joint General Manager

KBC BANK N.V.

By: /s/ Robert Snauffer

Name:
Title: First Vice President

By: /s/ William Cavanaugh

Name:
Title: Vice President

KEYBANK NATIONAL ASSOCIATION

By: /s/ J. T. Taylor

Name:
Title: Vice President

LEHMAN COMMERCIAL PAPER INC.

By: /s/ Michael E. O'Brien
Name:
Title: Authorized Signatory

MERRILL LYNCH CAPITAL CORP

By: /s/ Brian E. O'Callahan
Name:
Title: Vice President

THE NORTHERN TRUST COMPANY

By: /s/ Christopher L. McKean
Name:
Title: Officer

SOCIETE GENERALE

By: /s/ Anne Marie Dumortier
Name:
Title: Vice President

THE SUMITOMO BANK, LIMITED,

By: /s/ John H. Kemper
Name:
Title: Senior Vice President

SUN TRUST BANK

By: /s/ William C. Humphries
Name:
Title: Director

TORONTO DOMINION (TEXAS), INC.

By: /s/ Debbie A. Greene
Name:
Title: Vice President

THE TORONTO DOMINION BANK

By: /s/ Debbi Brito
Name:
Title: Asst. Manager

EXHIBIT 10.2

==

$1,000,000,000
AMENDED AND RESTATED
REVOLVING CREDIT AND TERM LOAN AGREEMENT

Dated as of March 26, 2001

among

LEAR CORPORATION,
THE FOREIGN SUBSIDIARY BORROWERS,

The Lenders Party Hereto,

CITICORP USA, INC.,
as Syndication Agent,

TORONTO DOMINION (TEXAS), INC.,
as Documentation Agent,

The Other Agents Named in
Schedule IX Hereto

and

THE CHASE MANHATTAN BANK,
as Administrative Agent

JP MORGAN,
as Sole Bookrunner and Sole Lead Arranger

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Q	Form of Amended and Restated Pledge Agreement

AMENDED AND RESTATED REVOLVING CREDIT AND TERM LOAN AGREEMENT, dated as of March 26, 2001 among LEAR CORPORATION, a Delaware corporation (the "U.S. Borrower"), each FOREIGN SUBSIDIARY BORROWER (as hereinafter defined) (together with the U.S. Borrower, the "Borrowers"), the Managing Agents named on Schedule IX hereto (the "Managing Agents"), the Co-Agents named on Schedule IX hereto (the "Co-Agents"), the Lead Managers named on Schedule IX hereto (the "Lead Managers"), the several banks and other financial institutions from time to time parties hereto (the "Lenders"), CITICORP USA, INC., as syndication agent (the "Syndication Agent"), TORONTO DOMINION (TEXAS), INC., as documentation agent (the "Documentation Agent"), and THE CHASE MANHATTAN BANK, a New York banking corporation (as hereinafter defined, the "Administrative Agent"), as administrative agent for the Lenders hereunder.

W I T N E S S E T H :

WHEREAS, the U.S. Borrower and the Foreign Subsidiary Borrowers are parties to the Revolving Credit and Term Loan Agreement, dated as of May 4, 1999 (as heretofore amended, supplemented or otherwise modified, the "Existing Credit Agreement"), with the lenders parties thereto, the managing agents, co-agents and lead managers identified therein, and The Chase Manhattan Bank, as administrative agent; and

WHEREAS, the Borrowers have requested that the Existing Credit Agreement be amended and restated;

NOW, THEREFORE, in consideration of the premises and the mutual agreements contained herein, the parties hereto agree that on the Closing Date, as provided in subsection 13.22, the Existing Credit Agreement shall be amended and restated in its entirety as follows:

SECTION 1. DEFINITIONS

1.1 Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

"ABR Loans": Revolving Credit Loans or Term Loans, as the case may be, the rate of interest applicable to which is based upon the Alternate Base Rate.

"Acquired Indebtedness": Indebtedness of a Person or any of its Subsidiaries existing at the time such Person becomes a Subsidiary of the U.S. Borrower or assumed in connection with the acquisition of assets from such Person and not incurred by such Person in contemplation of such Person becoming a Subsidiary of the U.S. Borrower or such acquisition, and any refinancings thereof.

"Adjusted Aggregate Revolving Outstandings": with respect to each Lender, the Aggregate Revolving Outstandings of such Lender, plus the amount of any participating interests purchased by such Lender pursuant to subsection 13.8, minus the amount of any participating interests sold by such Lender pursuant to subsection 13.8.

"Adjustment Date": with respect to any fiscal quarter, (a) the second Business Day following receipt by the Administrative Agent of both (i) the financial statements required to be delivered pursuant to subsection 8.1(a) or (b), as the case may be, for the

most recently completed fiscal period and (ii) the compliance certificate required pursuant to subsection 8.2(b) with respect to such financial statements or (b) if such compliance certificate and financial statements have not been delivered in a timely manner, the date upon which such compliance certificate and financial statements were due; provided, however, that in the event that the Adjustment Date is determined in accordance with the provisions of clause (b) of this definition, then the date which is two Business Days following the date of receipt of the financial statements and compliance certificate referenced in clause (a) of this definition also shall be deemed to constitute an Adjustment Date.

"Administrative Agent": Chase, together with its affiliates, as arranger of the Commitments and as Administrative Agent for the Lenders under this Agreement and the other Loan Documents, and any successor thereto appointed pursuant to subsection 12.9.

"Administrative Schedule": Schedule III, which contains interest rate definitions and administrative information in respect of each Available Foreign Currency.

"Affiliate": of any Person, (a) any other Person (other than a Wholly Owned Subsidiary of such Person) which, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person or (b) any other Person who is a director or executive officer of (i) such Person, (ii) any Subsidiary of such Person (other than a Wholly Owned Subsidiary) or (iii) any Person described in clause (a) above or (c) with respect to any Lender, any entity (whether a corporation, partnership, trust or otherwise) that is engaged in making, purchasing, holding or otherwise investing in bank loans and similar extensions of credit in the ordinary course of its business and is administered or managed by such Lender or an Affiliate of such Lender. For purposes of this definition, a Person shall be deemed to be "controlled by" such other Person if such other Person possesses, directly or indirectly, power either to (A) vote 10% or more of the securities having ordinary voting power for the election of directors of such first Person or (B) direct or cause the direction of the management and policies of such first Person whether by contract or otherwise.

"Aggregate Available Multicurrency Commitments": as at any date of determination with respect to all Multicurrency Lenders, an amount in U.S. Dollars equal to the Available Multicurrency Commitments of all Multicurrency Lenders on such date.

"Aggregate Available Revolving Credit Commitments": as at any date of determination with respect to all Lenders, an amount in U.S. Dollars equal to the Available Revolving Credit Commitments of all Lenders on such date.

"Aggregate Revolving Credit Commitments": the aggregate amount of the Revolving Credit Commitments of all the Lenders.

"Aggregate Revolving Outstandings": as at any date of determination with respect to any Lender, an amount in U.S. Dollars equal to the sum of (a) the aggregate outstanding principal amount of Revolving Credit Loans of such Lender and (b) the U.S. Dollar Equivalent of the Aggregate Multicurrency Outstandings of such Lender.

"Aggregate Multicurrency Outstandings": as at any date of determination with respect to any Lender, an amount in the applicable Available Foreign Currencies equal to the aggregate unpaid principal amount of such Lender's Multicurrency Loans.

"Aggregate Total Outstandings": as at any date of determination with respect to any Lender, an amount in U.S. Dollars equal to the sum of (a) the Aggregate Revolving Outstandings of such Lender and (b) the aggregate outstanding principal amount of Term Loans of such Lender.

"Agreement": this Amended and Restated Revolving Credit and Term Loan Agreement, as the same may be amended, supplemented or otherwise modified from time to time.

"Agreement Currency": as defined in subsection 13.20(b).

"Alternate Base Rate": for any day, a rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) equal to the greatest of:

(a) the U.S. Prime Rate in effect on such day; and

(b) the Federal Funds Effective Rate in effect on such day plus 1/2 of 1%.

If for any reason the Administrative Agent shall have determined (which determination shall be conclusive absent manifest error) that it is unable to ascertain the Federal Funds Effective Rate for any reason, including the inability or failure of the Administrative Agent to obtain sufficient quotations in accordance with the terms thereof, the Alternate Base Rate shall be determined without regard to clause (b) above, until the circumstances giving rise to such inability no longer exist. Any change in the Alternate Base Rate due to a change in the U.S. Prime Rate or the Federal Funds Effective Rate shall be effective as of the opening of business on the effective day of such change in the U.S. Prime Rate or the Federal Funds Effective Rate, respectively.

"Applicable Margin": (x) for each Revolving Credit Loan, the applicable rate per annum determined pursuant to the Revolving Credit Loan Pricing Grid and (y) for each Term Loan, the applicable rate per annum determined pursuant to the Term Loan Pricing Grid.

"Assignee": as defined in subsection 13.6(c).

"Available Foreign Currencies": Pounds Sterling, euro, Swedish Kroner, and any other available and freely-convertible non-U.S. Dollar currency selected by the U.S. Borrower and approved by the Administrative Agent and the Majority Multicurrency Lenders in the manner described in subsection 13.1(b).

"Available Multicurrency Commitment": as at any date of determination with respect to any Multicurrency Lender (after giving effect to the making and payment of any Revolving Credit Loans required to be made on such date pursuant to subsection 2.5), an amount in U.S. Dollars equal to the lesser of (a) the excess, if any, of

(i) the amount of such Multicurrency Lender's Multicurrency Commitment in effect on such date over (ii) the U.S. Dollar Equivalent of the Aggregate Multicurrency Outstandings of such Multicurrency Lender on such date and (b) the excess, if any, of (i) the amount of such Multicurrency Lender's Revolving Credit Commitment in effect on such date over (ii) the Aggregate Revolving Outstandings of such Multicurrency Lender on such date.

"Available Revolving Credit Commitment": as at any date of determination with respect to any Lender (after giving effect to the making and payment of any Revolving Credit Loans required to be made on such date pursuant to subsection 2.5), an amount equal to the excess, if any, of (a) the amount of such Lender's Revolving Credit Commitment in effect on such date over (b) the Aggregate Revolving Outstandings of such Lender on such date.

"Benefited Lender": as defined in subsection 13.7.

"Board": the Board of Governors of the Federal Reserve System (or any successor thereto).

"Bond Guarantee": the guarantee entered into by any Subsidiary Guarantor in respect of the Senior Notes or the 2001 Eurobonds.

"Borrowers": as defined in the preamble hereto.

"Borrowing Date": any Business Day specified in a notice pursuant to subsection 2.3, 3.2 or 4.2 as a date on which a Borrower requests the Lenders to make Loans hereunder.

"Business Day": (a) when such term is used in respect of a day on which a Loan in an Available Foreign Currency is to be made, a payment is to be made in respect of such Loan, an Exchange Rate is to be set in respect of such Available Foreign Currency or any other dealing in such Available Foreign Currency is to be carried out pursuant to this Agreement, such term shall mean a London Banking Day which is also a day on which banks are open for general banking business in (x) the city which is the principal financial center of the country of issuance of such Available Foreign Currency (or, in the case of Multicurrency Loans in Pounds Sterling, Paris) and (y) in the case of euro only, Frankfurt am Main, Germany (or such other principal financial center as the Administrative Agent may from time to time designate for this purpose), and (b) when such term is used in any context in this Agreement (including as described in the foregoing clause (a)), such term shall mean a day which, in addition to complying with any applicable requirements set forth in the foregoing clause (a) is a day other than a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to close; provided, that when such term is used for the purpose of determining the date on which the Eurocurrency Rate is determined under this Agreement for any Multicurrency Loan denominated in euro for any Interest Period therefor and for purposes of determining the first and last day of any such Interest Period, references in this Agreement to Business Days shall be deemed to be references to Target Operating Days.

"Capital Stock": any and all shares, interests, participations or other equivalents (however designated) of Capital Stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation) and any and all warrants, rights or options to purchase any of the foregoing.

"Cash Equivalents": (a) securities issued or unconditionally guaranteed or insured by the United States Government or the Canadian Government or any agency or instrumentality thereof having maturities of not more than twelve months from the date of acquisition, (b) securities issued or unconditionally guaranteed or insured by any state of the United States of America or province of Canada or any agency or instrumentality thereof having maturities of not more than twelve months from the date of acquisition and having one of the two highest ratings obtainable from either S&P or Moody's, (c) time deposits, certificates of deposit and bankers' acceptances having maturities of not more than twelve months from the date of acquisition, in each case with any Lender or with any commercial bank organized under the laws of the United States of America or any state thereof or the District of Columbia, Japan, Canada or any member of the European Economic Community or any U.S. branch of a foreign bank having at the date of acquisition capital and surplus of not less than $100,000,000, (d) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (a), (b) and (c) entered into with any bank meeting the qualifications specified in clause (c) above, (e) commercial paper issued by the parent corporation of any Lender and commercial paper rated, at the time of acquisition, at least A-1 or the equivalent thereof by S&P or P-1 or the equivalent thereof by Moody's and in either case maturing within twelve months after the date of acquisition, (e) deposits maintained with money market funds having total assets in excess of $300,000,000, (f) demand deposit accounts maintained in the ordinary course of business with banks or trust companies, (g) temporary deposits, of amounts received in the ordinary course of business pending disbursement of such amounts, in demand deposit accounts in banks outside the United States and (h) deposits in mutual funds which invest substantially all of their assets in preferred equities issued by U.S. corporations rated at least AA (or the equivalent thereof) by S&P.

"Chase": The Chase Manhattan Bank, a New York banking corporation.

"Closing Date": the date on which all of the conditions precedent set forth in subsection 7.1 shall have been met or waived.

"Co-Agents": as defined on Schedule IX hereto.

"Code": the Internal Revenue Code of 1986, as amended from time to time.

"Collateral": any collateral in which a security interest is created pursuant to any Security Document.

"Commitments": the collective reference to the Revolving Credit Commitments, the Multicurrency Commitments and the Term Loan Commitments.

"Commonly Controlled Entity": an entity, whether or not incorporated, which is under common control with the U.S. Borrower within the meaning of Section 4001 of

ERISA or is part of a group which includes the U.S. Borrower and which is treated as a single employer under Section 414 of the Code.

"Consolidated Assets": at a particular date, all amounts which would be included under total assets on a consolidated balance sheet of the U.S. Borrower and its Subsidiaries as at such date, determined in accordance with GAAP.

"Consolidated Indebtedness": at a particular date, all Indebtedness of the U.S. Borrower and its Subsidiaries which would be included under indebtedness on a consolidated balance sheet of the U.S. Borrower and its Subsidiaries as at such date, determined in accordance with GAAP, less any cash of the U.S. Borrower and its Subsidiaries as at such date.

"Consolidated Interest Expense": for any fiscal period, the amount which would, in conformity with GAAP, be set forth opposite the caption "interest expense" (or any like caption) on a consolidated income statement of the U.S. Borrower and its Subsidiaries for such period and, to the extent not otherwise included in "interest expense," any other discounts and expenses comparable to or in the nature of interest under any Receivable Financing Transaction; provided, that Consolidated Interest Expense for any period shall (a) exclude (i) fees payable in respect of such period under subsection 5.5 of this Agreement and similar fees payable in respect of such period under the Other Revolving Credit Agreement, and (ii) any amortization or write-off of deferred financing fees during such period and (b) include any interest income during such period.

"Consolidated Net Income": for any fiscal period, the consolidated net income (or deficit) of the U.S. Borrower and its Subsidiaries for such period (taken as a cumulative whole), determined in accordance with GAAP; provided that (a) any provision for post-retirement medical benefits, to the extent such provision calculated under FAS 106 exceeds actual cash outlays calculated on the "pay as you go" basis, shall not to be taken into account, and (b) there shall be excluded (i) the income (or deficit) of any Person accrued prior to the date it becomes a Subsidiary or is merged into or consolidated with the U.S. Borrower or any Subsidiary, (ii) the income (or deficit) of any Person (other than a Subsidiary) in which the U.S. Borrower or any Subsidiary has an ownership interest, except to the extent that any such income has been actually received by the U.S. Borrower or such Subsidiary in the form of dividends or similar distributions, (iii) the undistributed earnings of any Subsidiary to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary is not at the time permitted by the terms of any Contractual Obligation or Requirement of Law (other than any non-consensual Requirement of Law of any non-U.S. jurisdiction) applicable to such Subsidiary, and (iv) in the case of a successor to the U.S. Borrower or any Subsidiary by consolidation or merger or as a transferee of its assets, any earnings of the successor corporation prior to such consolidation, merger or transfer of assets; provided, further that the exclusions in clauses (i) and (iv) of this definition shall not apply to the mergers or consolidations of the U.S. Borrower or its Subsidiaries with their respective Subsidiaries.

"Consolidated Operating Profit": for any fiscal period, Consolidated Net Income for such period excluding (a) extraordinary gains and losses arising from the sale of material assets and other extraordinary and/or non-recurring gains and losses, (b) charges,

premiums and expenses associated with the discharge of Indebtedness, (c) charges relating to FAS 106, (d) license fees (and any write-offs thereof), (e) stock compensation expense, (f) deferred financing fees (and any write-offs thereof), (g) write-offs of goodwill, (h) foreign exchange gains and losses, (i) miscellaneous income and expenses and (j) miscellaneous gains and losses arising from the sale of assets plus, to the extent deducted in determining Consolidated Net Income, the excess of (i) the sum of (A) Consolidated Interest Expense, (B) any expenses for taxes, (C) depreciation and amortization expense and (D) minority interests in income of Subsidiaries over (ii) net equity earnings in Affiliates (excluding Subsidiaries). For purposes of calculating the ratio set forth in subsection 9.1(b), Consolidated Operating Profit for any fiscal period shall in any event include the Consolidated Operating Profit for such fiscal period of any entity acquired by the U.S. Borrower or any of its Subsidiaries during such period.

"Consolidated Revenues": for any fiscal period, the consolidated revenues of the U.S. Borrower and its Subsidiaries for such period, determined in accordance with GAAP.

"Continuing Directors": the directors of the U.S. Borrower on the Closing Date and each other director, if such other director's nomination for election to the Board of Directors of the U.S. Borrower is recommended by a majority of the then Continuing Directors.

"Contractual Obligation": as to any Person, any provision of any security issued by such Person or of any agreement, instrument or undertaking to which such Person is a party or by which it or any of its property is bound.

"Conversion Date": any date on which either (a) an Event of Default under Section 11(i) has occurred or (b) the Commitments shall have been terminated prior to the Revolving Credit Termination Date and/or the Loans shall have been declared immediately due and payable, in either case pursuant to Section 11.

"Conversion Sharing Percentage": on any date with respect to any Lender and any Loans of such Lender outstanding in any currency other than U.S. Dollars, the percentage of such Loans such that, after giving effect to the conversion of such Loans to U.S. Dollars and the purchase and sale by such Lender of participating interests as contemplated by subsection 13.8, the Revolving Outstandings Percentage of such Lender will equal such Lender's Revolving Credit Commitment Percentage on such date (calculated immediately prior to giving effect to any termination or expiration of the Revolving Credit Commitments on the Conversion Date).

"Converted Loans": as defined in subsection 13.8(a).

"Currency Agreement": any foreign exchange contract, currency swap agreement, futures contract, option contract, synthetic cap or other similar agreement or arrangement designed to protect the U.S. Borrower or any Subsidiary against fluctuations in currency values.

"Currency Agreement Obligations": all obligations of the U.S. Borrower or any Subsidiary to any financial institution under any one or more Currency Agreements.

"Default": any of the events specified in Section 11, whether or not any requirement for the giving of notice, the lapse of time, or both, or any other condition, has been satisfied.

"Documentation Agent": as defined in the preamble hereto.

"Dollars", "U.S. Dollars" and "$": dollars in lawful currency of the United States of America.

"Domestic Loan Party": each Loan Party that is organized under the laws of any jurisdiction of the United States.

"Domestic Subsidiary": any Subsidiary other than a Foreign Subsidiary.

"EMU": Economic and Monetary Union as contemplated in the Treaty on European Union.

"EMU Legislation": legislative measures of the European Union for the introduction of, changeover to or operation of the euro in one or more member states.

"Environmental Complaint": any complaint, order, citation, notice or other written communication from any Person with respect to the existence or alleged existence of a violation of any Environmental Laws or legal liability resulting from air emissions, water discharges, noise emissions, Hazardous Material or any other environmental, health or safety matter.

"Environmental Laws": any and all applicable Federal, foreign, state, provincial, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, requirements of any Governmental Authority and any and all common law requirements, rules and bases of liability regulating, relating to or imposing liability or standards of conduct concerning pollution or protection of the environment or the Release or threatened Release of Hazardous Materials, as now or hereafter in effect.

"ERISA": the Employee Retirement Income Security Act of 1974, as amended from time to time.

"euro": the single currency of the European Union as constituted by the Treaty on European Union and as referred to in EMU Legislation.

"Eurocurrency Liabilities": at any time, the aggregate of the rates (expressed as a decimal fraction) of any reserve requirements in effect at such time (including, without limitation, basic, supplemental, marginal and emergency reserves under any regulations of the Board or other Governmental Authority having jurisdiction with respect thereto) dealing with reserve requirements prescribed for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of the Board) maintained by a member bank of the Federal Reserve System.

"Eurocurrency Rate": with respect to each Interest Period pertaining to a Multicurrency Loan, the Eurocurrency Rate determined for such Interest Period and the

Available Foreign Currency in which such Multicurrency Loan is denominated in the manner set forth in the Administrative Schedule.

"Eurodollar Loans": Revolving Credit Loans or Term Loans, as the case may be, the rate of interest applicable to which is based upon the Eurodollar Rate.

"Eurodollar Rate": with respect to each day during each Interest Period pertaining to a Eurodollar Loan, the rate per annum determined on the basis of the rate for deposits in Dollars for a period equal to such Interest Period commencing on the first day of such Interest Period appearing on Page 3750 of the Telerate screen as of 11:00 A.M., London time, two Business Days prior to the beginning of such Interest Period. In the event that such rate does not appear on Page 3750 of the Telerate screen (or otherwise on such screen), the "Eurodollar Base Rate" shall be determined by reference to such other comparable publicly available service for displaying eurodollar rates as may be selected by the Administrative Agent in consultation with the U.S. Borrower or, in the absence of such availability, by reference to the rate at which the Administrative Agent is offered Dollar deposits at or about 11:00 A.M., New York City time, two Business Days prior to the beginning of such Interest Period in the interbank eurodollar market where its eurodollar and foreign currency and exchange operations are then being conducted for delivery on the first day of such Interest Period for the number of days comprised therein.

"euro unit": the currency unit of the euro as defined in the EMU Legislation.

"Event of Default": any of the events specified in Section 11, provided that any requirement for the giving of notice, the lapse of time, or both, or any other condition, has been satisfied.

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

"Exchange Rate": with respect to any non-U.S. Dollar currency on any date, the rate at which such currency may be exchanged into U.S. Dollars, as set forth on such date on the relevant Reuters currency page at or about 11:00 A.M., London time, on such date. In the event that such rate does not appear on any Reuters currency page, the "Exchange Rate" with respect to such non-U.S. Dollar currency shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent and the U.S. Borrower or, in the absence of such agreement, such "Exchange Rate" shall instead be the Administrative Agent's spot rate of exchange in the interbank market where its foreign currency exchange operations in respect of such non-U.S. Dollar currency are then being conducted, at or about 10:00 A.M., local time, on such date for the purchase of U.S. Dollars with such non-U.S. Dollar currency, for delivery two Business Days later; provided, that if at the time of any such determination, no such spot rate can reasonably be quoted, the Administrative Agent may use any reasonable method as it deems applicable to determine such rate, and such determination shall be conclusive absent manifest error.

"Excluded Subsidiary": each Subsidiary of a Foreign Subsidiary.

"Existing Credit Agreement": as defined in the recitals hereto.

"Facility Fee Rate": the rate per annum determined pursuant to the Pricing Grid.

"Federal Funds Effective Rate": for any day, the weighted average of the rates per annum on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for the day of such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by it.

"Financing Lease": (a) any lease of property, real or personal, the obligations under which are capitalized on a consolidated balance sheet of the U.S. Borrower and its Subsidiaries and (b) any other such lease to the extent that the then present value of the minimum rental commitment thereunder should, in accordance with GAAP, be capitalized on a balance sheet of the lessee.

"First Lender": as defined in subsection 13.8(c).

"Foreign Subsidiaries": each of the Subsidiaries so designated on Schedule VI and any Subsidiaries organized outside the United States which are created after the effectiveness hereof.

"Foreign Subsidiary Borrower": each Foreign Subsidiary listed as a Foreign Subsidiary Borrower in Schedule II as amended from time to time in accordance with subsection 13.1(b)(i).

"Foreign Subsidiary Opinion": with respect to any Foreign Subsidiary Borrower, a legal opinion of counsel to such Foreign Subsidiary Borrower addressed to the Administrative Agent and the Lenders covering the matters set forth on Exhibit N, with such assumptions, qualifications and deviations therefrom as the Administrative Agent shall approve (such approval not to be unreasonably withheld).

"Funding Commitment Percentage": as at any date of determination (after giving effect to the making and payment of any Loans made on such date pursuant to subsection 2.5), with respect to any Lender, that percentage which the Available Revolving Credit Commitment of such Lender then constitutes of the Aggregate Available Revolving Credit Commitments.

"GAAP": generally accepted accounting principles in the United States of America in effect from time to time.

"German Subsidiary Pledge": the German Pledge, dated as of July 2, 1999, made by Lear Corporation Germany, Ltd., in favor of The Chase Manhattan Bank, as agent.

"Governmental Authority": any nation or government, any state, province or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Guarantee Obligation": as to any Person, any obligation of such Person guaranteeing or in effect guaranteeing any Indebtedness, leases, dividends or other obligations (the "primary obligations") of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent (a) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (b) to advance or supply funds (i) for the purchase or payment of any such primary obligation or (ii) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (c) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or (d) otherwise to assure or hold harmless the owner of any such primary obligation against loss in respect thereof; provided, however, that the term Guarantee Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Guarantee Obligation shall be deemed to be an amount equal to the value as of any date of determination of the stated or determinable amount of the primary obligation in respect of which such Guarantee Obligation is made (unless such Guarantee Obligation shall be expressly limited to a lesser amount, in which case such lesser amount shall apply) or, if not stated or determinable, the value as of any date of determination of the maximum reasonably anticipated liability in respect thereof as determined by such Person in good faith.

"Guarantor Supplement": a supplement to the Subsidiary Guarantee, substantially in the form of Annex A to the Subsidiary Guarantee, whereby a Subsidiary of the U.S. Borrower becomes a "Guarantor" under the Subsidiary Guarantee.

"Hazardous Materials": any solid wastes, toxic or hazardous substances, materials or wastes, defined, listed, classified or regulated as such in or under any Environmental Laws, including, without limitation, asbestos, petroleum or petroleum products (including gasoline, crude oil or any fraction thereof), polychlorinated biphenyls, and urea-formaldehyde insulation, and any other substance the presence of which may give rise to liability under any Environmental Law.

"Indebtedness": of a Person, at a particular date, the sum (without duplication) at such date of (a) indebtedness for borrowed money or for the deferred purchase price of property or services in respect of which such Person is liable as obligor, (b) indebtedness secured by any Lien on any property or asset owned or held by such Person regardless of whether the indebtedness secured thereby shall have been assumed by or is a primary liability of such Person, (c) obligations of such Person under Financing Leases, (d) the face amount of all letters of credit issued for the account of such person and, without duplication, the unreimbursed amount of all drafts drawn thereunder and (e) obligations (in the nature of principal or interest) of such Person in respect of acceptances or similar obligations issued or created for the account of such Person; but excluding (i) trade and other accounts payable in the ordinary course of business in accordance with customary trade terms and which are not overdue for more than 120 days or, if overdue for more than 120 days, as to which a dispute exists and adequate reserves in conformity with GAAP have been established on the books of such Person, (ii) deferred compensation obligations to employees and (iii) any obligations otherwise constituting Indebtedness the

payment of which such Person has provided for pursuant to the terms of such Indebtedness or any agreement or instrument pursuant to which such Indebtedness was incurred, by the irrevocable deposit in trust of an amount of funds or a principal amount of securities, which deposit is sufficient, either by itself or taking into account the accrual of interest thereon, to pay the principal of and interest on such obligations when due.

"Industrial Revenue Bonds": industrial revenue bonds issued for the benefit of the U.S. Borrower or its Subsidiaries and in respect of which the U.S. Borrower or its Subsidiaries will be the source of repayment.

"Insolvency": with respect to any Multiemployer Plan, the condition that such Plan is insolvent within the meaning of Section 4245 of ERISA.

"Insolvent": pertaining to a condition of Insolvency.

"Intercreditor Agreement": the Amended and Restated Intercreditor Agreement, substantially in the form of Exhibit P, to be entered into pursuant to subsection 13.18, between Toronto Dominion (Texas), Inc. and The Chase Manhattan Bank, as collateral agent, as amended or otherwise modified from time to time.

"Interest Payment Date": (a) as to any ABR Loan, the last day of each March, June, September and December to occur while such Loan is outstanding, (b) as to any Eurodollar Loan or Multicurrency Loan having an Interest Period of three months or less, the last day of such Interest Period and (c) as to any Eurodollar Loan or Multicurrency Loan having an Interest Period longer than three months, (i) each day which is three months, or a whole multiple thereof, after the first day of such Interest Period and (ii) the last day of such Interest Period.

"Interest Period": with respect to any Eurodollar Loan or Multicurrency Loan:

(a) initially, the period commencing on the borrowing or conversion date, as the case may be, with respect to such Eurodollar Loan or Multicurrency Loan and ending (i) one, two, three or six months thereafter, or (ii) with the consent of all the Lenders making such Loan, (x) nine or twelve months thereafter and, (y) with respect to Loans denominated in U.S. Dollars, two weeks, in each case, as selected by the relevant Borrower in its notice of borrowing or notice of conversion, as the case may be, given with respect thereto; and

(b) thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such Eurodollar Loan or Multicurrency Loan and ending (i) one, two, three or six months thereafter, or (ii) with the consent of all the Lenders making such Loan, (x) nine or twelve months thereafter and, (y) with respect to Loans denominated in U.S. Dollars, two weeks, in each case, as selected by the relevant Borrower by irrevocable notice to the Administrative Agent prior to 12:00 Noon, New York City time, not less than three Business Days prior to the last day of the then current Interest Period with respect thereto, with respect to Eurodollar Loans, or by the time specified for the Notice of Multicurrency Loan Continuation with respect to any Multicurrency Loans set forth in the Administrative Schedule,

provided that all of the foregoing provisions relating to Interest Periods are subject to the following:

(i) if any Interest Period pertaining to a Eurodollar Loan or Multicurrency Loan would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless the result of such extension would be to carry such Interest Period into another calendar month in which event such Interest Period shall end on the immediately preceding Business Day;

(ii) any Interest Period applicable to a Eurodollar Loan or Multicurrency Loan that would otherwise extend beyond the Revolving Credit Termination Date or Term Loan Maturity Date, as the case may be, shall end on the Revolving Credit Termination Date or Term Loan Maturity Date, as the case may be; and

(iii) any Interest Period pertaining to a Eurodollar Loan or Multicurrency Loan (other than an Interest Period of two weeks' duration in respect of Loans denominated in U.S. Dollars) that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of a calendar month.

"Interest Rate Agreement": any interest rate protection agreement, interest rate swap or other interest rate hedge arrangement (other than any interest rate cap or other similar agreement or arrangement pursuant to which the U.S. Borrower has no credit exposure), to or under which the U.S. Borrower or any of its Subsidiaries is a party or a beneficiary.

"Interest Rate Agreement Obligations": all obligations of the U.S. Borrower or any Subsidiary to any financial institution under any one or more Interest Rate Agreements.

"Investment Grade Status": shall exist at any time when the actual or implied rating of the U.S. Borrower's senior long-term unsecured debt is at or above BBB- from S&P and at or above Baa3 from Moody's; if either of S&P or Moody's shall change its system of classifications after the date of this Agreement, Investment Grade Status shall exist at any time when the actual or implied rating of the U.S. Borrower's senior long-term unsecured debt is at or above the new rating which most closely corresponds to the above-specified level under the previous rating system.

"JP Morgan": JP Morgan, a division of Chase Securities Inc.

"Judgment Currency": as defined in subsection 13.19(b).

"Lead Managers": as defined on Schedule IX hereto.

"Lear Germany": Lear Corporation Beteiligungs GmbH.

"Lenders": as defined in the preamble hereto, provided that no Person shall become a "Lender" hereunder after the Closing Date without compliance with subsection 13.6(c).

"Leverage Ratio": for any date of determination, including any Adjustment Date, the ratio of (i) Consolidated Indebtedness at the end of the most recently ended fiscal quarter to (ii) Consolidated Operating Profit for the four consecutive fiscal quarters then ended; provided that, if at any time the aggregate amount of Indebtedness associated with Receivables Financing Transactions exceeds $500,000,000, an amount equal to the excess over $500,000,000 shall be included in the determination of "Consolidated Indebtedness".

"Lien": any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, any conditional sale or other title retention agreement or any Financing Lease having substantially the same economic effect as any of the foregoing).

"Loan Documents": the collective reference to this Agreement, any Notes and the Security Documents.

"Loan Parties": the collective reference to the Borrowers, each guarantor or grantor party to any Security Document and each issuer of pledged stock under each Pledge Agreement.

"Loans": the collective reference to the Revolving Credit Loans, the Term Loans and the Multicurrency Loans.

"Loans to be Converted": as defined in subsection 13.8(a).

"London Banking Day": any day on which banks in London are open for general banking business, including dealings in foreign currency and exchange.

"Majority Lenders": (a) at any time prior to the termination of the Revolving Credit Commitments, Lenders holding in the aggregate more than 50% of the aggregate amount of the Revolving Credit Commitments and the aggregate outstanding principal amount of Term Loans; and (b) at any time after the termination of the Revolving Credit Commitments, Lenders whose Aggregate Total Outstandings aggregate more than 50% of the Aggregate Total Outstandings of all Lenders; provided that for purposes of this definition the Aggregate Total Outstandings of each Lender shall be adjusted up or down so as to give effect to any participations purchased or sold pursuant to subsection 13.8.

"Majority Multicurrency Lenders": at any time, Multicurrency Lenders whose Multicurrency Commitment Percentages aggregate more than 50%.

"Majority Revolving Credit Lenders": at any time, Lenders whose Revolving Credit Commitment Percentages aggregate more than 50%.

"Majority Term Loan Lenders": at any time, Lenders holding more than 50% of the aggregate outstanding principal amount of Term Loans.

"Managing Agents": as defined on Schedule IX hereto.

"Material Subsidiary": each Loan Party and any other Subsidiary which (a) for the most recent fiscal year of the U.S. Borrower accounted for more than 10% of Consolidated Revenues or (b) as of the end of such fiscal year, was the owner of more than 10% of Consolidated Assets, all as shown on the consolidated financial statements of the U.S. Borrower for such fiscal year.

"Moody's": Moody's Investors Service, Inc. or any successor thereto.

"Multicurrency Commitment": as to any Multicurrency Lender at any time, its obligation to make Multicurrency Loans to the U.S. Borrower or Foreign Subsidiary Borrowers in an aggregate amount in Available Foreign Currencies of which the U.S. Dollar Equivalent does not exceed at any time outstanding the lesser of (a) the amount set forth opposite such Multicurrency Lender's name in Schedule I under the heading "Multicurrency Commitment", and (b) the Revolving Credit Commitment of such Multicurrency Lender, in each case as such amount may be reduced from time to time as provided in subsection 4.4 and the other applicable provisions hereof.

"Multicurrency Commitment Percentage": as to any Multicurrency Lender at any time, the percentage which such Multicurrency Lender's Multicurrency Commitment then constitutes of the aggregate Multicurrency Commitments (or, if the Multicurrency Commitments have terminated or expired, the percentage which (a) the U.S. Dollar Equivalent of the Aggregate Multicurrency Outstandings of such Multicurrency Lender at such time constitutes of (b) the U.S. Dollar Equivalent of the Aggregate Multicurrency Outstandings of all Multicurrency Lenders at such time).

"Multicurrency Lender": each Lender having a Multicurrency Commitment or holding Multicurrency Loans.

"Multicurrency Loans": as defined in subsection 4.1.

"Multiemployer Plan": a Plan which is a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"National Currency Unit": the unit of currency (other than a euro unit) of a Participating Member State.

"Net Proceeds": shall mean the gross proceeds received by the U.S. Borrower or any Subsidiary from a sale or other disposition of any asset of the U.S. Borrower or such Subsidiary less (a) all reasonable fees, commissions and other out-of-pocket expenses incurred by the U.S. Borrower or such Subsidiary in connection therewith, (b) Federal, state, local and foreign taxes assessed in connection therewith and (c) the principal amount, accrued interest and any related prepayment fees of any Indebtedness (other than the Loans) which is secured by any such asset and which is required to be repaid in connection with the sale thereof.

"9 1/2% Subordinated Note Indenture": the Indenture dated as of July 1, 1996, between the U.S. Borrower and The Bank of New York, as trustee, as the same may be amended, supplemented or otherwise modified from time to time in accordance with subsection 14.10.

"9 1/2% Subordinated Notes": the 9 1/2% Subordinated Notes of the U.S. Borrower due 2006, issued pursuant to the 9 1/2% Subordinated Note Indenture.

"Non-Multicurrency Lender": each Lender which is not a Multicurrency Lender.

"Notes": the collective reference to the Revolving Credit Notes and the Term Notes.

"Notice of Multicurrency Loan Borrowing": with respect to a Multicurrency Loan, a notice from the Borrower (or the U.S. Borrower on its behalf) in respect of such Loan, containing the information in respect of such Loan and delivered to the Person, in the manner and by the time, specified for a Notice of Multicurrency Loan Borrowing in respect of the currency of such Loan in the Administrative Schedule.

"Notice of Multicurrency Loan Continuation": with respect to a Multicurrency Loan, a notice from the Borrower (or the U.S. Borrower on its behalf) in respect of such Loan, containing the information in respect of such Loan and delivered to the Person, in the manner and by the time, specified for a Notice of Multicurrency Loan Continuation in respect of the currency of such Loan in the Administrative Schedule.

"Obligations": collectively, the unpaid principal of and interest on the Loans, Interest Rate Agreement Obligations or Currency Agreement Obligations entered into by any Borrower with any Lender (or any Affiliate of any Lender) and all other obligations and liabilities of (a) the U.S. Borrower under or in connection with this Agreement (including, without limitation, the obligations under Section 10 hereof) and the other Loan Documents and (b) each Foreign Subsidiary Borrower under this Agreement and the other Loan Documents (including, without limitation, interest accruing at the then applicable rate provided in this Agreement or any other applicable Loan Document after the maturity of the Loans and interest accruing at the then applicable rate provided in this Agreement or any other applicable Loan Document after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the U.S. Borrower, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, this Agreement, the Notes, the other Loan Documents or any other document made, delivered or given in connection therewith, in each case whether on account of principal, interest, reimbursement obligations, fees, indemnities, costs, expenses or otherwise (including, without limitation, all fees and disbursements of counsel to the Administrative Agent or to the Lenders that are required to be paid by any Borrower pursuant to the terms of this Agreement or any other Loan Document).

"Other Lender": as defined in subsection 13.8(c).

"Other Revolving Credit Agreement": the Third Amended and Restated Credit and Guarantee Agreement, dated as of March 26, 2001, among the U.S. Borrower, certain of its Foreign Subsidiaries, the lenders parties thereto, Chase, as general administrative agent, and others, as the same may be amended, supplemented or otherwise modified from time to time, and any Refinancing Agreement in respect thereof.

"Participants": as defined in subsection 13.6(b).

"Participating Member State": any member state of the EMU which has the euro as its lawful currency.

"PBGC": the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA.

"Person": an individual, partnership, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

"Plan": at a particular time, any employee benefit plan which is covered by ERISA and in respect of which the U.S. Borrower or a Commonly Controlled Entity is (or, if such plan were terminated at such time, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Pledge Agreement": the Amended and Restated Pledge Agreement, to be executed and delivered by the U.S. Borrower and certain of its subsidiaries in favor of The Chase Manhattan Bank, as Agent, substantially in the form of Exhibit Q, as the same may be amended, supplemented or otherwise modified from time to time.

"Pledged Stock": as defined in the Pledge Agreement.

"Prepayment Proceeds": as defined in subsection 5.4(f).

"Property": each parcel of real property owned or operated by the U.S. Borrower and its Subsidiaries.

"Proprietary Rights": as defined in subsection 6.16.

"Public Indebtedness": Indebtedness issued in a public offering or Rule 144A transaction.

"Quotation Day": in respect of the determination of the Eurocurrency Rate for any Interest Period for Multicurrency Loans in any Available Foreign Currency, the day on which quotations would ordinarily be given by prime banks in the London interbank market (or, if such Available Foreign Currency is Pounds Sterling, in the Paris interbank market) for deposits in such Available Foreign Currency for delivery on the first day of such Interest Period; provided, that if quotations would ordinarily be given on more than one date, the Quotation Day for such Interest Period shall be the last of such dates. On the date hereof, the Quotation Day in respect of any Interest Period for any Available Foreign Currency (other than the euro) is customarily the last London Banking Day prior

to the beginning of such Interest Period which is (a) at least two London Banking Days prior to the beginning of such Interest Period and (b) a day on which banks are open for general banking business in the city which is the principal financial center of the country of issue of such Available Foreign Currency (and, in the case of Pounds Sterling, in Paris); and the Quotation Day in respect of any Interest Period for the euro is the day which is two Target Operating Days prior to the first day of such Interest Period.

"Receivable Financing Transaction": any transaction or series of transactions involving a sale for cash of accounts receivable, without recourse based upon the collectibility of the receivables sold, by the U.S. Borrower or any of its Subsidiaries to a Special Purpose Subsidiary and a subsequent sale or pledge of such accounts receivable (or an interest therein) by such Special Purpose Subsidiary, in each case without any guarantee by the U.S. Borrower or any of its Subsidiaries (other than the Special Purpose Subsidiary).

"Refinancing Agreement": with respect to the Other Revolving Credit Agreement, a successor agreement or indenture satisfying the following criteria: (a) such successor agreement or indenture refinances in whole or in part, and replaces or refinances the commitments under the Other Revolving Credit Agreement, (b) either (i) the covenants, representations and warranties and events of default set forth in such successor agreement shall be equivalent to the corresponding provisions set forth in the Other Revolving Credit Agreement, or (ii) to the extent such provisions are more restrictive on the Borrower and its Subsidiaries than the provisions of this Agreement, the U.S. Borrower shall, contemporaneously with entering into such Refinancing Agreement, enter into with the Administrative Agent an amendment to this Agreement reasonably satisfactory to the Administrative Agent pursuant to which such more restrictive provisions shall be incorporated herein (the Lenders hereby authorizing the Administrative Agent to enter into such amendment), (c) such successor agreement shall not be guaranteed by any Person other than the Subsidiary Guarantors pursuant to the Subsidiary Guarantee and, if applicable, the Borrower and shall not be secured except pursuant to the Security Documents and (d) the lenders under such successor agreement (or an agent for such lenders) shall have entered into an intercreditor agreement with the Administrative Agent, in form and substance reasonably satisfactory to the Administrative Agent, which shall, in any event, contain customary indemnities, liability limitations, exculpation provisions and other customary protective provisions in favor of the Administrative Agent, in its capacity as Agent under (and as defined in) the Subsidiary Guarantee and the Security Documents, substantially equivalent to those set forth in the corresponding provisions of the Other Revolving Credit Agreement.

"Refinancing Indebtedness": a collective reference to (x) any Indebtedness pursuant to a Refinancing Agreement and (y) with respect to the Senior Notes and the 2001 Eurobonds, Indebtedness refinancing the Senior Notes or the 2001 Eurobonds or any successor refinancings satisfying the following criteria: (a) such Refinancing Indebtedness refinances the aggregate outstanding principal balance of such Indebtedness being refinanced, (b) the covenants, representations and warranties and events of default set forth in the indenture or agreement relating to such Refinancing Indebtedness shall be equivalent to or no more restrictive in any material respect than the corresponding provisions set forth in the Senior Notes Indenture or the 2001 Eurobond Indenture, as the

case may be, and (c) the maturity date of such Refinancing Indebtedness shall not be earlier than the later of the Term Loan Maturity Date or the Revolving Credit Termination Date.

"Register": as defined in subsection 13.6(d).

"Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, escaping, leaking, dumping, disposing, spreading, depositing or dispersing of any Hazardous Materials in, unto or onto the environment.

"Reorganization": with respect to any Multiemployer Plan, the condition that such plan is in reorganization within the meaning of Section 4241 of ERISA.

"Reportable Event": any of the events set forth in Section 4043(c) of ERISA, other than those events as to which the thirty day notice period is waived under any of subsections .13, .14, .16, .18, .19 or .20 of PBGC Reg. ss. 4043 or any successor regulation thereto.

"Requested Multicurrency Loans": as defined in subsection 2.5(a).

"Requirement of Law": as to (a) any Person, the certificate of incorporation and by-laws or the partnership or limited partnership agreement or other organizational or governing documents of such Person, and any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject, and (b) any property, any law, treaty, rule, regulation, requirement, judgment, decree or determination of any Governmental Authority applicable to or binding upon such property or to which such property is subject, including, without limitation, any Environmental Laws.

"Responsible Officer": with respect to any Loan Party, the chief executive officer, the president, the chief financial officer, any vice president, the treasurer or the assistant treasurer of such Loan Party.

"Revolving Credit Commitment": as to any Lender at any time, its obligation to make Revolving Credit Loans to the U.S. Borrower in an aggregate amount not to exceed at any time outstanding the U.S. Dollar amount set forth opposite such Lender's name in Schedule I under the heading "Revolving Credit Commitment", as such amount may be reduced from time to time pursuant to subsection 2.4 and the other applicable provisions hereof.

"Revolving Credit Commitment Percentage": as to any Lender at any time, the percentage which such Lender's Revolving Credit Commitment then constitutes of the aggregate Revolving Credit Commitments of all Lenders (or, if the Revolving Credit Commitments have terminated or expired, the percentage which (a) the Aggregate Revolving Outstandings of such Lender at such time then constitutes of (b) the Aggregate Revolving Outstandings of all Lenders at such time).

"Revolving Credit Commitment Period": the period from and including the Closing Date to but not including the Revolving Credit Termination Date, or such earlier date on which the Revolving Credit Commitments shall terminate as provided herein.

"Revolving Credit Lender": each Lender having an amount greater than zero set forth under the heading "Revolving Credit Commitment" opposite its name on Schedule I.

"Revolving Credit Lenders": Lenders listed in Part A of Schedule I hereto.

"Revolving Credit Loan": as defined in subsection 2.1(a).

"Revolving Credit Loan Pricing Grid":

	Applicable Margin		
Leverage Ratio	Eurodollar/Eurocurrency Loans	ABR Loans	Facility Fee Rate
Less than 3.00:1.00 or equal to	1.30%	0.05%	0.45%
Less than 2.00:1.00 or equal to	1.15%.	0.00%	0.35%
Greater than 2.00:1.00	0.95%	0.00%	0.30%
Greater than 1.50:1.00 and either BBB- or Baa3	0.75%	0.00%	0.25%

Changes in the Applicable Margin or in the Facility Fee Rate resulting from changes in the Leverage Ratio shall become effective on the Adjustment Date and shall remain in effect until the next change to be effected pursuant to the definition of "Adjustment Date"; provided that if the financial statements and related compliance certificate for any fiscal period are not delivered by the date due pursuant to subsections 18.1 and 18.2(b), the Applicable Margin shall be (i) for the first five days subsequent to such due date, the Applicable Margin then in effect on the day prior to such due date, and (ii) thereafter, that set forth above opposite the Leverage Ratio greater than or equal to 3:00:1.00, in either case, until the subsequent Adjustment Date.

"Revolving Credit Note": as defined in subsection 2.2(e).

"Revolving Credit Termination Date": May 4, 2004.

"Revolving Outstandings Percentage": on any date with respect to any Lender, the percentage which the Adjusted Aggregate Revolving Outstandings of such Lender constitutes of the Adjusted Aggregate Revolving Outstandings of all Lenders.

"Securities Act": the Securities Act of 1933, as amended.

"Security Documents": the collective reference to the Pledge Agreement, the Subsidiary Guarantee and each other guarantee, security document or similar agreement

that may be delivered to the Administrative Agent as collateral security for any or all of the Obligations, in each case as amended, supplemented or otherwise modified from time to time, including, without limitation, to give effect to any Refinancing Agreement permitted hereunder.

"Senior Notes": the 7.96% Senior Notes due 2005 and the 8.11% Senior Notes due 2009 of the U.S. Borrower, each issued pursuant to the Senior Notes Indenture, and any Refinancing Indebtedness in respect thereof.

"Senior Notes Indenture": the Indenture, dated as of May 15, 1999, among the U.S. Borrower, as issuer, the subsidiary guarantors parties thereto and The Bank of New York, as trustee, as the same may be amended, supplemented or otherwise modified or replaced from time to time in accordance with the definition of "Refinancing Indebtedness".

"Single Employer Plan": any Plan which is covered by Title IV of ERISA, but which is not a Multiemployer Plan.

"S&P": Standard & Poor's Ratings Group or any successor thereto.

"Special Affiliate": any Affiliate of the U.S. Borrower (a) as to which the U.S. Borrower holds, directly or indirectly, (i) power to vote 20% or more of the securities having ordinary voting power for the election of directors of such Affiliate or (ii) a 20% ownership interest in such Affiliate and (b) which is engaged in business of the same or related general type as now being conducted by the U.S. Borrower and its Subsidiaries.

"Special Entity": any Person which is engaged in business of the same or related general type as now being conducted by the U.S. Borrower and its Subsidiaries.

"Special Purpose Subsidiary": any Wholly Owned Subsidiary of the U.S. Borrower created by the U.S. Borrower for the sole purpose of facilitating a Receivable Financing Transaction.

"Subordinated Debt": any obligations (for principal, interest or otherwise) evidenced by or arising under or in respect of the Subordinated Notes and the 9 1/2% Subordinated Notes.

"Subordinated Debt Indentures": the collective reference to the Subordinated Note Indenture and the 9 1/2% Subordinated Note Indenture.

"Subordinated Note Indenture": the Indenture, dated as of February 1, 1994, between the U.S. Borrower and State Street Bank and Trust Company (as successor to The First National Bank of Boston), as trustee, as the same may be amended, supplemented or otherwise modified from time to time in accordance with subsection 9.10.

"Subordinated Notes": the 8 1/4% Subordinated Notes of the U.S. Borrower due 2002, issued pursuant to the Subordinated Note Indenture.

"Subsequent Participant": any member state of the EMU that adopts the euro as its lawful currency after January 1, 1999.

"Subsidiary": as to any Person, a corporation, partnership or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly, through one or more intermediaries, or both, by such Person (exclusive of any Affiliate in which such Person has a minority ownership interest). Unless otherwise qualified, all references to a "Subsidiary" or to "Subsidiaries" in this Agreement shall refer to a Subsidiary or Subsidiaries of the U.S. Borrower.

"Subsidiary and Secured Indebtedness": the collective reference (without duplication) to (a) any Indebtedness of any Subsidiary, other than Indebtedness permitted by paragraphs (a) through (e) of subsection 9.2, (b) any Guarantee Obligation of any Subsidiary, other than Guarantee Obligations permitted by paragraphs (a) through (e) of subsection 9.4, (c) any Indebtedness or Guarantee Obligation of any Person that is secured by any Lien on any property, assets or revenues of the U.S. Borrower or any of its Subsidiaries, other than Liens permitted by paragraphs (a) through (n) of subsection 9.3. For purposes of clause (b) of the preceding sentence, the amount of any Guarantee Obligation shall be determined as set forth in the definition of "Guarantee Obligation" in this subsection 1.1; and for purposes of clause (c) of the preceding sentence, the amount of any Indebtedness or Guarantee Obligation that is secured by a Lien on any property, assets or revenues of the U.S. Borrower or any of its Subsidiaries shall equal the lesser of (x) the amount of any such Indebtedness or Guarantee Obligation and (y) the fair market value as of the date of determination of the property, assets or revenues subject to such Lien. At any time of determination, the amount of Subsidiary and Secured Indebtedness outstanding shall be determined without duplication of any other Subsidiary and Secured Indebtedness then outstanding.

"Subsidiary Guarantee": the Amended and Restated Subsidiary Guarantee, dated as of the date hereof, made by certain Subsidiaries of the U.S. Borrower in favor of the Administrative Agent, substantially in the form of Exhibit O, as the same may be amended, supplemented or otherwise modified from time to time.

"Subsidiary Guarantor": each Subsidiary that is a guarantor party to the Subsidiary Guarantee, so long as the Subsidiary Guarantee remains in effect.

"Syndication Agent": as defined in the preamble hereto.

"Target Operating Day": any day that is not (a) a Saturday or Sunday, (b) Christmas Day or New Year's Day or (c) any other day on which the Trans-European Real-time Gross Settlement Operating System (or any successor settlement system) is not operating (as determined by the Administrative Agent).

"Taxes": as defined in subsection 5.12(a).

"Term Loan": as defined in subsection 3.1(a).

"Term Loan Commitment": as to any Lender at any time, its obligation to make a Term Loan to the U.S. Borrower in a principal amount not to exceed the amount set forth opposite such Lender's name in Schedule I.

"Term Loan Lender": each Lender having a Term Loan Commitment or holding Term Loans.

"Term Loan Maturity Date": May 4, 2004.

"Term Loan Pricing Grid":

	Applicable Margin	
Leverage Ratio	Eurodollar/Eurocurrency Loans	ABR Loans
Less than or equal to 3.00:1.00	1.75%	0.50%
Less than or equal to 2.00:1.00	1.50%	0.35%
Greater than 2.00:1.00	1.25%	0.30%
Greater than 1.50:1.00 and either BBB- or Baa3	1.00%	0.25%

Changes in the Applicable Margin resulting from changes in the Leverage Ratio shall become effective on the Adjustment Date and shall remain in effect until the next change to be effected pursuant to the definition of "Adjustment Date"; provided that if the financial statements and related compliance certificate for any fiscal period are not delivered by the date due pursuant to subsections 8.1 and 8.2(b), the Applicable Margin shall be (i) for the first five days subsequent to such due date, the Applicable Margin then in effect on the day prior to such due date, and (ii) thereafter, that set forth above opposite the Leverage Ratio greater than or equal to 3:00:1.00, in either case, until the subsequent Adjustment Date.

"Term Note": as defined in subsection 3.2(e).

"Tranche": the collective reference to Revolving Credit Loans or Term Loans, as the case may be, that are Eurodollar Loans, or Multicurrency Loans, the then current Interest Periods with respect to all of which begin on the same date and end on the same later date (whether or not such Loans shall originally have been made on the same day).

"Transferee": as defined in subsection 13.6(f).

"Treaty on European Union": the Treaty of Rome of March 25, 1957, as amended by the Single European Act 1986 and the Maastricht Treaty (which was signed

at Maastricht on February 7, 1992, and came into force on November 1, 1993), as amended from time to time.

"2001 Eurobond Indenture": the Indenture, dated as of March 20, 2001, among the U.S. Borrower, as issuer, the guarantors party thereto from time to time, as guarantors, and The Bank of New York, as trustee, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the definition of "Refinancing Indebtedness."

"2001 Eurobonds": the 8-1/8% Senior Notes of the U.S. Borrower due 2008 issued pursuant to the 2001 Eurobond Indenture, and any Refinancing Indebtedness in respect thereof.

"Type": as to any Revolving Credit Loan or Term Loan, as the case may be, its nature as an ABR Loan or a Eurodollar Loan.

"U.S. Borrower": as defined in the preamble hereto.

"U.S. Dollar Equivalent": with respect to an amount denominated in any currency other than U.S. Dollars, the equivalent in U.S. Dollars of such amount determined at the Exchange Rate on the date of determination of such equivalent. In making any determination of the U.S. Dollar Equivalent for purposes of calculating the amount of Loans to be borrowed from the respective Lenders on any Borrowing Date, the Administrative Agent shall use the relevant Exchange Rate in effect on the date on which the relevant Borrower delivers a borrowing notice for such Loans pursuant to the provisions of this Agreement and the other Loan Documents.

"U.S. Prime Rate": the rate of interest per annum publicly announced from time to time by the Administrative Agent as its prime rate in effect at its principal office in New York City. The U.S. Prime Rate is not intended to be the lowest rate of interest charged by the Administrative Agent in connection with extensions of credit to borrowers.

"U.S. Reference Lenders": Chase and The Bank of Nova Scotia.

"UT Automotive Acquisition": the acquisition by the U.S. Borrower (or a Subsidiary as its designee) of the Capital Stock of Lear Corporation Automotive Holdings, a Delaware corporation formerly known as UT Automotive, Inc., and certain related entities, pursuant to the UT Automotive Acquisition Agreement.

"UT Automotive Acquisition Agreement": the Stock Purchase Agreement, dated as of March 16, 1999, between Nevada Bond Investment Corp. II, a Nevada corporation, as Seller, and the U.S. Borrower (or a Subsidiary as its designee), as Buyer, as amended, supplemented or otherwise modified, and certain related agreements.

"Wholly Owned Subsidiary": as to any Person, a corporation, partnership or other entity of which (a) 100% of the common Capital Stock or other ownership interests of such corporation, partnership or other entity or (b) more than 95% of the common Capital Stock or other ownership interests of such corporation, partnership or other entity

where the portion of the common Capital Stock or other ownership interests not held by such Person is held by other Persons to satisfy applicable legal requirements, is owned, directly or indirectly, by such Person; provided, however, that so long as the U.S. Borrower owns, directly or indirectly, more than 95% of the Capital Stock of Lear Italia, Lear Italia shall be deemed a Wholly Owned Subsidiary of the U.S. Borrower.

1.2 Other Definitional Provisions. (a) Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings when used in the Notes, the other Loan Documents or any certificate or other document made or delivered pursuant hereto.

(b) As used herein and in the Notes and any other Loan Document, and any certificate or other document made or delivered pursuant hereto or thereto, accounting terms relating to the U.S. Borrower and its Subsidiaries not defined in subsection 1.1 and accounting terms partly defined in subsection 1.1, to the extent not defined, shall have the respective meanings given to them under GAAP.

(c) The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section, subsection, Schedule and Exhibit references are to this Agreement unless otherwise specified.

(d) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

SECTION 2. AMOUNT AND TERMS OF REVOLVING CREDIT COMMITMENTS

2.1 Revolving Credit Commitments. (a) Subject to the terms and conditions hereof, each Lender severally agrees to make revolving credit loans (each, a "Revolving Credit Loan") in U.S. Dollars to the U.S. Borrower from time to time during the Revolving Credit Commitment Period so long as after giving effect thereto (i) the Available Revolving Credit Commitment of each Lender is greater than or equal to zero and (ii) the Aggregate Revolving Outstandings of all Revolving Credit Lenders do not exceed the Aggregate Revolving Credit Commitments. During the Revolving Credit Commitment Period the U.S. Borrower may use the Revolving Credit Commitments by borrowing, prepaying the Revolving Credit Loans in whole or in part, and reborrowing, all in accordance with the terms and conditions hereof.

(b) The Revolving Credit Loans may from time to time be (i) Eurodollar Loans, (ii) ABR Loans or (iii) a combination thereof, as determined by the U.S. Borrower and notified to the Administrative Agent in accordance with subsections 2.3 and 5.2, provided that no Revolving Credit Loan shall be made as a Eurodollar Loan after the day that is one month prior to the Revolving Credit Termination Date.

(c) Revolving Credit Loans outstanding under (and as defined in) the Existing Credit Agreement as of the Closing Date shall, from and after the Closing Date, constitute Revolving Credit Loans hereunder.

2.2 Repayment of Revolving Credit Loans; Evidence of Debt. (a) The U.S. Borrower hereby unconditionally promises to pay to the Administrative Agent for the account of

each Lender the then unpaid principal amount of each Revolving Credit Loan of such Lender (whether made before or after the termination or expiration of the Revolving Credit Commitments) on the Revolving Credit Termination Date and on such other date(s) and in such other amounts as may be required from time to time pursuant to this Agreement. The U.S. Borrower hereby further agrees to pay interest on the unpaid principal amount of the Revolving Credit Loans from time to time outstanding until payment thereof in full at the rates per annum, and on the dates, set forth in subsection 5.1.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing indebtedness of the U.S. Borrower to such Lender resulting from each Revolving Credit Loan of such Lender from time to time, including the amounts of principal and interest payable thereon and paid to such Lender from time to time under this Agreement.

(c) The Administrative Agent shall maintain the Register pursuant to subsection 13.6(d), and a subaccount therein for each Lender, in which shall be recorded (i) the date and amount of each Revolving Credit Loan made hereunder, the Type thereof and each Interest Period applicable thereto, (ii) the date of each continuation thereof pursuant to subsection 5.2, (iii) the date of each conversion of all or a portion thereof to another Type pursuant to subsection 5.2, (iv) the date and amount of any principal or interest due and payable or to become due and payable from the U.S. Borrower to each Lender hereunder in respect of the Revolving Credit Loans and (v) both the date and amount of any sum received by the Administrative Agent hereunder from the U.S. Borrower in respect of the Revolving Credit Loans and each Lender's share thereof.

(d) The entries made in the Register and the accounts of each Lender maintained pursuant to subsection 2.2(b) shall, to the extent permitted by applicable law, be prima facie evidence of the existence and amounts of the obligations of the U.S. Borrower therein recorded; provided, however, that the failure of any Lender or the Administrative Agent to maintain the Register or any such account, or any error therein, shall not in any manner affect the obligations of the U.S. Borrower to repay (with applicable interest) the Revolving Credit Loans made to the U.S. Borrower by such Lender in accordance with the terms of this Agreement.

(e) The U.S. Borrower agrees that, upon the request to the Administrative Agent by any Lender, the U.S. Borrower will execute and deliver to such Lender a promissory note of the U.S. Borrower evidencing the Revolving Credit Loans of such Lender, substantially in the form of Exhibit A with appropriate insertions as to date and principal amount (each, a "Revolving Credit Note"); provided, that the delivery of such Revolving Credit Notes shall not be a condition precedent to the Closing Date.

2.3 Procedure for Revolving Credit Borrowing. The U.S. Borrower may borrow under the Revolving Credit Commitments during the Revolving Credit Commitment Period on any Business Day, provided that the U.S. Borrower shall give the Administrative Agent irrevocable notice (which notice must be received by the Administrative Agent prior to 12:00 Noon, New York City time, (a) at least three Business Days prior to the requested Borrowing Date, if all or any part of the requested Revolving Credit Loans are to be initially Eurodollar Loans, or (b) one Business Day prior to the requested Borrowing Date, otherwise),

specifying in each case (i) the amount to be borrowed, (ii) the requested Borrowing Date, (iii) whether the borrowing is to be of Eurodollar Loans, ABR Loans or a combination thereof and (iv) if the borrowing is to be entirely or partly of Eurodollar Loans, the amount of such Type of Loan and the length of the initial Interest Period therefor. Each borrowing under the Revolving Credit Commitments (other than a borrowing under subsection 2.5) shall be in an amount equal to (A) in the case of ABR Loans, $10,000,000 or a whole multiple of $1,000,000 in excess thereof (or, if the then Aggregate Available Revolving Credit Commitments are less than $10,000,000, such lesser amount) and (B) in the case of Eurodollar Loans, $10,000,000 or a whole multiple of $1,000,000 in excess thereof. Upon receipt of any such notice from the U.S. Borrower, the Administrative Agent shall promptly notify each Lender thereof. Not later than 12:00 Noon, New York City time, on each requested Borrowing Date each Lender shall make an amount equal to its Funding Commitment Percentage of the principal amount of the Revolving Credit Loans requested to be made on such Borrowing Date available to the Administrative Agent at its office specified in subsection 13.2 in U.S. Dollars and in immediately available funds. Except as otherwise provided in subsection 2.5, the Administrative Agent shall on such date credit the account of the U.S. Borrower on the books of such office with the aggregate of the amounts made available to the Administrative Agent by the Lenders and in like funds as received by the Administrative Agent.

2.4 Termination or Reduction of Revolving Credit Commitments. The U.S. Borrower shall have the right, upon not less than five Business Days' notice to the Administrative Agent, to terminate the Revolving Credit Commitments or, from time to time, to reduce the amount of the Revolving Credit Commitments; provided that no such termination or reduction shall be permitted if, after giving effect thereto and to any prepayments of the Loans made on the effective date thereof, the Available Revolving Credit Commitment or Available Multicurrency Commitment of any Lender would not be greater than or equal to zero. Any such reduction shall be in an amount equal to $2,500,000 or a whole multiple of $500,000 in excess thereof and shall reduce permanently the Revolving Credit Commitments then in effect.

2.5 Borrowings of Revolving Credit Loans and Refunding of Loans. (a) If on any Borrowing Date on which a Borrower has requested the Multicurrency Lenders to make Multicurrency Loans (the "Requested Multicurrency Loans"), (i) the principal amount of the Requested Multicurrency Loans to be made by any Multicurrency Lender exceeds the Available Multicurrency Commitment of such Multicurrency Lender on such Borrowing Date (before giving effect to the making and payment of any Loans required to be made pursuant to this subsection 2.5 on such Borrowing Date) and (ii) the U.S. Dollar Equivalent of the amount of such excess is less than or equal to the Aggregate Available Revolving Credit Commitments of all Non-Multicurrency Lenders (before giving effect to the making and payment of any Loans pursuant to this subsection 2.5 on such Borrowing Date), each Non-Multicurrency Lender shall make a Revolving Credit Loan to the U.S. Borrower on such Borrowing Date, and the proceeds of such Revolving Credit Loans shall be simultaneously applied to repay outstanding Revolving Credit Loans and/or Multicurrency Loans of the Multicurrency Lenders (as directed by the U.S. Borrower) in each case in amounts such that, after giving effect to (1) such borrowings and repayments and (2) the borrowing from the Multicurrency Lenders of the Requested Multicurrency Loans, the Revolving Outstandings Percentage of each Lender will equal (as nearly as possible) its Revolving Credit Commitment Percentage. To effect such borrowings and repayments, (x) not later than 12:00 Noon, New York City time, on such Borrowing Date, the proceeds of such Revolving Credit Loans shall be made available by each Non-Multicurrency

Lender to the Administrative Agent at its office specified in subsection 13.2 in U.S. Dollars and in immediately available funds and the Administrative Agent shall apply the proceeds of such Revolving Credit Loans toward repayment of outstanding Revolving Credit Loans and/or Multicurrency Loans of the Multicurrency Lenders (as directed by the U.S. Borrower) and (y) concurrently with the repayment of such Loans on such Borrowing Date, (I) the Multicurrency Lenders shall, in accordance with the applicable provisions hereof, make the Requested Multicurrency Loans in an aggregate amount equal to the amount so requested by such Borrower (but not in any event greater than the Aggregate Available Multicurrency Commitments after giving effect to the making of such repayment of any Loans on such Borrowing Date) and (II) the relevant Borrower shall pay to the Administrative Agent for the account of the Lenders whose Loans to such Borrower are repaid on such Borrowing Date pursuant to this subsection 2.5 all interest accrued on the amounts repaid to the date of repayment, together with any amounts payable pursuant to subsection 5.11 in connection with such repayment.

(b) If any borrowing of Revolving Credit Loans is required pursuant to this subsection 2.5, the U.S. Borrower shall notify the Administrative Agent in the manner provided for Revolving Credit Loans in subsection 2.3, except that the minimum borrowing amounts and threshold multiples in excess thereof applicable to ABR Loans set forth in subsection 2.3 shall not be applicable to the extent that such minimum borrowing amounts exceed the amounts of Revolving Credit Loans required to be made pursuant to this subsection 2.5.

SECTION 3. AMOUNT AND TERMS OF TERM LOAN COMMITMENTS

3.1 Term Loan Commitments. (a) Each Lender made a term loan (each, a "Term Loan") to the U.S. Borrower on the Closing Date (as defined in the Existing Credit Agreement) in U.S. Dollars.

(b) The Term Loans may from time to time be (i) Eurodollar Loans, (ii) ABR Loans or (iii) a combination thereof, as determined by the Borrower and notified to the Administrative Agent in accordance with subsection 5.2.

(c) Term Loans outstanding under (and as defined in) the Existing Credit Agreement as of the Closing Date shall, from and after the Closing Date, constitute Terms Loans hereunder.

3.2 Repayment of Term Loans; Evidence of Debt. (a) The U.S. Borrower hereby unconditionally promises to pay to the Administrative Agent for the account of each Lender the then unpaid principal amount of the Term Loan of such Lender in installments payable on the dates set forth below, with each such installment being in the aggregate principal amount for all Term Loan Lenders set forth opposite such date below (and on such other date(s) and in such other amounts as may be required from time to time pursuant to this Agreement).

Installment Date	Aggregate Principal Amount
October 31, 2000	$50,000,000
April 30, 2001	$50,000,000
October 31, 2001	$50,000,000
April 30, 2002	$50,000,000

October 31, 2002	$75,000,000
April 30, 2003	$75,000,000
October 31, 2003	$75,000,000
April 30, 2004	$75,000,000

The U.S. Borrower hereby further agrees to pay interest on the unpaid principal amount of the Term Loans from time to time outstanding until payment thereof in full at the rates per annum, and on the dates, set forth in subsection 5.1.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing indebtedness of the U.S. Borrower to such Lender resulting from the Term Loan of such Lender from time to time, including the amounts of principal and interest payable thereon and paid to such Lender from time to time under this Agreement.

(c) The Administrative Agent shall maintain the Register pursuant to subsection 13.6(d), and a subaccount therein for each Lender, in which shall be recorded (i) the date and amount of the Term Loan of each Lender made hereunder, the Type thereof and each Interest Period applicable thereto, (ii) the date of each continuation thereof pursuant to subsection 5.2, (iii) the date of each conversion of all or a portion thereof to another Type pursuant to subsection 5.2, (iv) the date and amount of any principal or interest due and payable or to become due and payable from the U.S. Borrower to each Lender hereunder in respect of the Term Loans and (v) both the date and amount of any sum received by the Administrative Agent hereunder from the U.S. Borrower in respect of the Term Loans and each Lender's share thereof.

(d) The entries made in the Register and the accounts of each Lender maintained pursuant to subsection 3.2(b) shall, to the extent permitted by applicable law, be prima facie evidence of the existence and amounts of the obligations of the U.S. Borrower therein recorded; provided, however, that the failure of any Lender or the Administrative Agent to maintain the Register or any such account, or any error therein, shall not in any manner affect the obligations of the U.S. Borrower to repay (with applicable interest) the Term Loan made to the U.S. Borrower by such Lender in accordance with the terms of this Agreement.

(e) The U.S. Borrower agrees that, upon the request to the Administrative Agent by any Lender, the U.S. Borrower will execute and deliver to such Lender a promissory note of the U.S. Borrower evidencing the Term Loan of such Lender, substantially in the form of Exhibit B with appropriate insertions as to date and principal amount (each, a "Term Note"); provided, that the delivery of such Term Notes shall not be a condition precedent to the Closing Date.

SECTION 4. AMOUNT AND TERMS OF MULTICURRENCY COMMITMENT

4.1 Multicurrency Commitments. (a) Subject to the terms and conditions hereof, each Multicurrency Lender severally agrees to make revolving credit loans (each, a "Multicurrency Loan") in any Available Foreign Currency to the U.S. Borrower or any Foreign Subsidiary Borrower from time to time during the Revolving Credit Commitment Period so long as after giving effect thereto (i) the Available Multicurrency Commitment of such Multicurrency Lender is greater than or equal to zero, (ii) the aggregate outstanding principal amount of

Multicurrency Loans does not exceed an amount of which the U.S. Dollar Equivalent is $165,000,000 and (iii) the Aggregate Revolving Outstandings of all Lenders do not exceed the Aggregate Revolving Credit Commitments. During the Revolving Credit Commitment Period, the U.S. Borrower and Foreign Subsidiary Borrowers may use the Multicurrency Commitments by borrowing, repaying the Multicurrency Loans in whole or in part, and reborrowing, all in accordance with the terms and conditions hereof.

(b) All Multicurrency Loans outstanding under (and as defined in) the Existing Credit Agreement as of the Closing Date shall, from and after the Closing Date, constitute Multicurrency Loans hereunder.

4.2 Repayment of Multicurrency Loans; Evidence of Debt. (a) Each of the U.S. Borrower and each Foreign Subsidiary Borrower hereby unconditionally promises to pay to the Administrative Agent for the account of each Multicurrency Lender the then unpaid principal amount of each Multicurrency Loan of such Multicurrency Lender to such Borrower on the Revolving Credit Termination Date and on such other date(s) and in such other amounts as may be required from time to time pursuant to this Agreement. Each of the U.S. Borrower and each Foreign Subsidiary Borrower hereby further agrees to pay interest on the unpaid principal amount of the Multicurrency Loans advanced to it and from time to time outstanding until payment thereof in full at the rates per annum, and on the dates, set forth in subsection 5.1.

(b) Each Multicurrency Lender shall maintain in accordance with its usual practice an account or accounts evidencing indebtedness of each Borrower to such Multicurrency Lender resulting from each Multicurrency Loan of such Multicurrency Lender from time to time, including the amounts of principal and interest payable thereon and paid to such Multicurrency Lender from time to time under this Agreement.

(c) The Administrative Agent shall maintain the Register pursuant to subsection 13.6(d), and a subaccount therein for each Multicurrency Lender, in which shall be recorded (i) the date and amount of each Multicurrency Loan made hereunder, (ii) the date and amount of any principal or interest due and payable or to become due and payable from each Borrower to each Multicurrency Lender hereunder in respect of the Multicurrency Loans and (iii) both the date and amount of any sum received by the Administrative Agent hereunder from each Borrower in respect of the Multicurrency Loans and each Multicurrency Lender's share thereof.

(d) The entries made in the Register and the accounts of each Multicurrency Lender maintained pursuant to subsection 4.2(b) shall, to the extent permitted by applicable law, be prima facie evidence of the existence and amounts of the obligations of each Borrower therein recorded; provided, however, that the failure of any Multicurrency Lender or the Administrative Agent to maintain the Register or any such account, or any error therein, shall not in any manner affect the obligation of such Borrower to repay (with applicable interest) the Multicurrency Loans made to such Borrower by such Multicurrency Lender in accordance with the terms of this Agreement.

4.3 Procedure for Multicurrency Borrowing. The U.S. Borrower or any Foreign Subsidiary Borrower may request the Multicurrency Lenders to make Multicurrency Loans during the Revolving Credit Commitment Period on any Business Day by delivering a

Notice of Multicurrency Loan Borrowing. Each borrowing under the Multicurrency Commitments shall be in an amount in an Available Foreign Currency of which the U.S. Dollar Equivalent is equal to at least $10,000,000 (or, if the then Aggregate Available Multicurrency Commitments are less than $10,000,000, such lesser amount). Upon receipt of any such Notice of Multicurrency Borrowing from any Borrower, the Administrative Agent shall promptly notify each Multicurrency Lender thereof. Not later than the funding time for the relevant Available Foreign Currency set forth in the Administrative Schedule each Multicurrency Lender shall make an amount equal to its Multicurrency Commitment Percentage of the principal amount of Multicurrency Loans requested to be made on such Borrowing Date available to the Administrative Agent at the funding office for the relevant Available Foreign Currency set forth in the Administrative Schedule in the relevant Available Foreign Currency and in immediately available funds. The amounts made available by each Multicurrency Lender will then be made available on such Borrowing Date to the relevant Borrower at the funding office for the relevant Available Foreign Currency set forth in the Administrative Schedule and in like funds as received by the Administrative Agent.

4.4 Termination or Reduction of Multicurrency Commitments. The U.S. Borrower shall have the right, upon not less than three Business Days' notice to the Administrative Agent, to terminate the Multicurrency Commitments or, from time to time, to reduce the amount of the Multicurrency Commitments; provided that no such termination or reduction shall be permitted if, after giving effect thereto and to any prepayments of the Loans made on the effective date thereof, the Available Multicurrency Commitment of any Multicurrency Lender would be less than zero. Any such reduction shall be in an amount equal to $10,000,000 or a whole multiple of $1,000,000 in excess thereof and shall reduce permanently the Multicurrency Commitments then in effect.

4.5 Redenomination and Alternative Currencies. Each obligation under this Agreement of a party to this Agreement which has been denominated in the National Currency Unit of a Subsequent Participant state shall be redenominated into the euro unit in accordance with EMU Legislation immediately upon such Subsequent Participant becoming a Participating Member State (but otherwise in accordance with EMU Legislation).

SECTION 5. GENERAL PROVISIONS APPLICABLE TO LOANS

5.1 Interest Rates and Payment Dates. (a) Each Eurodollar Loan shall bear interest for each day during each Interest Period with respect thereto at a rate per annum equal to the Eurodollar Rate determined for such Interest Period plus the Applicable Margin in effect for such day.

(b) Each ABR Loan shall bear interest for each day on which it is outstanding at a rate per annum equal to the Alternate Base Rate for such day.

(c) Each Multicurrency Loan shall bear interest for each day during each Interest Period with respect thereto at a rate per annum equal to the Eurocurrency Rate determined for such Interest Period plus the Applicable Margin in effect for such day.

(d) If all or a portion of (i) the principal amount of any Loan, (ii) any interest payable thereon or (iii) any fee or other amount payable hereunder shall not be paid when due

(whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest at a rate per annum equal to the rate that would otherwise be applicable thereto pursuant to the foregoing provisions of this subsection plus 2%.

(e) Interest shall be payable in arrears on each Interest Payment Date, provided that interest accruing pursuant to paragraph (d) of this subsection shall be payable from time to time on demand.

5.2 Conversion and Continuation Options. (a) The U.S. Borrower may elect from time to time to convert outstanding Eurodollar Loans (in whole or in part) to ABR Loans by giving the Administrative Agent prior to 12:00 Noon, New York City time at least one Business Day's prior irrevocable notice of such election, provided that any such conversion of Eurodollar Loans may only be made on the last day of an Interest Period with respect thereto unless the U.S. Borrower shall agree to pay the costs associated therewith as set forth in subsection 5.11(d). The U.S. Borrower may elect from time to time to convert outstanding ABR Loans made to it (in whole or in part) to Eurodollar Loans by giving the Administrative Agent prior to 12:00 Noon, New York City time at least three Business Days' prior irrevocable notice of such election. Any such notice of conversion to Eurodollar Loans shall specify the length of the initial Interest Period or Interest Periods therefor. Upon receipt of any such notice the Administrative Agent shall promptly notify each Lender thereof. All or any part of outstanding Eurodollar Loans and ABR Loans may be converted as provided herein, provided that (i) no ABR Loan may be converted into a Eurodollar Loan when any Default or Event of Default has occurred and is continuing and the Administrative Agent or the Majority Revolving Credit Lenders (in the case of Revolving Credit Loans) or the Majority Term Loan Lenders (in the case of Term Loans) have determined that such conversion is not appropriate, (ii) any such conversion may only be made if, after giving effect thereto, subsection 5.3 shall not have been violated, (iii) no ABR Loan may be converted into a Eurodollar Loan after the date that is one month prior to the Revolving Credit Termination Date (in the case of Revolving Credit Loans) or Term Loan Maturity Date (in the case of Term Loans).

(b) Any Eurodollar Loans may be continued as such upon the expiration of the then current Interest Period with respect thereto by the U.S. Borrower giving notice to the Administrative Agent of the length of the next Interest Period to be applicable to such Loans determined in accordance with the applicable provisions of the term "Interest Period" set forth in subsection 1.1, provided that no Eurodollar Loan may be continued as such (i) when any Default or Event of Default has occurred and is continuing and the Administrative Agent or the Majority Revolving Credit Lenders (in the case of Revolving Credit Loans) or the Majority Term Loan Lenders (in the case of Term Loans) have determined that such continuation is not appropriate, (ii) if, after giving effect thereto, subsection 5.3 would be contravened or (iii) after the date that is one month prior to the Revolving Credit Termination Date (in the case of Revolving Credit Loans) or the Term Loan Maturity Date (in the case of Term Loans), and provided, further, that if the U.S. Borrower shall fail to give such notice or if such continuation is not permitted pursuant to the preceding proviso such Eurodollar Loans shall be automatically converted to ABR Loans on the last day of such then expiring Interest Period.

(c) Any Multicurrency Loans may be continued as such upon the expiration of the then current Interest Period with respect thereto by the U.S. Borrower or the relevant Foreign Subsidiary Borrower giving a Notice of Multicurrency Loan Continuation, provided,

that if the relevant Foreign Subsidiary Borrower shall fail to give such Notice of Multicurrency Loan Continuation, such Multicurrency Loans shall automatically be continued for an Interest Period of one month.

5.3 Minimum Amounts of Tranches. All borrowings, conversions and continuations of Revolving Credit Loans and Multicurrency Loans hereunder and all selections of Interest Periods hereunder shall be in such amounts and be made pursuant to such elections so that, after giving effect thereto, (a) the aggregate principal amount of the Eurodollar Loans comprising each Tranche shall be equal to $10,000,000 or a whole multiple of $1,000,000 in excess thereof, (b) the aggregate principal amount of the Multicurrency Loans comprising each Tranche shall be in an amount of which the U.S. Dollar Equivalent is at least $2,500,000 (determined at the time of borrowing or continuation) and (c) there shall not be more than 25 Tranches at any one time outstanding.

5.4 Optional and Mandatory Prepayments. (a) The U.S. Borrower may at any time and from time to time prepay Revolving Credit Loans and/or Term Loans in whole or in part without premium or penalty upon at least three Business Days' irrevocable notice to the Administrative Agent (in the case of Eurodollar Loans) and at least one Business Day's irrevocable notice to the Administrative Agent (in the case of ABR Loans) specifying the date and amount of prepayment and whether the prepayment of Revolving Credit Loans or Term Loans is of Eurodollar Loans, ABR Loans or a combination thereof, and, if a combination thereof, the amount allocable to each. Upon the receipt of any such notice the Administrative Agent shall promptly notify each Revolving Credit Lender or Term Loan Lender, as the case may be, thereof. If any such notice is given, the amount specified in such notice shall be due and payable on the date specified therein. Partial prepayments of the Revolving Credit Loans or Term Loans, as the case may be, shall be in an aggregate principal amount of $10,000,000 or a whole multiple of $1,000,000 in excess thereof (or in such lower amount as may be then outstanding).

(b) The U.S. Borrower and Foreign Subsidiary Borrowers may at any time and from time to time prepay, without premium or penalty, the Multicurrency Loans, in whole or in part, upon at least three Business Days' irrevocable notice to the Administrative Agent specifying the date and amount of prepayment. Upon the receipt of any such notice, the Administrative Agent shall promptly notify each Multicurrency Lender thereof. If any such notice is given, the amount specified in such notice shall be due and payable on the date specified therein. Partial prepayments of Multicurrency Loans shall be in an aggregate principal amount of which the U.S. Dollar Equivalent is at least $10,000,000 or a whole multiple of $1,000,000 in excess thereof.

(c) If, at any time during the Revolving Credit Commitment Period, for any reason the Aggregate Revolving Outstandings of all Lenders exceed the Aggregate Revolving Credit Commitments then in effect by more than 5%, or the Aggregate Revolving Outstandings of any Lender exceeds the Revolving Credit Commitment of such Lender then in effect by more than 5%, (i) the U.S. Borrower shall, upon learning thereof or upon the request of the Administrative Agent, immediately prepay the Revolving Credit Loans and/or (ii) the Foreign Subsidiary Borrowers shall, upon learning thereof or upon the request of the Administrative Agent, immediately prepay the Multicurrency Loans in an aggregate principal amount at least sufficient to reduce any such excess to 0%.

(d) Each prepayment of Loans pursuant to this subsection 5.4 (except in the case of Revolving Credit Loans that are ABR Loans) shall be accompanied by accrued and unpaid interest on the amount prepaid to the date of prepayment and any amounts payable under subsection 5.11 in connection with such prepayment.

(e) Notwithstanding the foregoing, mandatory prepayments of Revolving Credit Loans or Multicurrency Loans that would otherwise be required pursuant to this subsection 5.4 solely as a result of fluctuations in Exchange Rates from time to time shall only be required to be made pursuant to this subsection 5.4 on the last Business Day of each month on the basis of the Exchange Rate in effect on such Business Day.

(f) If any Public Indebtedness shall be incurred by the U.S. Borrower or any of its Subsidiaries after the date hereof (excluding any Refinancing Indebtedness and any Public Indebtedness of a Foreign Subsidiary which is not guaranteed by the U.S. Borrower or any Domestic Subsidiary, but including the 2001 Eurobonds, whether or not issued prior to the date hereof), which is guaranteed by any Subsidiary of the U.S. Borrower, in an aggregate amount exceeding the U.S. Dollar Equivalent of $600,000,000 (any such net cash proceeds in excess of such amount, "Prepayment Proceeds"), an amount equal to the Applicable Portion of all Prepayment Proceeds shall be applied on the Business Day immediately following the date of such incurrence toward the reduction of the Commitments as set forth in subsection 5.4(g) (or, if no Commitments then exist, the respective outstanding Loans and other Extensions of Credit hereunder). The "Applicable Portion" of the amount of any net cash proceeds received by the U.S. Borrower or any of its Subsidiaries on any date constituting Prepayment Proceeds shall be the product of (i) the amount of such net cash proceeds minus the aggregate amount of voluntary reductions of the Aggregate Revolving Credit Commitments and Term Loans hereunder and the U.S. Revolving Credit Commitments (as defined in the Other Revolving Credit Agreement) prior to such date, but only to the extent the amount of such voluntary reduction has not been taken into account in the calculation under this Agreement of the Applicable Portion of the net cash proceeds received on any prior date (it being understood that such voluntary reductions shall also include the failure, in whole or in part, to renew or refinance the Other Revolving Credit Agreement) multiplied by (ii) a fraction, the numerator of which is the Aggregate Revolving Credit Commitments plus the aggregate outstanding principal amount of Term Loans and the denominator of which is the Aggregate Revolving Credit Commitments plus the aggregate outstanding principal amount of Term Loans and the aggregate amount of the U.S. Revolving Credit Commitments (as defined in the Other Revolving Credit Agreement or, if no Commitments then exist, the respective outstanding Loans and other Extensions of Credit thereunder or the aggregate outstanding principal amount of notes, as the case may be).

(g) Amounts to be applied in connection with prepayments and Commitment reductions made pursuant to Section 5.4(f) shall be applied, first, to the prepayment of the Term Loans and, second, to reduce permanently the Commitments ratably among the Revolving Credit Commitments and the Multicurrency Commitments; provided that the first $200,000,000 to be applied hereunder shall first be applied to reduce permanently the Revolving Credit Commitments (and to the extent that such reduction would cause the Multicurrency Commitment of any Lender to exceed its Revolving Credit Commitment, such Lender's Multicurrency Commitment shall be reduced by such excess amount and the aggregate Multicurrency Commitments shall be reduced by the sum of such excess amounts. Any such reduction of the Revolving Credit Commitments shall be accompanied by prepayment of the Revolving Credit

Loans to the extent, if any, that the total Revolving Credit Loans exceed the amount of the total Revolving Credit Commitments as so reduced. Any such reduction of the Multicurrency Commitments shall be accompanied by prepayment of the Multicurrency Loans to the extent, if any, that the total Multicurrency Loans exceed the amount of the total Multicurrency Commitments as so reduced. Each prepayment of the Loans under this Section (except in the case of Revolving Credit Loans that are ABR Loans) shall be accompanied by accrued interest to the date of such prepayment on the amount prepaid.

5.5 Facility Fees; Other Fees. (a) The U.S. Borrower agrees to pay to the Administrative Agent for the account of each Lender, a facility fee for the period from and including the Closing Date to but excluding the Revolving Credit Termination Date (or such earlier date on which the Revolving Credit Commitments shall terminate as provided herein); each such facility fee shall be computed at the Facility Fee Rate on the amount of the Revolving Credit Commitment of such Lender during the period for which payment is made, payable quarterly in arrears on the last day of each March, June, September and December and on the Revolving Credit Termination Date or such earlier date on which the Revolving Credit Commitments shall terminate as provided herein, commencing on the first such date to occur after the date hereof.

(b) The U.S. Borrower shall pay (without duplication of any other fee payable under this subsection 5.5) to Chase and JP Morgan, for their respective accounts, all fees separately agreed to by the U.S. Borrower and Chase or JP Morgan, as the case may be.

(c) The U.S. Borrower shall (without duplication of any other fee payable under this subsection 5.5) pay to the Administrative Agent all fees separately agreed to by the U.S. Borrower and the Administrative Agent.

5.6 Computation of Interest and Fees. (a) Interest based on the Eurodollar Rate, the Eurocurrency Rate or the Alternate Base Rate when it is based upon the Federal Funds Effective Rate shall be calculated on the basis of a 360-day year for the actual days elapsed; and facility fees and interest (other than interest based upon the Eurodollar Rate, the Eurocurrency Rate or the Alternative Base Rate when it is based upon the Federal Funds Effective Rate) shall be calculated on the basis of a 365- (or 366-, as the case may be) day year for the actual days elapsed. The Administrative Agent shall as soon as practicable notify the U.S. Borrower and the Lenders of each determination of a Eurodollar Rate or Eurocurrency Rate. Any change in the interest rate on a Loan resulting from a change in the Alternate Base Rate or a change in the Prime Rate shall become effective as of the opening of business on the day on which such change becomes effective. The Administrative Agent shall as soon as practicable notify the U.S. Borrower and the Lenders of the effective date and the amount of each such change in the Alternate Base Rate, provided that a failure by the Administrative Agent to notify the U.S. Borrower of such rate changes does not affect the obligation of the U.S. Borrower to pay interest at the applicable rate as changed. The rates of interest specified in this Agreement are nominal rates and all interest payments and computations are to be made without allowance or deduction for deemed reinvestment of interest.

(b) Each determination of an interest rate by the Administrative Agent pursuant to any provision of this Agreement shall be conclusive and binding on the Borrowers and the Lenders in the absence of manifest error. The Administrative Agent shall, at the request

of a Borrower, deliver to such Borrower a statement showing in reasonable detail the calculations used by such Administrative Agent in determining any interest rate pursuant to subsection 5.1(a).

(c) If any U.S. Reference Lender shall for any reason no longer have a Revolving Credit Commitment or any Revolving Credit Loans or Term Loans, such U.S. Reference Lender shall thereupon cease to be a U.S. Reference Lender, and if, as a result, there shall only be one U.S. Reference Lender remaining, the Administrative Agent, with the consent of the U.S. Borrower (after consultation with Lenders) shall, by notice to the U.S. Borrower and the Revolving Credit Lenders, designate another Lender as a U.S. Reference Lender so that there shall at all times be at least two U.S. Reference Lenders.

(d) Each U.S. Reference Lender shall use its best efforts to furnish quotations of rates to the applicable Administrative Agent as contemplated hereby. If any of the U.S. Reference Lenders shall be unable or shall otherwise fail to supply such rates to the applicable Administrative Agent upon its request, the rate of interest shall, subject to the provisions of subsection 5.7, be determined on the basis of the quotations of the remaining U.S. Reference Lenders or Reference Lender.

5.7 Inability to Determine Interest Rate. If prior to the first day of any Interest Period:

(a) the Administrative Agent shall have determined (which determination shall be conclusive and binding upon the Borrowers) that, by reason of circumstances affecting the relevant market, adequate and reasonable means do not exist for ascertaining the Eurodollar Rate or the Eurocurrency Rate, as the case may be, for such Interest Period, or

(b) the Administrative Agent has received notice from the Majority Revolving Credit Lenders or Majority Term Loan Lenders, as the case may be, that the Eurodollar Rate or Eurocurrency Rate, as the case may be, determined or to be determined for such Interest Period will not adequately and fairly reflect the cost to such Lenders of making or maintaining their Eurodollar Loans or Multicurrency Loans, as the case may be, during such Interest Period,

the Administrative Agent shall give telecopy or telephonic notice thereof to the U.S. Borrower and the Lenders as soon as practicable thereafter. Until such time as the Eurodollar Rate or the Eurocurrency Rate, as the case may be, can be determined by the Administrative Agent in the manner specified in the definitions of such terms in subsection 1.1, no further Eurodollar Loans or Multicurrency Loans (with respect to the Available Currency for which the Eurocurrency Rate cannot be determined only) shall be continued as such at the end of the then current Interest Periods or (other than any Eurodollar Loans or Multicurrency Loans previously requested and with respect to which the Eurodollar Rate or Eurocurrency Rate, as the case may be, was determined) shall be made, nor shall the U.S. Borrower have the right to convert ABR Loans into Eurodollar Loans.

5.8 Pro Rata Treatment and Payments. (a) (i) Except as provided in subsection 2.5, each borrowing of Revolving Credit Loans by the U.S. Borrower from the

Lenders hereunder shall be made pro rata according to the Funding Commitment Percentages of the Lenders in effect on the date of such borrowing. Each payment by the U.S. Borrower on account of any facility fee hereunder shall be allocated by the Administrative Agent among the Lenders in accordance with the respective amounts which such Lenders are entitled to receive pursuant to subsection 5.5(a). Any reduction of the Revolving Credit Commitments of the Lenders shall be allocated by the Administrative Agent among the Lenders pro rata according to the Revolving Credit Commitment Percentages of the Lenders. Except as provided in subsection 2.5, each payment (other than any optional prepayment) in respect of principal or interest in respect of the Loans shall be allocated among the Revolving Credit Loans, Multicurrency Loans and Term Loans pro rata according to the amounts of principal or interest, as the case may be, then due and owing in respect of such Loans. Except as provided in subsection 2.5 or subsection 5.4(c), each payment (other than any optional prepayment) by the U.S. Borrower on account of principal of or interest on the Revolving Credit Loans shall be allocated by the Administrative Agent pro rata according to the respective principal amounts thereof then due and owing to each Lender. Each optional prepayment by the U.S. Borrower on account of principal of or interest on the Revolving Credit Loans shall be allocated by the Administrative Agent pro rata according to the respective outstanding principal amounts thereof.

(ii) The borrowing of Term Loans by the U.S. Borrower from the Term Loan Lenders hereunder shall be made pro rata according to the respective Term Loan Commitments of the Term Loan Lenders. Each payment (other than any optional prepayment) by the U.S. Borrower on account of principal of or interest on the Term Loans shall be allocated by the Administrative Agent pro rata according to the respective principal amounts of the Term Loans then due and owing to each Lender. Each optional prepayment by the U.S. Borrower on account of principal of or interest on the Term Loans shall be allocated by the Administrative Agent pro rata according to the respective outstanding principal amounts thereof.

(iii) All payments (including prepayments) to be made by the U.S. Borrower hereunder (other than with respect to Multicurrency Loans), whether on account of principal, interest, fees or otherwise, shall be made without set-off or counterclaim and shall be made prior to 12:00 Noon, New York City time, on the due date thereof to the Administrative Agent, for the account of the U.S. Lenders, at the Administrative Agent's office specified in subsection 13.2, in U.S. Dollars and in immediately available funds. The Administrative Agent shall distribute such payments to the U.S. Lenders entitled to receive the same promptly upon receipt in like funds as received.

(iv) Each borrowing of Multicurrency Loans by the U.S. Borrower or any Foreign Subsidiary Borrower shall be made, and any reduction of the Multicurrency Commitments shall be allocated by the Administrative Agent, pro rata according to the Multicurrency Commitment Percentages of the Multicurrency Lenders. Except as provided in subsection 5.4(c), each payment (including each prepayment) by the U.S. Borrower or a Foreign Subsidiary Borrower on account of principal of and interest on Multicurrency Loans shall be allocated by the Administrative Agent pro rata according to the respective principal amounts of the Multicurrency Loans then due and owing by such Foreign Subsidiary Borrower to each Multicurrency Lender. All payments (including prepayments) to be made by a Borrower hereunder in respect of Multicurrency Loans, whether on account of principal, interest, fees or otherwise, shall be made without set-off or counterclaim and shall be made at or before the payment time for the currency of such Multicurrency Loan set forth in the Administrative

Schedule, on the due date thereof to the Administrative Agent, for the account of the Multicurrency Lenders, at the payment office for the currency of such Multicurrency Loan set forth in the Administrative Schedule, in the currency of such Multicurrency Loan and in immediately available funds. The Administrative Agent shall distribute such payments to the Multicurrency Lenders entitled to receive the same promptly upon receipt in like funds as received.

(v) If any payment hereunder (other than payments on the Eurodollar Loans and the Multicurrency Loans) becomes due and payable on a day other than a Business Day, the maturity of such payment shall be extended to the next succeeding Business Day, and, with respect to payments of principal, interest thereon shall be payable at the then applicable rate during such extension. If any payment on a Eurodollar Loan or a Multicurrency Loan becomes due and payable on a day other than a Business Day, the maturity of such payment shall be extended to the next succeeding Business Day (and, with respect to payments of principal, interest thereon shall be payable at the then applicable rate during such extension) unless the result of such extension would be to extend such payment into another calendar month, in which event such payment shall be made on the immediately preceding Business Day.

(b) A payment in euro shall be deemed to have been made by the Administrative Agent on the date on which it is required to be made under this Agreement if the Administrative Agent has, on or before that date, taken all relevant steps to make that payment. With respect to the payment of any amount denominated in euro, the Administrative Agent shall not be liable to any Borrower or any of the Lenders in any way whatsoever for any delay, or the consequences of any delay, in the crediting to any account of any amount required by this Agreement to be paid by the Administrative Agent if the Administrative Agent shall have taken all relevant steps to achieve, on the date required by this Agreement, the payment of such amount in immediately available, freely transferable, cleared funds in the euro unit to the account with the bank in the principal financial center in the Participating Member State which the relevant Borrower or, as the case may be, any Lender shall have specified for such purpose. In this paragraph (b), "all relevant steps" means all such steps as may be prescribed from time to time by the regulations or operating procedures of such clearing or settlement system as the Administrative Agent may from time to time determine for the purpose of clearing or settling payments of euro.

(c) Unless the Administrative Agent shall have been notified in writing by any Lender prior to a Borrowing Date that such Lender will not make the amount that would constitute its share of such borrowing available to the Administrative Agent, the Administrative Agent may assume that such Lender is making such amount available to the Administrative Agent, and the Administrative Agent may, in reliance upon such assumption, make available to the applicable Borrower a corresponding amount. If such amount is not made available to the Administrative Agent by the required time on the Borrowing Date therefor, such Lender shall pay to the Administrative Agent, on demand, such amount with interest thereon at a rate per annum equal to (i) the daily average Federal Funds Effective Rate (in the case of a borrowing of Revolving Credit Loans or Term Loans), and (ii) the Administrative Agent's reasonable estimate of its average daily cost of funds (in the case of a borrowing of Multicurrency Loans), in each case for the period until such Lender makes such amount immediately available to such Administrative Agent. A certificate of such Administrative Agent submitted to any Lender with respect to any amounts owing under this subsection shall be conclusive in the absence of

manifest error. If such Lender's share of such borrowing is not made available to such Administrative Agent by such Lender within three Business Days of such Borrowing Date, the applicable Borrower shall repay such Lender's share of such borrowing (together with interest thereon from the date such amount was made available to such Borrower (i) at the rate per annum applicable to ABR Loans hereunder (in the case of a borrowing of Revolving Credit Loans or Term Loans and (ii) the Administrative Agent's reasonable estimate of its average daily cost of funds plus the Applicable Margin applicable to Multicurrency Loans (in the case of a borrowing of Multicurrency Loans)) to such Administrative Agent not later than three Business Days after receipt of written notice from such Administrative Agent specifying such Lender's share of such borrowing that was not made available to such Administrative Agent. Nothing contained in this subsection 5.8(c) shall prejudice any claims otherwise available to any Borrower against any Lender as a result of such Lender's failure to make its share of any borrowing available to an Administrative Agent for the account of a Borrower.

(d) Any amount payable by the Administrative Agent to the Lenders under this Agreement in the currency of a Participating Member State shall be paid in the euro unit.

(e) If, in relation to the currency of any Subsequent Participant, the basis of accrual of interest or fees expressed in this Agreement with respect to such currency shall be inconsistent with any convention or practice in the London Interbank Market or, as the case may be, the Paris Interbank Market for the basis of accrual of interest or fees in respect of the euro, such convention or practice shall replace such expressed basis effective as of and from the date on which such Subsequent Participant becomes a Participating Member State; provided, that if any Multicurrency Loan in the currency of such Subsequent Participant is outstanding immediately prior to such date, such replacement shall take effect, with respect to such Multicurrency Loan, at the end of the then current Interest Period.

(f) Without prejudice and in addition to any method of conversion or rounding prescribed by any EMU Legislation and (i) without prejudice to the respective liabilities for indebtedness of the Borrowers to the Lenders and the Lenders to the Borrowers under or pursuant to this Agreement and (ii) without increasing the Available Multicurrency Commitment of any Lender:

(x) the Multicurrency Loans and each reference in this Agreement to a minimum amount (or an integral multiple thereof) in a national currency denomination of a Subsequent Participant to be paid to or by the Administrative Agent shall, immediately upon such Subsequent Participant becoming a Participating Member State, be replaced by a reference to such reasonably comparable and convenient amount (or an integral multiple thereof) in the euro unit as the Administrative Agent may from time to time specify; and

(y) except as expressly provided in this subsection 5.8, each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be necessary or appropriate to reflect the adoption of the euro in any Participating Member State and any relevant market conventions or practices relating to the euro.

5.9 Illegality. Notwithstanding any other provision herein, if the adoption of or any change in any Requirement of Law or in the interpretation or application thereof shall make it unlawful for any Lender to make or maintain Eurodollar Loans or Multicurrency Loans as contemplated by this Agreement, (a) the commitment of such Lender hereunder to make Eurodollar Loans or Multicurrency Loans, continue Eurodollar Loans or Multicurrency Loans as such and convert ABR Loans to Eurodollar Loans shall forthwith be cancelled until such time as it shall no longer be unlawful for such Lender to make or maintain the affected Loans, (b) such Lender's Loans then outstanding as Eurodollar Loans, if any, shall be converted automatically to ABR Loans on the respective last days of the then current Interest Periods with respect to such Eurodollar Loans or within such earlier period as may be required by law and (c) such Lender's Multicurrency Loans shall be prepaid on the last day of the then current Interest Period with respect thereto. If any such conversion of a Eurodollar Loan occurs on a day which is not the last day of the then current Interest Period with respect thereto, the U.S. Borrower shall pay to such Lender such amounts, if any, as may be required pursuant to subsection 5.11.

5.10 Requirements of Law. (a) In the event that any Requirement of Law (or any change therein or in the interpretation or application thereof) or compliance by any Lender with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority:

(i) does or shall subject any Lender to any tax of any kind whatsoever with respect to this Agreement, any Note or any Loans made by it, or change the basis of taxation of payments to such Lender of principal, fees, interest or any other amount payable hereunder (except for taxes covered by subsection 5.12 and changes in the rate of tax on the overall net income of such Lender);

(ii) does or shall impose, modify or hold applicable any reserve, special deposit, compulsory loan or similar requirement against assets held by, or deposits or other liabilities in or for the account of, advances or loans by, or other credit extended by, or any other acquisition of funds by, any office of such Lender which are not otherwise included in the determination of the Eurodollar Rate or Eurocurrency Rate, including, without limitation, the imposition of any reserves with respect to Eurocurrency Liabilities under Regulation D of the Board; or

(iii) does or shall impose on such Lender any other condition;

and the result of any of the foregoing is to increase the cost to such Lender, by any amount which such Lender deems to be material, of making, renewing or maintaining advances or extensions of credit or to reduce any amount receivable hereunder, in each case in respect of its Loans, then, in any such case, the applicable Borrower shall promptly pay such Lender, upon receipt of its demand setting forth in reasonable detail, any additional amounts necessary to compensate such Lender for such additional cost or reduced amount receivable, such additional amounts together with interest on each such amount from the date two Business Days after the date demanded until payment in full thereof at the ABR. A certificate as to any additional amounts payable pursuant to the foregoing sentence submitted by such Lender, through the Administrative Agent, to the applicable Borrower shall be conclusive in the absence of manifest error. This covenant shall survive the termination of this Agreement and payment of all amounts outstanding hereunder.

(b) In the event that any Lender shall have determined that the adoption of any law, rule, regulation or guideline regarding capital adequacy (or any change therein or in the interpretation or application thereof) or compliance by any Lender or any corporation controlling such Lender with any request or directive regarding capital adequacy (whether or not having the force of law) from any central bank or Governmental Authority, including, without limitation, the issuance of any final rule, regulation or guideline, does or shall have the effect of reducing the rate of return on such Lender's or such corporation's capital as a consequence of its obligations hereunder to a level below that which such Lender or such corporation could have achieved but for such adoption, change or compliance (taking into consideration such Lender's or such corporation's policies with respect to capital adequacy) by an amount deemed by such Lender to be material, then from time to time, after submission by such Lender to the U.S. Borrower (with a copy to the Administrative Agent) of a written request therefor, the U.S. Borrower shall promptly pay to such Lender such additional amount or amounts as will compensate such Lender for such reduction.

(c) If the obligation of any Lender to make Eurodollar Loans or Multicurrency Loans has been suspended pursuant to subsection 5.7 or 5.9 for more than three consecutive months or any Lender has demanded compensation under subsection 5.10(a) or 5.10(b), the U.S. Borrower shall have the right to substitute a financial institution or financial institutions (which may be one or more of the Lenders) reasonably satisfactory to the Administrative Agent by causing such financial institution or financial institutions to purchase the rights (by paying to such Lender the principal amount of its outstanding Loans together with accrued interest thereon and all other amounts accrued for its account or owed to it hereunder and executing an Assignment and Acceptance) and to assume the obligations of such Lender under the Loan Documents. Upon such purchase and assumption by such substituted financial institution or financial institutions, the obligations of such Lender hereunder shall be discharged; provided such Lender shall retain its rights hereunder with respect to periods prior to such substitution including, without limitation, its rights to compensation under this subsection 5.10.

5.11 Indemnity. Each Borrower agrees to indemnify each Lender and to hold each Lender harmless from any loss or expense which such Lender may sustain or incur as a consequence of (a) default by such Borrower in payment when due of the principal amount of or interest on any Loans of such Lender, (b) default by such Borrower in making a borrowing or conversion after the Borrower has given a notice of borrowing or a notice of conversion in accordance with this Agreement, (c) default by such Borrower in making any prepayment after such Borrower has given a notice in accordance with this Agreement or (d) the making of a prepayment of a Eurodollar Loan or Multicurrency Loan on a day which is not the last day of an Interest Period with respect thereto, including, without limitation, in each case, any such loss or expense arising from the reemployment of funds obtained by it or from fees payable to terminate the deposits from which such funds were obtained, including, without limitation, in each case, any such loss or expense arising from the reemployment of funds obtained by it to maintain its Eurodollar Loans or Multicurrency Loans hereunder or from fees payable to terminate the deposits from which such funds were obtained. A certificate as to any such loss or expense submitted by such Lender shall be conclusive, absent manifest error. This covenant shall survive termination of this Agreement and payment of all amounts outstanding hereunder.

5.12 Taxes. (a) All payments made by any Borrower under this Agreement shall be made free and clear of, and without reduction or withholding for or on account of, any

present or future income, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority excluding, in the case of the Administrative Agent and each Lender, income or franchise taxes imposed on the Administrative Agent or such Lender by the jurisdiction under the laws of which the Administrative Agent or such Lender is organized or any political subdivision or taxing authority thereof or therein or by any jurisdiction in which such Lender's lending office is located or any political subdivision or taxing authority thereof or therein or as a result of a connection between such Lender and any jurisdiction other than a connection resulting solely from entering into this Agreement (all such non-excluded taxes, levies, imposts, deductions, charges or withholdings being thereinafter called "Taxes"). Subject to the provisions of subsection 5.12(d), if any Taxes are required to be withheld from any amounts payable by such Borrower to the Administrative Agent or any Lender hereunder or under the Notes, the amounts so payable to the Administrative Agent or such Lender shall be increased to the extent necessary to yield to the Administrative Agent or such Lender (after payment of all Taxes) interest or any such other amounts payable hereunder at the rates or in the amounts specified in this Agreement and the Notes. Whenever any Taxes are paid by any Borrower with respect to payments made in connection with this Agreement, as promptly as possible thereafter, such Borrower shall send to the applicable Administrative Agent for its own account or for the account of such Lender, as the case may be, a certified copy of an original official receipt received by such Borrower showing payment thereof. Subject to the provisions of subsection 5.12(d), if any Borrower fails to pay any Taxes when due to the appropriate taxing authority or fails to remit to the Administrative Agent the required receipts or other required documentary evidence, such Borrower shall indemnify the Administrative Agent and the Lenders for any incremental taxes, interest or penalties that may become payable by the Administrative Agent or any Lenders as a result of any such failure.

(b) Each Lender that is not incorporated or organized under the laws of the United States of America or a state thereof agrees that, prior to the first date any payment is due to be made to it hereunder or under any Note, it will deliver to the U.S. Borrower and the Administrative Agent two valid, duly completed copies of United States Internal Revenue Service Form W-8BEN or W-8ECI or successor applicable form, as the case may be, certifying in each case that such Lender is entitled to receive payments by the U.S. Borrower under this Agreement and the Notes payable to it, without deduction or withholding of any United States federal income taxes; provided, however, that any Lender that is not the beneficial owner of a payment (as defined in Treasury Regulation Section 1.1441-1(c)(6)) and is unable to provide a Form W-8BEN or W-8ECI may provide the U.S. Borrower and the Administrative Agent with a validly, duly executed copy of IRS Form W-8IMY and all necessary attachments to establish that it is entitled to receive payments without deduction of any U.S. federal income taxes. Each Lender which delivers to the U.S. Borrower and the Administrative Agent a Form W-8BEN or W-8ECI or W-8IMY pursuant to the preceding sentences further undertakes to deliver to the U.S. Borrower and the Administrative Agent two further copies of the said Form W-8BEN or W-8ECI or W-8IMY, or successor applicable forms, or other manner or certification, as the case may be, on or before the date that any such form expires or becomes obsolete or otherwise is required to be resubmitted as a condition to obtaining an exemption from withholding tax, or after the occurrence of any event requiring a change in the most recent form previously delivered by it to the U.S. Borrower, and such extensions or renewals thereof as may reasonably be requested by the U.S. Borrower, certifying in the case of a Form W-8BEN or W-8ECI or W-8IMY or successor applicable form that such Lender is entitled to receive payments by the U.S.

Borrower under this Agreement without deduction or withholding of any United States federal income taxes unless any change in treaty, law or regulation or official interpretation thereof has occurred prior to the date on which any such delivery would otherwise be required which renders all such forms inapplicable or which would prevent such Lender from duly completing and delivering any such letter or form with respect to it and such Lender advises the U.S. Borrower that it is not capable of receiving payments without any deduction or withholding of United States federal income tax or any deduction or withholding of United States backup withholding tax.

(c) Each Multicurrency Lender shall, upon request by a Foreign Subsidiary Borrower (or the U.S. Borrower on its behalf), within a reasonable period of time after such request, deliver to such Foreign Subsidiary Borrower or the applicable governmental or taxing authority, as the case may be, any form or certificate required in order that any payment by such Foreign Subsidiary Borrower under this Agreement or any Notes to such Lender may be made free and clear of, and without deduction or withholding for or on account of any Taxes (or to allow any such deduction or withholding to be at a reduced rate) imposed on such payment under the laws of the jurisdiction under which such Foreign Subsidiary Borrower is incorporated or organized, provided that such Lender is legally entitled to complete, execute and deliver such form or certificate and in such Lender's reasonable judgment such completion, execution or submission would not materially prejudice the legal position of such Lender.

(d) Neither the U.S. Borrower nor any other Borrower shall be required to pay any additional amounts to the Administrative Agent or any Lender (or Transferee except to the extent such Transferee's transferor was entitled, at the time of transfer, to receive additional amounts from the U.S. Borrower) in respect of Taxes pursuant to subsection 5.12(a) if the obligation to pay such additional amounts would not have arisen but for a failure by the Administrative Agent or such Lender (or Transferee) to comply with the requirements of subsection 5.12(b) or (c) (or in the case of a Transferee, the requirements of subsection 13.6(h)).

(e) Each Lender agrees to use reasonable efforts (including reasonable efforts to change its lending office) to avoid or to minimize any amounts which might otherwise be payable pursuant to this subsection 5.12; provided, however, that such efforts shall not impose on such Lender any additional costs or legal or regulatory burdens deemed by such Lender in its reasonable judgment to be material.

(f) The agreements in subsection 5.12(a) shall survive the termination of this Agreement and the payment of the Notes and all other amounts payable hereunder until the expiration of the applicable statute of limitations for such taxes.

5.13 Assignment of Commitments Under Certain Circumstances. (a) In the event that any Lender shall have delivered a notice or certificate pursuant to subsection 5.10 or any Borrower has been required to pay any Taxes in respect of any Lender pursuant to subsection 5.12, the U.S. Borrower shall have the right, at its own expense, upon notice to such Lender and the Administrative Agent, to require such Lender to transfer and assign without recourse (in accordance with and subject to the restrictions contained in subsection 13.6) all its interests, rights and obligations under this Agreement to another bank or financial institution identified by the U.S. Borrower and reasonably acceptable to the Administrative Agent (subject to the restrictions contained in subsection 13.6) which shall assume such obligations; provided

that (i) no such assignment shall conflict with any law, rule or regulation or order of any Governmental Authority and (ii) the Borrower or the assignee, as the case may be, shall pay to the transferor Lender in immediately available funds on the date of such assignment the principal of and interest accrued to the date of payment on the Loans made by it hereunder and all other amounts accrued for its account or owed to it hereunder, including, without limitation, amounts payable pursuant to subsection 5.10 and any amounts that would be payable under subsection 5.11 if such amount were a prepayment made in the amount and on the date of such assignment.

(b) In the event that any Multicurrency Lender (including a Transferee) does not, for any reason, deliver all forms and certificates required to permit all payments by all Foreign Subsidiary Borrowers hereunder to be made free and clear of, and without deduction or withholding for or on account of, any Taxes, the U.S. Borrower may, so long as no Event of Default has occurred and is continuing, require such Multicurrency Lender, upon five Business Days' prior written notice from the U.S. Borrower, to assign the entire then outstanding principal amount of the Multicurrency Loans owing to such Multicurrency Lender and the entire Multicurrency Commitment of such Multicurrency Lender to one or more Lenders selected by the U.S. Borrower which, after giving effect to such assignment, will have a Revolving Credit Commitment in excess of its Multicurrency Commitment. In the case of any such assignment to another Lender, such assignee Lender shall assign to such assignor Multicurrency Lender a principal amount of outstanding Revolving Credit Loans owing to such assignee Lender equal to the lesser of (i) the U.S. Dollar Equivalent of the amount of Multicurrency Loans assigned to such assignee Lender and (ii) the aggregate outstanding principal amount of Revolving Credit Loans owing to such assignee Lender. Any such assignments pursuant to the two precedent sentences shall be effected in accordance with subsection 13.6(c) and, as a condition to such assignment, simultaneously with such assignment, the U.S. Borrower shall pay or cause to be paid all amounts due to the assignor Multicurrency Lender and the assignee Lender hereunder on the effective date of such assignments.

5.14 Use of Proceeds. The proceeds of the Loans shall be used for general corporate purposes of the U.S. Borrower and its Subsidiaries, including acquisitions permitted hereunder.

SECTION 6. REPRESENTATIONS AND WARRANTIES

To induce the Lenders to enter into this Agreement and to make the Loans, each Borrower hereby represents and warrants to the Administrative Agent and to each Lender that:

6.1 Financial Statements. The audited consolidated balance sheets of the U.S. Borrower as of December 31, 2000 and the related statements of income and cash flow for the fiscal year ending on such date, heretofore furnished to the Administrative Agent and the Lenders and certified by a Responsible Officer of the U.S. Borrower are complete and correct in all material respects and fairly present the financial condition of the U.S. Borrower on such date. All such financial statements, including the related schedules and notes thereto, have been prepared in conformity with GAAP applied on a consistent basis (subject to normal year-end adjustments). All liabilities, direct and contingent, of the U.S. Borrower on such date required to be disclosed pursuant to GAAP are disclosed in such financial statements.

6.2 No Change. There has been no material adverse change in the business, operations, assets or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole from that reflected on the financial statements dated December 31, 2000 referred to in subsection 6.1.

6.3 Existence; Compliance with Law. The U.S. Borrower and each of its Material Subsidiaries (a) is duly organized, validly existing and in good standing (or the functional equivalent thereof in the case of Foreign Subsidiaries) under the laws of the jurisdiction of its organization, (b) has the corporate or partnership power and authority, as the case may be, and the legal right, to own and operate its property, to lease the property it operates as lessee and to conduct the business in which it is currently engaged, (c) is duly qualified as a foreign corporation or partnership, as the case may be, and in good standing (or the functional equivalent thereof in the case of Foreign Subsidiaries) under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification except where the failure to be so qualified and in good standing would not, individually or in the aggregate, have a material adverse effect on the business, operations, property or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole and would not adversely affect the ability of any Loan Party to perform its respective obligations under the Loan Documents to which it is a party and (d) is in compliance with all Requirements of Law, except to the extent that the failure to comply therewith would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the business, operations, assets or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole and would not reasonably be expected to adversely affect the ability of any Loan Party to perform its obligations under the Loan Documents to which it is a party.

6.4 Power; Authorization; Enforceable Obligations. (a) Each Loan Party has the corporate or partnership power and authority, as the case may be, and the legal right, to execute, deliver and perform each of the Loan Documents to which it is a party or to which this Agreement requires it to become a party. The U.S. Borrower has the corporate power and authority to borrow hereunder and has taken all necessary corporate action to authorize the borrowings on the terms and conditions of this Agreement and the Revolving Credit Notes and the Term Notes. Each Loan Party has taken all necessary corporate or partnership action, as the case may be, to authorize the execution, delivery and performance of each of the Loan Documents to which it is a party or to which this Agreement requires it to become a party.

(b) No consent or authorization of, filing with or other act by or in respect of any Person (including, without limitation, any Governmental Authority) is required in connection with the borrowings hereunder or with the execution, delivery, performance, validity or enforceability of the Loan Documents or the consummation of any of the transactions contemplated hereby or thereby, except for consents, authorizations, or filings which have been obtained and are in full force and effect.

(c) This Agreement and each other Loan Document to which any Loan Party is a party has been, and each other Loan Document to be executed by a Loan Party hereunder will be, duly executed and delivered on behalf of such Loan Party. This Agreement and each other Loan Document to which any Loan Party is a party constitutes, and each other Loan Document to be executed by a Loan Party hereunder will constitute, a legal, valid and binding

obligation of such Loan Party enforceable against such Loan Party in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

6.5 No Legal Bar; Senior Debt. The execution, delivery and performance by each Loan Party of the Loan Documents to which it is a party, the borrowings hereunder and the use of the proceeds thereof, (a) will not violate any Requirement of Law or any Contractual Obligation of the U.S. Borrower or any other Loan Party (including, without limitation, the 9 1/2% Subordinated Note Indenture and the Subordinated Note Indenture) except for violations of Requirements of Law and Contractual Obligations (other than such Indentures) which, individually or in the aggregate will not have a material adverse effect on the business, operations, property or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole and will not adversely affect the ability of any Loan Party to perform its obligations under any of the Loan Documents to which it is a party and (b) will not result in, or require, the creation or imposition of any Lien (other than the Liens created by the Security Documents) on any of its or their respective properties or revenues pursuant to any Requirement of Law or Contractual Obligation. The Obligations of the U.S. Borrower constitute "Senior Indebtedness" benefiting from the subordination provisions contained in the Subordinated Debt, except to the extent that such Obligations are owed to an Affiliate of the U.S. Borrower.

6.6 No Material Litigation. No litigation, investigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of the U.S. Borrower, overtly threatened by or against the U.S. Borrower or any of its Subsidiaries or against any of its or their respective properties or revenues (a) with respect to any Loan Document or any of the transactions contemplated hereby or thereby, (b) which would reasonably be expected to have a material adverse effect on the business, operations, property or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole or (c) which would be reasonably expected to adversely affect the ability of any Loan Party to perform its obligations under any of the Loan Documents to which it is a party.

6.7 No Default. Neither the U.S. Borrower nor any of its Subsidiaries is in default under or with respect to any Contractual Obligation or any order, award or decree of any Governmental Authority or arbitrator binding upon it or any of its properties in any respect which would have a material adverse effect on the business, operations, property or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole or which would adversely affect the ability of any Loan Party to perform its obligations under any of the Loan Documents to which it is a party. No Default or Event of Default has occurred and is continuing.

6.8 Ownership of Property; Liens. The U.S. Borrower and each of its Material Subsidiaries has good record and marketable title in fee simple to, or a valid and subsisting leasehold interest in all its material real property, and good title to all its other property, and none of such property is subject to any Lien, except as permitted in subsection 9.3 and except, in each case, where any failure to have good title or a valid and subsisting leasehold interest or the existence of any Lien would not reasonably be expected to have a material adverse effect on the business, operations, property or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole.

6.9 Taxes. (a) The U.S. Borrower and each of its Material Subsidiaries has filed or caused to be filed all tax returns which to the knowledge of the U.S. Borrower are required to be filed and has paid all taxes shown to be due and payable on said returns or on any assessments made against it or any of its property and all other taxes, fees or other charges imposed on it or any of its property by any Governmental Authority (other than those which, in the aggregate, are not substantial in amount or those the amount or validity of which are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of the U.S. Borrower or its Subsidiaries, as the case may be and except insofar as the failure to make such filings or payments would not reasonably be expected to have a material adverse effect on the business, operations, property or financial condition of the U.S. Borrower and its Subsidiaries taken as a whole); and (b) no tax lien (other than a Lien permitted in subsection 9.3) has been filed and, to the knowledge of the U.S. Borrower, no claim is being asserted with respect to any such tax, fee or other charge.

6.10 Securities Law, etc. Compliance. All transactions contemplated by this Agreement and the other Loan Documents comply in all material respects with all applicable laws and any rules and regulations thereunder, including takeover, disclosure and other federal, state and foreign securities law and Regulations T, U and X of the Federal Reserve Board.

6.11 ERISA. As to each Plan other than a Multiemployer Plan, neither a Reportable Event nor an "accumulated funding deficiency" (within the meaning of Section 412 of the Code or Section 302 of ERISA) has occurred during the five-year period prior to the date on which this representation is made or deemed made with respect to any Plan, and each Plan has complied in all material respects with the applicable provisions of ERISA and the Code. No termination of a Single Employer Plan has occurred and no Lien under the Code or ERISA in favor of PBGC or a Single Employer Plan has arisen during the five-year period prior to the date as of which this representation is deemed made. The present value of all accrued benefits under each Single Employer Plan maintained by the U.S. Borrower or any Commonly Controlled Entity (based on those assumptions used to fund the Plans) did not, as of the last annual valuation date prior to the date on which this representation is made or deemed made, exceed the value of the assets of such Plan allocable to such accrued benefits, either individually or in the aggregate with all other Single Employer Plans under which such accrued benefits exceed such assets, by more than $125,000,000. Neither the U.S. Borrower nor any Commonly Controlled Entity has had a complete or partial withdrawal from any Multiemployer Plan during the five year period prior to the date as of which this representation is made or deemed made, and neither the U.S. Borrower nor any Commonly Controlled Entity would become subject to liability under ERISA in the aggregate which exceeds $145,000,000 if the U.S. Borrower or any such Commonly Controlled Entity were to withdraw completely from all Multiemployer Plans as of the valuation date most closely preceding the date hereof, and no such withdrawal is likely to occur. No such Multiemployer Plan is in Reorganization or Insolvent. The present value (determined using actuarial and other assumptions which are reasonable in respect of the benefits provided and the employees participating) of the liability of the U.S. Borrower and each Commonly Controlled Entity for post retirement benefits to be provided to their current and former employees under Plans which are welfare benefit plans (as defined in Section 3(1) of ERISA) does not, in the aggregate, exceed the assets under all such Plans allocable to such benefits by an amount in excess of $145,000,000.

6.12 Investment Company Act; Other Regulations. The U.S. Borrower is not an "investment company" within the meaning of the Investment Company Act of 1940, as amended. The U.S. Borrower is not subject to regulation under any federal or state statute or regulation which limits its ability to incur Indebtedness.

6.13 Subsidiaries, etc. The Subsidiaries of the U.S. Borrower as of the Closing Date are those listed on Schedule VI. The U.S. Borrower owns, as of the Closing Date, the percentage of the issued and outstanding Capital Stock or other evidences of the ownership of each Subsidiary listed on Schedule VI as set forth on such Schedule. Except as disclosed on Schedule VI, no such Subsidiary has issued any securities convertible into shares of its Capital Stock (or other evidence of ownership) or any options, warrants or other rights, to acquire such shares or securities convertible into such shares (or other evidence of ownership), and the outstanding stock and securities (or other evidence of ownership) of such Subsidiaries are owned by the U.S. Borrower and its Subsidiaries free and clear of all Liens, warrants, options or rights of others of any kind whatsoever except for Liens permitted by subsection 9.3.

6.14 Accuracy and Completeness of Information. All information, reports and other papers and data with respect to the U.S. Borrower or this Agreement or any transaction contemplated hereby furnished to the Lenders by the U.S. Borrower or on behalf of the U.S. Borrower, were, at the time the same were so furnished, complete and correct in all material respects, or have been subsequently supplemented by other information, reports or other papers or data, to the extent necessary to give the Lenders a true and accurate knowledge of the subject matter in all material respects. All projections with respect to the U.S. Borrower and its Subsidiaries, so furnished by the U.S. Borrower, as supplemented, were prepared and presented in good faith by the U.S. Borrower, it being recognized by the Lenders that such projections as to future events are not to be viewed as facts and that actual results during the period or periods covered by any such projections may differ materially from the projected results. No document furnished or statement made in writing to the Lenders by the U.S. Borrower in connection with the negotiation, preparation or execution of this Agreement contains any untrue statement of a material fact, or, to the knowledge of the U.S. Borrower after due inquiry, omits to state any such material fact necessary in order to make the statements contained therein not misleading, in either case which has not been corrected, supplemented or remedied by subsequent documents furnished or statements made in writing to the Lenders.

6.15 Security Documents. Each Pledge Agreement is effective to create in favor of the Administrative Agent, for the ratable benefit of the Lenders, a legal, valid and enforceable security interest in the pledged assets described therein. Each Pledge Agreement constitutes a fully perfected first Lien on, and security interest in, all right, title and interest of the Loan Party thereto in the pledged assets described therein.

6.16 Patents, Copyrights, Permits and Trademarks. Each of the U.S. Borrower and its Subsidiaries owns, or has a valid license or sub-license in, all domestic and foreign letters patent, patents, patent applications, patent and know-how licenses, inventions, technology, permits, trademark registrations and applications, trademarks, trade names, trade secrets, service marks, copyrights, product designs, applications, formulae, processes and the industrial property rights ("Proprietary Rights") used in the operation of its businesses in the manner in which they are currently being conducted and which are material to the business, operations, assets or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole. Neither

the U.S. Borrower nor any of its Subsidiaries is aware of any existing or threatened infringement or misappropriation of any Proprietary Rights of others by the U.S. Borrower or any of its Subsidiaries or of any Proprietary Rights of the U.S. Borrower or any of its Subsidiaries by others which is material to the business operations, assets or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole.

6.17 Environmental Matters. Except as disclosed in Schedule VII, and other than such exceptions to any of the following that would not reasonably be expected to give rise to a material adverse effect on the business, operations, property or financial condition of the U.S. Borrower and its Subsidiaries taken as a whole:

(a) To the best knowledge of the U.S. Borrower and its Subsidiaries, after reasonable investigation, the Properties do not contain, and have not previously contained, any Hazardous Materials in amounts or concentrations or under such conditions which (A) constitute a violation of, or (B) could reasonably give rise to any liability under any applicable Environmental Laws.

(b) To the best knowledge of the U.S. Borrower and its Subsidiaries, after reasonable investigation, the Properties and all operations at the Properties are in compliance, and have been in compliance for the time period that each of the Properties has been owned by the U.S. Borrower or its Subsidiaries, with all Environmental Laws, and there is no contamination at, on or under the Properties, or violation of any Environmental Laws with respect to the Properties which could interfere with the continued operation of the Properties or impair the fair saleable value thereof. Neither the U.S. Borrower nor any Subsidiary has knowingly assumed any liability, by contract or otherwise, of any person under any Environmental Laws.

(c) Neither the U.S. Borrower nor any of its Subsidiaries has received any Environmental Complaint with regard to any of the Properties or the operations of the U.S. Borrower or any of its Subsidiaries, nor does the U.S. Borrower or any of its Subsidiaries have knowledge or reason to believe that any such notice will be received or is being threatened.

(d) To the best knowledge of the U.S. Borrower and its Subsidiaries, based on the U.S. Borrower's and the Subsidiaries' customary practice of contracting only with licensed haulers for removal of Hazardous Materials from the Properties only to facilities authorized to receive such Hazardous Materials, Hazardous Materials have not been transported or disposed of from the Properties in violation of, or in a manner or to a location which could reasonably give rise to liability under, Environmental Laws, nor have any Hazardous Materials been generated, treated, stored or disposed of at, on or under any of the Properties in violation of, or in a manner that could reasonably give rise to liability under any Environmental Laws.

(e) No judicial proceedings or governmental or administrative action is pending, or, to the knowledge of the U.S. Borrower and its Subsidiaries, threatened, under any Environmental Law to which the U.S. Borrower and its Subsidiaries are or will be named as a party with respect to the Properties, nor are there any consent decrees or other decrees, consent orders, administrative orders or other orders, or other

administrative or judicial requirements outstanding under any Environmental Law with respect to the Properties.

(f) To the best knowledge of the U.S. Borrower and its Subsidiaries after reasonable investigation, there has been no release or threat of release of Hazardous Materials at or from the Properties, or arising from or related to the operations of the U.S. Borrower or its Subsidiaries in connection with the Properties in violation of or in amounts or in a manner that could reasonably give rise to liability under any Environmental Laws.

SECTION 7. CONDITIONS PRECEDENT

7.1 Conditions to Closing Date. The Closing Date shall occur on the date of satisfaction of the following conditions precedent:

(a) Agreement. The Administrative Agent shall have received counterparts of this Agreement, duly executed by a Responsible Officer of each Borrower, the Administrative Agent and by each Agent, and Lenders constituting the Majority Lenders (as defined in the Existing Credit Agreement).

(b) Subsidiary Guarantee. The Administrative Agent shall have received the Subsidiary Guarantee duly executed by each guarantor party thereto.

(c) Pledge Agreements. The Administrative Agent shall have received (i) the Pledge Agreement, duly executed by each pledgor party thereto and (ii) a confirmation of the German Subsidiary Pledge, in form and substance reasonably satisfactory to the Administrative Agent.

(d) Pledged Stock; Stock Powers. The Administrative Agent shall have received the certificates representing the shares pledged pursuant to the Pledge Agreement, together with an undated stock power for each such certificate executed in blank by a duly authorized officer of the pledgor thereof.

(e) Perfection Actions. The Administrative Agent shall have received evidence in form and substance satisfactory to it that all filings, recordings, registrations and other actions necessary or, in the opinion of the Administrative Agent, desirable to perfect the Liens created by the Pledge Agreement shall have been completed.

(f) [Reserved.]

(g) [Reserved.]

(h) Consents. The Administrative Agent shall have received, and made available to each Lender, true and correct copies (in each case certified as to authenticity on such date by a duly authorized officer of the U.S. Borrower) of all documents and instruments, including all consents, authorizations and filings, required under any Requirement of Law or by Contractual Obligation of the U.S. Borrower or any of its Subsidiaries, in connection with the execution, delivery, performance, validity and enforceability of this Agreement and the other Loan Documents, and such consents,

authorizations and filings shall be satisfactory in form and substance to the Lenders and be in full force and effect.

(i) Incumbency Certificates. The Administrative Agent shall have received, with a copy for each Lender, a certificate of the Secretary or Assistant Secretary of each Domestic Loan Party, dated the Closing Date, as to the incumbency and signature of their respective officers executing each Loan Document to be entered into on the Closing Date to which it is a party, together with satisfactory evidence of the incumbency of such Secretary or Assistant Secretary.

(j) Corporate Proceedings. The Administrative Agent shall have received, with a copy for each Lender, a copy of the resolutions in form and substance satisfactory to the Administrative Agent, of the Board of Directors (or the executive committee or other governing authority thereof) of each Domestic Loan Party authorizing (i) the execution, delivery and performance of each Loan Document to be entered into on the Closing Date to which it is a party, and (ii) the granting by it of the pledge and security interests, if any, granted by it pursuant to such Loan Document, certified by their respective Secretary or an Assistant Secretary as of the Closing Date, which certificate shall state that the resolutions thereby certified have not been amended, modified, revoked or rescinded as of the date of such certificate.

(k) Fees. The Administrative Agent shall have received all fees required to be paid to the Administrative Agent and/or the Lenders pursuant to Section 5.5 and/or any other written agreement on or prior to the Closing Date.

(l) Legal Opinion of Counsel to U.S. Borrower. The Administrative Agent shall have received, with a copy for each Lender, (i) an opinion, dated the Closing Date, of Winston & Strawn, special counsel to the U.S. Borrower and its Subsidiaries and in substantially the form of Exhibit L and covering such other matters incident to the transactions contemplated hereby as the Lenders may reasonably require and (ii) a legal opinion of counsel in the jurisdiction of incorporation of each Foreign Subsidiary Borrower that is a party hereto on the Closing Date, in form and substance reasonably acceptable to the Administrative Agent.

(m) Indentures. The Administrative Agent shall have received a certified true copy of the outstanding Subordinated Debt Indentures and the Senior Notes Indenture and, if the 2001 Eurobonds have been issued on or prior to the Closing Date, the 2001 Eurobond Indenture.

(n) Intercreditor Agreement: The Intercreditor Agreement shall have been duly executed and delivered by the parties thereto.

7.2 Conditions to Each Loan. The agreement of each Lender to make any Loan requested to be made by it on any date (including, without limitation, the Closing Date), is subject to the satisfaction of the following conditions precedent as of the date such Loan is requested to be made:

(a) Representations and Warranties. The representations and warranties made by each of the Loan Parties in or pursuant to the Loan Documents shall be true and

correct in all material respects on and as of such date as if made on and as of such date (except that any representation or warranty which by its terms is made as of a specified date shall be true and correct in all material respects as of such specified date).

(b) No Default. No Default or Event of Default shall have occurred and be continuing on such date or after giving effect to the Loan requested to be made on such date.

(c) Foreign Subsidiary Opinion. If such requested Loan is the initial Multicurrency Loan to be made to any Foreign Subsidiary Borrower that is not a party to this Agreement on the Closing Date, the Administrative Agent shall have received (with a copy for each Lender) a Foreign Subsidiary Opinion in respect of such Foreign Subsidiary Borrower.

Each Loan made to a Borrower hereunder shall constitute a representation and warranty by such Borrower as of the date of such Loan that the conditions contained in this subsection 7.2 have been satisfied.

SECTION 8. AFFIRMATIVE COVENANTS

The U.S. Borrower hereby agrees that, so long as the Commitments (or any of them) remain in effect, any Loan remains outstanding and unpaid or any other amount is owing to any Lender or the Administrative Agent hereunder or under any other Loan Document, the U.S. Borrower shall and shall cause each of its Subsidiaries to:

8.1 Financial Statements. Furnish to each Lender (or to the Administrative Agent on behalf of such Lender):

(a) as soon as available, but in any event within 95 days after the end of each fiscal year of the U.S. Borrower, a copy of the audited consolidated balance sheet of the U.S. Borrower and its consolidated Subsidiaries as at the end of such year and the related consolidated statements of income and cash flows for such year, setting forth in each case in comparative form the figures for the previous year, reported on without a "going concern" or like qualification or exception, or qualification arising out of the scope of the audit, by independent certified public accountants of nationally recognized standing; and

(b) as soon as available, but in any event not later than 50 days after the end of each of the first three quarterly periods of each fiscal year of the U.S. Borrower, the unaudited consolidated balance sheet of the U.S. Borrower and its consolidated Subsidiaries as at the end of each such quarter and the related unaudited consolidated statements of income and cash flows of the U.S. Borrower and its consolidated Subsidiaries for such quarter and the portion of the fiscal year through such date, setting forth in each case in comparative form the figures for the corresponding quarterly period of the previous year, certified by a Responsible Officer (subject to normal year-end audit adjustments).

The U.S. Borrower covenants and agrees that all such financial statements shall be complete and correct in all material respects and shall be prepared in reasonable detail and in accordance with GAAP (subject, in the case of interim statements, to normal year-end adjustments and to the fact

that such financial statements may be abbreviated and may omit footnotes or contain incomplete footnotes) applied consistently throughout the periods reflected therein (except as approved by such accountants or officer, as the case may be, and disclosed therein).

8.2 Certificates; Other Information. Furnish to each Lender (or to the Administrative Agent on behalf of such Lender):

(a) concurrently with the delivery of the financial statements referred to in subsection 8.1(a), a certificate of the independent certified public accountants reporting on such financial statements stating that in making the examination necessary therefor no knowledge was obtained of any Default or Event of Default, except as specified in such certificate;

(b) concurrently with the delivery of the financial statements referred to in subsection 8.1(a) and (b), a certificate of a Responsible Officer of the U.S. Borrower (i) stating that such Responsible Officer has obtained no knowledge of any Default or Event of Default except as specified in such certificate, (ii) stating, to the best of such Responsible Officer's knowledge, that all such financial statements are complete and correct in all material respects (subject, in the case of interim statements, to normal year-end audit adjustments) and have been prepared in reasonable detail and in accordance with GAAP applied consistently throughout the periods reflected therein (except as disclosed therein) and (iii) showing in detail the calculations supporting such statements in respect of subsection 9.1;

(c) promptly upon receipt thereof, copies of all final reports submitted to the U.S. Borrower by independent certified public accountants in connection with each annual, interim or special audit of the books of the U.S. Borrower made by such accountants, including, without limitation, any management letter commenting on the U.S. Borrower's internal controls submitted by such accountants to management in connection with their annual audit;

(d) promptly after the same are sent, copies of all financial statements and reports which the U.S. Borrower sends to its public equity holders, and within five days after the same are filed, copies of all financial statements and reports which the U.S. Borrower may make to, or file with, the Securities and Exchange Commission or any successor or analogous Governmental Authority; and

(e) promptly, subject to reasonable confidentiality requirements and confidentiality agreements to which the Borrower or any of its Subsidiaries is a party, such additional financial and other information as any Lender may from time to time reasonably request.

8.3 Performance of Obligations. Perform in all material respects all of its obligations under the terms of each material mortgage, indenture, security agreement and other debt instrument by which it is bound or to which it is a party and pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all its material obligations of whatever nature, except when the amount or validity thereof is currently being contested in good faith by appropriate proceedings and reserves in conformity with GAAP with

respect thereto have been provided for on the books of the U.S. Borrower or its Subsidiaries, as the case may be.

8.4 Conduct of Business, Maintenance of Existence and Compliance with Obligations and Laws. Continue to engage in business of the same general type as now conducted by it and preserve, renew and keep in full force and effect its corporate existence and take all reasonable action to maintain all rights, privileges and franchises necessary or desirable in the normal conduct of its business except as otherwise permitted pursuant to subsection 9.5 and except, with respect to the corporate existence of Subsidiaries that are not Loan Parties and any rights, privileges and franchises, to the extent that the Board of Directors of the U.S. Borrower shall determine in good faith that the preservation or maintenance thereof is no longer desirable in the conduct of the business of the U.S. Borrower and its Subsidiaries; comply with all Contractual Obligations and Requirements of Law except to the extent that failure to comply therewith would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the business, operations, property or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole and would not reasonably be expected to adversely affect the ability of the U.S. Borrower or any of its Subsidiaries to perform their respective obligations under any of the Loan Documents to which they are a party.

8.5 Maintenance of Property; Insurance. Keep all property useful and necessary in its business in good working order and condition where the failure to maintain such property in good working order and condition would reasonably be expected to have a material adverse effect on the business, operations, property or financial condition of the U.S. Borrower and its Subsidiaries taken as a whole; maintain with financially sound and reputable insurance companies such insurance coverage as is reasonable for the business activities of the U.S. Borrower and its Subsidiaries; and furnish to the Administrative Agent, upon written request, full information as to the insurance carried.

8.6 Inspection of Property; Books and Records; Discussions. Keep proper books of records and account in which full, true and correct entries in conformity with GAAP and all Requirements of Law shall be made of all dealings and transactions in relation to its business and activities; and permit representatives of any Lender (subject to reasonable confidentiality requirements) to visit and inspect any of its properties and examine and make abstracts from any of its books and records upon reasonable notice and at any reasonable time and as often as may reasonably be desired, and to discuss the business, operations, properties and financial and other condition of the U.S. Borrower and its Subsidiaries with officers and employees of the U.S. Borrower and its Subsidiaries and, provided the U.S. Borrower is given an opportunity to participate, with its independent certified public accountants.

8.7 Notices. Promptly give notice to the Administrative Agent and each Lender:

(a) of the occurrence of any Default or Event of Default;

(b) of any (i) default or event of default under any Contractual Obligation of the U.S. Borrower or any of its Subsidiaries or (ii) litigation, investigation or proceeding which may exist at any time between the U.S. Borrower or any of its Subsidiaries and any Governmental Authority, which in the case of either clause (i) or (ii) above, would

reasonably be expected to have a material adverse effect on the business, operations, property or financial condition of the U.S. Borrower and its Subsidiaries taken as a whole or would reasonably be expected to adversely affect the ability of the U.S. Borrower or any of its Subsidiaries to perform their respective obligations under any of the Loan Documents to which they are a party;

(c) of any litigation or proceeding affecting the U.S. Borrower or any of its Subsidiaries in which the then reasonably anticipated exposure of the U.S. Borrower and its Subsidiaries is $20,000,000 or more and not covered by insurance, or in which injunctive or similar relief is sought which is then reasonably anticipated to have an adverse economic effect on the U.S. Borrower and its Subsidiaries of $20,000,000 or more;

(d) of the following events, as soon as possible and in any event within 30 days after the U.S. Borrower knows or has reason to know thereof: (i) the occurrence or expected occurrence of any Reportable Event with respect to any Single Employer Plan, a failure to make any required contribution to any Single Employer Plan, unless such failure is cured within such 30 days, any Lien under the Code or ERISA in favor of the PBGC or a Single Employer Plan, or any withdrawal from, or the termination, Reorganization or Insolvency of any Multiemployer Plan or (ii) the institution of proceedings or the taking of any other action by the PBGC or the U.S. Borrower or any Commonly Controlled Entity or any Multiemployer Plan with respect to the withdrawal from, or the termination, Reorganization or Insolvency of, any Single Employer or Multiemployer Plan, where, in connection with any of the events described in clauses (i) or (ii), the resulting liability would reasonably be expected to cause a material adverse change in the business, assets, operations or financial condition of the U.S. Borrower and its Subsidiaries taken as a whole;

(e) of any Environmental Complaint which would reasonably be expected to have a material adverse effect on the business, operations, property or financial condition of the U.S. Borrower and its Subsidiaries, taken as a whole, and any notice from any Person of (i) the occurrence of any release, spill or discharge of any Hazardous Material that is reportable under any Environmental Law, (ii) the commencement of any clean up pursuant to or in accordance with any Environmental Law of any Hazardous Material at, on, under or within the Property or any part thereof or (iii) any other condition, circumstance, occurrence or event, any of which would reasonably be expected to have a material adverse effect on the business, operations, property or financial condition of the U.S. Borrower and its Subsidiaries, taken as a whole, under any Environmental Law;

(f) of (i) the incurrence of any Lien (other than Liens permitted pursuant to subsection 9.3) on, or claim asserted against any of the collateral security in the Security Documents or (ii) the occurrence of any other event which could reasonably be expected to have a material adverse effect on the aggregate value of the collateral under any Security Document; and

(g) of a material adverse change in the business, operations, property or financial condition of the U.S. Borrower and its Subsidiaries taken as a whole.

Each notice pursuant to this subsection 8.7 shall be accompanied by a statement of a Responsible Officer of the U.S. Borrower setting forth details of the occurrence referred to therein and stating what action the U.S. Borrower proposes to take with respect thereto.

8.8 Maintenance of Liens of the Security Documents. Promptly, upon the reasonable request of any Lender, at the U.S. Borrower's expense, execute, acknowledge and deliver, or cause the execution, acknowledgment and delivery of, and thereafter register, file or record, or cause to be registered, filed or recorded, in an appropriate governmental office, any document or instrument supplemental to or confirmatory of the Security Documents or otherwise deemed by the Administrative Agent necessary or desirable for the continued validity, perfection and priority of the Liens on the collateral covered thereby.

8.9 Environmental Matters. (a) Comply in all material respects with, and use all reasonable efforts to ensure compliance in all material respects by all tenants and subtenants, if any, with, all Environmental Laws and all requirements existing thereunder and obtain and comply in all material respects with and maintain, and use all reasonable efforts to ensure that all tenants and subtenants obtain, comply in all material respects with and maintain, any and all licenses, approvals, notifications, registrations or permits required by Environmental Laws.

(b) Promptly comply in all material respects with all lawful orders and directives of all Governmental Authorities regarding Environmental Laws, other than such orders and directives as to which an appeal has been taken in good faith and the pendency of any and all such appeals does not materially and adversely affect the U.S. Borrower or any Subsidiary or the operations of the U.S. Borrower or any Subsidiary.

(c) Defend, indemnify and hold harmless the Administrative Agent and the Lenders and their Affiliates, and their respective employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature known or unknown, contingent or otherwise, arising out of, or in any way relating to the violation of, noncompliance with or liability under any Environmental Laws applicable to the U.S. Borrower or its Subsidiaries or the Properties, or any orders, requirements or demands of Governmental Authorities related thereto, including, without limitation, attorney's and consultant's fees, investigation and laboratory fees, response costs, court costs and litigation expenses, except to the extent that any of the foregoing arise solely out of the gross negligence or willful misconduct of the party seeking indemnification therefor. This indemnity shall continue in full force and effect regardless of the termination of this Agreement.

8.10 Security Documents; Guarantee Supplement. (a) [Reserved.]

(b) As soon as possible and in no event later than 45 days after the delivery of any financial statements under subsection 8.1(a) or (b), for any fiscal period ending on or after March 31, 2001, cause (i) all of the Capital Stock owned directly or indirectly by the U.S. Borrower of each of the U.S. Borrower's direct or indirect Domestic Subsidiaries which on the date of such financial statements constituted at least 10% of Consolidated Assets or for the twelve month period ended on the date of such financial statements represented at least 10% of Consolidated Revenues to be pledged to the Administrative Agent, in its capacity as Agent pursuant to the Intercreditor Agreement, pursuant to a pledge agreement in form and substance satisfactory to the Administrative Agent, (ii) 65% of the Capital Stock (or such lesser amount as

may be owned by the U.S. Borrower) of each of the U.S. Borrower's direct Foreign Subsidiaries which on the date of such financial statements constituted at least 10% of Consolidated Assets or for the twelve month period ended on the date of such financial statements represented at least 10% of Consolidated Revenues to be pledged to the Administrative Agent, in its capacity as Agent pursuant to the Intercreditor Agreement, pursuant to a pledge agreement in form and substance satisfactory to the Administrative Agent, and (iii) the Administrative Agent, in its capacity as Agent pursuant to the Intercreditor Agreement, to receive, with a counterpart for each Lender, legal opinions of counsel to the U.S. Borrower acceptable to the Administrative Agent covering such matters in respect of such pledges as the Administrative Agent shall reasonably request.

(c) As soon as possible and in no event later than 45 days after the delivery of any financial statements under subsection 8.1(a) or (b) for any fiscal period ending on or after March 31, 2001, cause (i) each of the U.S. Borrower's direct and indirect Domestic Subsidiaries (other than any Excluded Subsidiary) which on the date of such financial statements constituted 10% of Consolidated Assets or for the twelve month period ended on the date of such financial statements represented at least 10% of Consolidated Revenues to execute and deliver a Guarantee Supplement to the Administrative Agent, in its capacity as Agent pursuant to the Intercreditor Agreement, and (ii) the Administrative Agent, in its capacity as Agent pursuant to the Intercreditor Agreement, to receive, with a counterpart for each Lender, opinions of counsel to the U.S. Borrower, in form and substance satisfactory to the Administrative Agent, covering such matters in respect of the Subsidiary Guarantee as the Administrative Agent shall reasonably request; provided, that, notwithstanding the foregoing, a Domestic Subsidiary shall not be required to execute and deliver a Guarantee Supplement or otherwise become a party to the Subsidiary Guarantee if (x) it is a holding company whose only material asset consists of Capital Stock of one or more Foreign Subsidiaries and (y) the Capital Stock of such Domestic Subsidiary is pledged to the Administrative Agent, in its capacity as Agent pursuant to the Intercreditor Agreement and; provided further, that any Domestic Subsidiary of the U.S. Borrower (whether or not such Subsidiary satisfies the criteria set forth in clause (i) above in this paragraph (c)) which has guaranteed any Public Indebtedness of the U.S. Borrower or any of its Subsidiaries shall be required in any event to execute and deliver a Guarantee Supplement or otherwise become a party to the Subsidiary Guarantee concurrently with entering into any such guarantee of Public Indebtedness.

(d) (i) Cause to be pledged to the Administrative Agent, in its capacity as Agent pursuant to the Intercreditor Agreement, on the Closing Date 100% of the Capital Stock of each Domestic Subsidiary (other than any Excluded Subsidiary) which would have constituted more than 10% of Consolidated Assets on December 31, 2000 or represented at least 10% of Consolidated Revenues for the twelve-month period ended on December 31, 2000, and (ii) cause each Domestic Subsidiary (other than any Excluded Subsidiary) described in the foregoing clause (i) to be Subsidiary Guarantors on the Closing Date; provided, that Lear Corporation (Germany) Ltd. shall not be required to be a Subsidiary Guarantor and the U.S. Borrower shall not be required to pledge its Capital Stock.

SECTION 9. NEGATIVE COVENANTS

The U.S. Borrower hereby agrees that, so long as the Commitments (or any of them) remain in effect, any Loan remains outstanding and unpaid or any other amount is owing

to any Lender or either Administrative Agent hereunder or under any other Loan Document, the U.S. Borrower shall not, and shall not permit any of its Subsidiaries to, directly or indirectly:

9.1 Financial Covenants.

(a) Interest Coverage. Permit the ratio of (i) Consolidated Operating Profit for any four consecutive fiscal quarters ending during any period set forth below to (ii) Consolidated Interest Expense for such four consecutive fiscal quarters, to be less than the ratio set forth opposite such period below:

Period	Ratio
October 1, 2000 - December 31, 2001	3.00x
January 1, 2002 - December 31, 2002	3.25x
January 1, 2003 and thereafter	3.50x

(b) Leverage Ratio. Permit the Leverage Ratio at the end of any fiscal quarter ending during any period set forth below to be greater than the ratio set forth opposite such period below:

Period	Ratio
October 1, 2000 through December 31, 2000	4.00x
January 1, 2001 through December 31, 2001	3.75x
January 1, 2002 through December 31, 2004	3.50x
January 1, 2005 and thereafter	3.25x

9.2 Limitation on Indebtedness. Permit any Subsidiary to create, incur, assume or suffer to exist any Indebtedness, except:

(a) (i) Indebtedness in respect of the Extensions of Credit and other obligations arising under this Agreement and (ii) Indebtedness under the Other Revolving Credit Agreement and, without duplication, Indebtedness of any Subsidiary backed by letters of credit issued under the Other Revolving Credit Agreement;

(b) [Reserved];

(c) Indebtedness in respect of Interest Rate Agreement Obligations and Currency Agreement Obligations entered into to protect against fluctuations in interest rates or exchange rates and not for speculative reasons;

(d) Indebtedness incurred by a Special Purpose Subsidiary in connection with a Receivable Financing Transaction;

(e) intercompany Indebtedness permitted by subsection 9.9; and

(f) other Indebtedness, subject to the provisions of subsection 9.8.

9.3 Limitation on Liens. Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, except (subject, in the case of Liens described in paragraphs (o) through (t) below, to the provisions of subsection 9.8):

(a) Liens for taxes not yet due or which are being contested in good faith by appropriate proceedings; provided that adequate reserves with respect thereto are maintained on the books of the U.S. Borrower or its Subsidiaries, as the case may be, in conformity with GAAP (or, in the case of Foreign Subsidiaries, generally accepted accounting principles in effect from time to time in their respective jurisdictions of organization);

(b) carriers', warehousemen's, mechanics', materialmen's, repairmen's, suppliers or other like Liens arising in the ordinary course of business relating to obligations not overdue for a period of more than 60 days or which are bonded or being contested in good faith by appropriate proceedings;

(c) pledges or deposits in connection with workers' compensation, unemployment insurance and other social security legislation, including any Lien securing letters of credit issued in the ordinary course of business in connection therewith and deposits securing liabilities to insurance carriers under insurance and self-insurance programs;

(d) Liens (other than any Lien imposed by ERISA) incurred on deposits to secure the performance of bids, trade contracts (other than for borrowed money), leases, statutory obligations, surety and appeal bonds, performance bonds, utility payments and other obligations of a like nature incurred in the ordinary course of business;

(e) easements, rights-of-way, restrictions and other similar encumbrances incurred which, in the aggregate, do not materially interfere with the ordinary conduct of the business of the U.S. Borrower and its Subsidiaries taken as a whole;

(f) Liens created pursuant to the Security Documents;

(g) attachment, judgment or other similar Liens arising in connection with court or arbitration proceedings fully covered by insurance or involving individually or in the aggregate, no more than $40,000,000 at any one time, provided that the same are discharged, or that execution or enforcement thereof is stayed pending appeal, within 60 days or, in the case of any stay of execution or enforcement pending appeal, within such lesser time during which such appeal may be taken;

(h) Liens securing obligations (other than obligations representing Indebtedness for borrowed money) under operating, reciprocal easement or similar agreements entered into in the ordinary course of business;

(i) statutory Liens and rights of offset arising in the ordinary course of business of the U.S. Borrower and its Subsidiaries;

(j) Liens in connection with leases or subleases granted to others and the interest or title of a lessor or sublessor (other than the U.S. Borrower or any Subsidiary of the U.S. Borrower) under any lease;

(k) Liens arising in connection with Industrial Development Bonds or other industrial development, pollution control or other tax-favored or government-sponsored financing transactions, provided that such liens do not at any time encumber any property, other than the property financed by such transaction and other property, assets or revenues related to the property so financed on which Liens are customarily granted in connection with such transactions (in each case, together with improvements and attachments thereto);

(l) Liens on receivables subject to a Receivable Financing Transaction;

(m) Liens securing Indebtedness permitted by subsection 9.2(c) and any other Indebtedness in respect of Interest Rate Agreement Obligations or Currency Agreement Obligations entered into to protect against fluctuations in interest rates or exchange rates and not for speculative reasons, provided that such Liens run in favor of a Lender hereunder or a lender under the Other Revolving Credit Agreement;

(n) extensions, renewals and replacements of any Lien described in subsections 9.3(a) through (m) above;

(o) Liens (including, without limitation, Liens incurred in connection with Financing Leases, operating leases and sale-leaseback transactions) securing Indebtedness of the U.S. Borrower and its Subsidiaries permitted by subsection 9.2 incurred to finance the acquisition of property; provided that (i) such Liens shall be created substantially simultaneously with the purchase of such property, (ii) such Liens do not at any time encumber any property other than the property financed by such Indebtedness, (iii) the amount of Indebtedness secured thereby is not increased and (iv) the principal amount of Indebtedness secured by any such Lien shall at no time exceed 100% of the purchase price of such property;

(p) Liens securing the Indebtedness of Foreign Subsidiaries permitted by subsection 9.2, provided that such Liens permitted by this paragraph do not at any time encumber any property located in the United States;

(q) Liens securing reimbursement obligations with respect to documentary letters of credit permitted hereunder which encumber documents and other property relating to such letters of credit;

(r) Liens securing Acquired Indebtedness permitted by subsection 9.2, provided, that (i) such Liens existed at the time such corporation became a Subsidiary or such assets were acquired and were not created in anticipation thereof, (ii) any such Lien does not by its terms cover any property or assets after the time such corporation became or becomes a Subsidiary or such assets were acquired which were not covered immediately prior thereto (and improvements and attachments thereto) and (iii) any such Lien does not by its terms secure any Indebtedness other than Indebtedness existing

immediately prior to the time such corporation became or becomes a Subsidiary or such assets were acquired;

(s) except as otherwise provided for in subsections 9.3(a) through (n), Liens securing Indebtedness of Domestic Subsidiaries permitted under subsection 9.2;

(t) other Liens; and

(u) extensions, renewals and replacements of any Lien described in subsections 9.3(o) through (t) above.

9.4 Limitation on Guarantee Obligations. Create, incur, assume or suffer to exist any Guarantee Obligation except:

(a) Guarantee Obligations of (i) the U.S. Borrower under this Agreement and the Other Revolving Credit Agreement and (ii) the Domestic Subsidiaries under the Subsidiary Guarantee, and any Bond Guarantee;

(b) Guarantee Obligations of any Subsidiary Guarantor in respect of obligations of the Borrower or any other Subsidiary Guarantor;

(c) Guarantee Obligations of any Subsidiary that is not a Subsidiary Guarantor in respect of obligations of any other Subsidiary that is not a Subsidiary Guarantor;

(d) Guarantee Obligations in respect of operating leases;

(e) Guarantee Obligations of the U.S. Borrower in respect of obligations of any Subsidiary that are permitted to be incurred under this Agreement; and

(f) other Guarantee Obligations, subject to the provisions of subsection 9.8;

9.5 Limitations on Fundamental Changes. Unless expressly permitted under this Agreement, enter into any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or convey, sell, lease, assign, transfer or otherwise dispose of, all or substantially all of its property, business or assets, or make any material change in its present method of conducting business, except:

(a) any Subsidiary of the U.S. Borrower may be merged or consolidated with or into the U.S. Borrower (provided that the U.S. Borrower shall be the continuing or surviving corporation) or with or into any one or more other Subsidiaries of the U.S. Borrower;

(b) any Subsidiary may sell, lease, transfer or otherwise dispose of any or all of its assets (upon voluntary liquidation or otherwise) to the U.S. Borrower or any other Subsidiary of the U.S. Borrower;

(c) the U.S. Borrower may merge or consolidate with any Person, provided that (A) the U.S. Borrower is the surviving corporation of such merger or consolidation,

(B) after giving effect thereto, no Default or Event of Default is in existence and (C) if such merger or consolidation had occurred on the first day of the period of four full fiscal quarters most recently ended prior to the date of such event, the U.S. Borrower would have been in compliance with subsection 9.1 during such period of four full fiscal quarters; and

(d) any Subsidiary may be merged, consolidated or amalgamated with or into any Person, or may sell, lease, transfer or otherwise dispose of its assets (upon voluntary liquidation, dissolution or otherwise) to any Person or may liquidate, wind up or dissolve itself if (A) after giving effect thereto, no Default or Event of Default is in existence and (B) if such merger, consolidation, amalgamation, sale, lease, transfer or other disposition had occurred on the first day of the period of four fiscal quarters most recently ended prior to the date of such event, the U.S. Borrower would have been in compliance with subsection 9.1 during such period of four full fiscal quarters.

9.6 Limitation on Sale of Assets. Convey, sell, lease, assign, transfer or otherwise dispose of, any of its property, business or assets (including, without limitation, receivables and leasehold interests) whether now owned or hereafter acquired, or, in the case of any Subsidiary, issue or sell any shares of such Subsidiary's Capital Stock to any Person other than the U.S. Borrower or any Wholly Owned Subsidiary (or to qualify directors if required by applicable law or similar de minimis issuances of Capital Stock to comply with Requirements of Law), except:

(a) the sale or other disposition of obsolete or worn out property or other property not necessary for operations disposed of in the ordinary course of business; provided that (i) the Net Proceeds of each such transaction are applied to obtain a replacement item or items of property within 120 days of the disposition thereof or (ii) the fair market value of any property not replaced pursuant to clause (i) above shall not exceed $20,000,000 in the aggregate in any one fiscal year of the U.S. Borrower;

(b) the sale of inventory or Cash Equivalents in the ordinary course of business;

(c) the sale of any property in connection with any sale and leaseback transaction;

(d) the sale by any Foreign Subsidiary of its accounts receivable; provided that the terms of each such sale are satisfactory in form and substance to the Administrative Agent;

(e) the sale by any Domestic Subsidiary of its accounts receivable; provided that the terms of each such sale are satisfactory in form and substance to the Administrative Agent;

(f) any sale or other disposition permitted under subsections 9.5 or 9.9;

(g) any operating lease entered into in the ordinary course of business;

(h) any assignments or licenses of intellectual property in the ordinary course of business;

(i) any sale, contribution or transfer to or by a Special Purpose Subsidiary in connection with a Receivable Financing Transaction; and

(j) any sale or other disposition of assets if (A) after giving effect thereto and the application of the proceeds therefrom, no Default or Event of Default is in existence and (B) if such sale or other disposition had occurred on the first day of the period of four full final quarters most recently ended prior to the date of such sale or other disposition, the U.S. Borrower would have been in compliance with subsection 9.1 during such period of four full fiscal quarters.

9.7 Limitation on Dividends. Declare or pay any dividend on, or make any payment on account of, or set apart assets for a sinking or other analogous fund for, the purchase, redemption, defeasance, retirement or other acquisition of, any shares of any class of Capital Stock of the U.S. Borrower or any warrants or options to purchase any such stock, whether now or hereafter outstanding, or make any other distribution in respect thereof, either directly or indirectly, whether in cash or property or in obligations of the U.S. Borrower or any Subsidiary, except for (a) (i) payment by the U.S. Borrower of amounts then owing to management personnel of the U.S. Borrower pursuant to the terms of their respective employment contracts or under any employee benefit plan, (ii) mandatory purchases by the U.S. Borrower of its common stock from management personnel pursuant to the terms of their respective employment agreements or any employee benefit plan, (iii) additional repurchases by the U.S. Borrower of its common stock from management personnel, and other officers or employees of the U.S. Borrower or any Subsidiary in an amount not to exceed $35,000,000 in the aggregate and (iv) the purchase, redemption or retirement of any shares of any Capital Stock of the U.S. Borrower or options to purchase Capital Stock of the U.S. Borrower in connection with the exercise of outstanding stock options, (b) if no Default or Event of Default has occurred and is continuing (or would occur and be continuing after giving effect thereto) when any such dividend is declared by the Board of Directors of the U.S. Borrower or such payment is made on the account of the purchase of Capital Stock of the U.S. Borrower, cash dividends on the U.S. Borrower's Capital Stock or such payments made on the account of the purchase of Capital Stock of the U.S. Borrower not to exceed, in the aggregate, in any fiscal quarter (the "Payment Quarter") an amount equal to the greater of (i) $25,000,000 and (ii) (A) 50% (100% if the U.S. Borrower shall have attained Investment Grade Status) of Consolidated Net Income of the U.S. Borrower and its consolidated Subsidiaries for the period of four consecutive fiscal quarters ended immediately prior to the Payment Quarter (such period of four quarters being the "Calculation Period" in respect of such Payment Quarter), less (B) the cash amount of all (I) dividends paid and redemptions made by the U.S. Borrower during such Calculation Period in respect of Capital Stock and (II) payments made on the account of the purchase of Capital Stock of the U.S. Borrower during such Calculation Period, but only to the extent permitted by the terms of the outstanding Subordinated Debt, (c) if (x) no Default or Event of Default has occurred and is continuing (or would occur and be continuing after giving effect thereto) with respect to such purchase of Capital Stock of the U.S. Borrower and (y) the Leverage Ratio for the fiscal quarter then ended is equal to or less than 3.0 to 1.0, the U.S. Borrower may from time to time and in addition to the amounts permitted under clause (b) above purchase its Capital Stock in an aggregate amount of up to $100,000,000 during the term of this Agreement and (d) dividends or

distributions in the form of additional shares of such Capital Stock or in options, warrants or other rights to purchase Capital Stock.

9.8 Limitation on Subsidiary and Secured Indebtedness. Create, incur, assume or suffer to exist Subsidiary and Secured Indebtedness in an aggregate principal amount at any time outstanding exceeding 10% of Consolidated Assets at such time; or create, incur, assume or suffer to exist any Indebtedness that constitutes Subsidiary and Secured Indebtedness and that is secured by any Lien on any property, assets or receivables of the U.S. Borrower or any of its Subsidiaries (other than Liens permitted by paragraphs (a) through (n) of subsection 9.3) in an aggregate principal amount at any time exceeding 5% of Consolidated Assets at such time, provided that, in each case, the proceeds of any Subsidiary and Secured Indebtedness constituting Public Indebtedness incurred hereunder shall, to the extent required, be applied in accordance with subsection 5.4(f).

9.9 Limitation on Investments, Loans and Advances. Make or suffer to exist any advance, loan, extension of credit or capital contribution to, or purchase any stock, bonds, notes, debentures or other securities of or any assets constituting a business unit of, or make any other investment in, any Person, or acquire or invest in any interest in any Person, except:

(a) extensions of trade credit in the ordinary course of business;

(b) investments in Cash Equivalents;

(c) investments by Foreign Subsidiaries in high quality investments of a type similar to Cash Equivalents made outside of the United States of America;

(d) capital contributions and equity investments made prior to the date hereof in any Subsidiary or Special Entity and any recapitalization thereof not increasing the amounts thereof;

(e) (i) loans, advances, and extensions of credit by any Subsidiary to the U.S. Borrower and (ii) loans, advances, extensions of credit, capital contributions and other investments by the U.S. Borrower or any Subsidiary to or in any Subsidiary;

(f) the purchase by the U.S. Borrower or any Subsidiary of participating interests in loans to Foreign Subsidiaries; provided that the amount of each such participating interest does not exceed the amount which the U.S. Borrower or such Subsidiary would otherwise be permitted to lend or contribute to such Foreign Subsidiaries pursuant to this subsection 9.9;

(g) the U.S. Borrower and its Subsidiaries may acquire or invest in any Special Entities or the assets constituting a business unit of any Person that would be a Special Entity, provided that the aggregate purchase price of such acquisitions after the date hereof does not exceed $400,000,000 (less, in the case of Special Entities that become Subsidiaries of the U.S. Borrower, the aggregate amount of Indebtedness of such Special Entities at the time such Special Entities are acquired) per fiscal year; and provided, further, that up to $100,000,000 of such permitted amount which is not expended in any fiscal year may be carried over for such acquisitions in any subsequent fiscal year; and provided, still further, that no more than $150,000,000 per fiscal year of

any such permitted amount may be expended to acquire stock or other evidence of beneficial ownership of Special Entities that do not become Subsidiaries of the U.S. Borrower;

(h) advances to employees in the ordinary course of business for travel, relocation and related expenses;

(i) investments received in connection with the bankruptcy or reorganization of suppliers, customers and other Persons having obligations in favor of the U.S. Borrower or any Subsidiary in settlement of delinquent obligations of, and other disputes with, customers, suppliers and such other Persons arising in the ordinary course of business;

(j) advances, loans, extensions of credit or other investments held by a Person at the time it becomes a Subsidiary of the U.S. Borrower in connection with an acquisition permitted hereunder; provided, that such advances, loans, extensions of credit or other investments have not been made in anticipation of such acquisition;

(k) other investments, advances, loans, extensions of credit and capital contributions by the U.S. Borrower and its Subsidiaries not exceeding $125,000,000 in the aggregate at any one time outstanding;

(l) [Reserved]; and

(m) investments in or acquisitions of companies or business units, in each case, engaged primarily in the manufacturing of automotive parts business and businesses related thereto so long as (i) no Default or Event of Default shall have occurred and be continuing before and after giving effect to such transaction, (ii) the U.S. Borrower would be in pro forma compliance with subsection 9.1 after giving effect to such transaction and (iii) such transaction is not the result of a hostile bid made by the U.S. Borrower or its Subsidiaries.

9.10 Limitation on Optional Payments and Modification of Debt Instruments; Certain Derivative Transactions. (a) Prepay, purchase, redeem, retire, defease or otherwise acquire, or make any payment on account of any principal of, interest on, or premium payable in connection with the prepayment, redemption or retirement of any outstanding Subordinated Debt, except that the U.S. Borrower may prepay, purchase or redeem Subordinated Debt with the proceeds of the issuance of other subordinated Indebtedness of the U.S. Borrower or Capital Stock of the U.S. Borrower; provided that, in the case of the issuance of subordinated Indebtedness, either (i) the principal terms of such other subordinated Indebtedness are no more restrictive, taken as a whole, to the U.S. Borrower and its Subsidiaries than the principal terms of the Subordinated Debt being repaid, purchased or redeemed or (ii) the terms and conditions of the other subordinated Indebtedness are reasonably satisfactory to the Administrative Agent; provided, further, that, notwithstanding any provision contained in this subsection 14.10, if no Default or Event of Default has occurred and is continuing or would occur and be continuing as a result of the following, the Subordinated Debt may be prepaid at any time without restriction; (b) enter into any derivative transaction or similar transaction obligating the U.S. Borrower or any of its Subsidiaries to make any payment (other than a payment made in Capital Stock) to any other

Person as a result of any change in value or market price of Subordinated Debt or Capital Stock of the U.S. Borrower; or (c) without the consent of the Administrative Agent, amend, modify or change, or consent or agree to any amendment, modification or change to any of the terms of any Subordinated Debt (except that without the consent of the Administrative Agent or any Lender, the terms of the Subordinated Debt may be amended, modified or changed if such amendment, modification or change would extend the maturity or reduce the amount of any payment of principal thereof, would reduce the rate or extend the date for payment of interest thereon, would eliminate covenants (other than covenants with respect to subordination to Indebtedness under this Agreement and, if applicable, the Subsidiary Guarantee) or defaults in such Subordinated Debt or would make such covenants or defaults less restrictive or make any other change that would not require the consent of the holders of such Subordinated Debt).

9.11 Transactions with Affiliates. Enter into any transaction, including, without limitation, any purchase, sale, lease or exchange of property or the rendering of any service, with any Affiliate unless such transactions are otherwise permitted under this Agreement, or such transactions are in the ordinary course of the U.S. Borrower's or such Subsidiary's business and are upon fair and reasonable terms no less favorable to the U.S. Borrower or such Subsidiary, as the case may be, than it would obtain in a comparable arm's length transaction with a Person not an Affiliate; provided, however, that the U.S. Borrower may engage, The Cypress Group, LLC or any Affiliate of The Cypress Group, LLC as financial advisor, underwriter, broker, dealer-manager or finder in connection with any transaction at the then customary market rates for similar services.

9.12 Corporate Documents. Amend its Certificate of Incorporation or By-Laws, each as in effect on the Closing Date, if such amendment would reasonably be expected to impair the ability of the Loan Parties to perform their respective obligations under the Loan Documents to which they are a party.

9.13 Fiscal Year. Permit the fiscal year of the U.S. Borrower to end on a day other than December 31.

9.14 Limitation on Restrictions Affecting Subsidiaries. Enter into any agreement with any Person other than the Lenders pursuant hereto which prohibits or limits the ability of any Subsidiary to (a) pay dividends or make other distributions or pay any Indebtedness owed to the U.S. Borrower or any Subsidiary, (b) make loans or advances to the U.S. Borrower or any Subsidiary or (c) transfer any of its properties or assets to the U.S. Borrower or any Subsidiary, except (i) prohibitions or restrictions under applicable law, (ii) agreements and instruments governing or evidencing secured Indebtedness otherwise permitted to be incurred under this Agreement that limits the right of the borrower to (A) dispose of the assets securing such Indebtedness or (B) in the case of any Foreign Subsidiary, to make dividends or distributions, (iii) prohibitions or restrictions under agreements relating to Acquired Indebtedness and any refinancings thereof, (iv) prohibitions or restrictions with respect to the distribution or dispositions of assets or property in joint venture and similar agreements entered into in the ordinary course of business, (v) customary non-assignment provisions in leases and other agreements entered into in the ordinary course of business, (vi) customary net worth provisions contained in leases and other agreements entered into by a Subsidiary in the ordinary course of business, (vii) customary restrictions with respect to a Subsidiary pursuant to an agreement that has been entered into for the sale or disposition of the assets or stock of such

Subsidiary, (viii) (a) any such restrictions existing by reasons of Contractual Obligations listed on Schedule VIII or (b) Contractual Obligations in effect on the Closing Date affecting Subsidiaries acquired in the UT Automotive Acquisition, (ix) any restrictions on a Special Purpose Subsidiary, (x) restrictions on cash or other deposits or net worth provisions under customer and supply agreements entered into in the ordinary course of business, and (xi) any restrictions contained in any instrument or agreement that refinances any Indebtedness or other obligations which contains similar restrictions.

9.15 Special Purpose Subsidiary. Permit (a) any Special Purpose Subsidiary to engage in any business other than Receivable Financing Transactions and activities directly related thereto or (b) at any time the U.S. Borrower or any of its Subsidiaries (other than a Special Purpose Subsidiary) or any of their respective assets to incur any liability, direct or indirect, contingent or otherwise, in respect of any obligation of a Special Purpose Subsidiary whether arising under or in connection with any Receivable Financing Transaction or otherwise.

9.16 Interest Rate Agreements. Enter into, or become a party to, any Interest Rate Agreement that is speculative in nature.

SECTION 10. GUARANTEE

10.1 Guarantee. (a) The U.S. Borrower hereby unconditionally and irrevocably guarantees to the Administrative Agent, for the ratable benefit of the Administrative Agent and the Lenders and their respective successors, indorsees, transferees and assigns, the prompt and complete payment and performance by each of the other Borrowers when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations of the Subsidiaries.

(b) The U.S. Borrower further agrees to pay any and all expenses (including, without limitation, all reasonable fees and disbursements of counsel, provided that the U.S. Borrower shall only be required to pay the fees and disbursements of (i) one counsel for the Administrative Agent, (ii) one counsel for the Lenders and (iii) one counsel for the Administrative Agent and the Multicurrency Lenders in the jurisdiction of each Foreign Subsidiary Borrower) which may be paid or incurred by the Administrative Agent, or any Lender in enforcing, or obtaining advice of counsel in respect of, any rights with respect to, or collecting, any or all of the Obligations and/or enforcing any rights with respect to, or collecting against, the U.S. Borrower under this Section. This Section shall remain in full force and effect until the Obligations are paid in full and the Commitments are terminated, notwithstanding that from time to time prior thereto any Borrower may be free from any Obligations.

(c) No payment or payments made by any Borrower or any other Person or received or collected by the Administrative Agent or any Lender from any Borrower or any other Person by virtue of any action or proceeding or any set-off or appropriation or application, at any time or from time to time, in reduction of or in payment of the Obligations shall be deemed to modify, reduce, release or otherwise affect the liability of the U.S. Borrower hereunder which shall, notwithstanding any such payment or payments, remain liable hereunder for the Obligations until the Obligations are paid in full and the Commitments are terminated.

(d) The U.S. Borrower agrees that whenever, at any time, or from time to time, it shall make any payment to the Administrative Agent or any Lender on account of its liability hereunder, it will notify the Administrative Agent and such Lender in writing that such payment is made under this Section for such purpose.

10.2 No Subrogation. Notwithstanding any payment or payments made by the U.S. Borrower hereunder, or any set-off or application of funds of the U.S. Borrower by the Administrative Agent or any Lender, the U.S. Borrower shall not be entitled to be subrogated to any of the rights of the Administrative Agent or any Lender against the other Borrowers or against any collateral security or guarantee or right of offset held by the Administrative Agent or any Lender for the payment of the Obligations, nor shall the U.S. Borrower seek or be entitled to seek any contribution or reimbursement from the other Borrowers in respect of payments made by the U.S. Borrower hereunder, until all amounts owing to the Administrative Agent and the Lenders by the other Borrowers on account of the Obligations are paid in full and the Commitments are terminated. If any amount shall be paid to the U.S. Borrower on account of such subrogation rights at any time when all of the Obligations shall not have been paid in full, such amount shall be held by the U.S. Borrower in trust for the Administrative Agent and the Lenders, segregated from other funds of the U.S. Borrower, and shall, forthwith upon receipt by the U.S. Borrower, be turned over to the Administrative Agent in the exact form received by the U.S. Borrower (duly indorsed by the U.S. Borrower to the Administrative Agent, if required), to be applied against the Obligations, whether matured or unmatured, in such order as the Administrative Agent may determine.

10.3 Amendments, etc. with respect to the Obligations; Waiver of Rights. The U.S. Borrower shall remain obligated hereunder notwithstanding that, without any reservation of rights against the U.S. Borrower, and without notice to or further assent by the U.S. Borrower, any demand for payment of any of the Obligations made by the Administrative Agent or any Lender may be rescinded by such Administrative Agent or such Lender, and any of the Obligations continued, and the Obligations, or the liability of any other party upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by the Administrative Agent or any Lender, and any Loan Documents and any other documents executed and delivered in connection therewith may be amended, modified, supplemented or terminated, in whole or in part, in accordance with the provisions thereof as the Administrative Agent or the Lenders (or the Majority Lenders, as the case may be) may deem advisable from time to time, and any collateral security, guarantee or right of offset at any time held by the Administrative Agent or any Lender for the payment of the Obligations may be sold, exchanged, waived, surrendered or released. None of the Administrative Agent or any Lender shall have any obligation to protect, secure, perfect or insure any Lien at any time held by it as security for the Obligations or for this Agreement or any property subject thereto. When making any demand hereunder against the U.S. Borrower, the Administrative Agent or any Lender may, but shall be under no obligation to, make a similar demand on any other Borrowers or any other guarantor, and any failure by the Administrative Agent or any Lender to make any such demand or to collect any payments from any such Borrower or any such other guarantor or any release of such Borrower or such other guarantor shall not relieve the U.S. Borrower of its obligations or liabilities hereunder, and shall not impair or affect the rights and remedies, express or implied, or as a matter of law, of the

Administrative Agent or any Lender against the U.S. Borrower. For the purposes hereof "demand" shall include the commencement and continuance of any legal proceedings.

10.4 Guarantee Absolute and Unconditional. The U.S. Borrower waives any and all notice of the creation, renewal, extension or accrual of any of the Obligations and notice of or proof of reliance by the Administrative Agent or any Lender upon this Agreement or acceptance of this Agreement; the Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended, amended or waived, in reliance upon this Agreement; and all dealings between the Borrowers and the U.S. Borrower and the other Borrowers, on the one hand, and the Administrative Agent and the Lenders, on the other, shall likewise be conclusively presumed to have been had or consummated in reliance upon this Agreement. The U.S. Borrower waives diligence, presentment, protest, demand for payment and notice of default or nonpayment to or upon the other Borrowers and the U.S. Borrower with respect to the Obligations. This Section 10 shall be construed as a continuing, absolute and unconditional guarantee of payment without regard to (a) the validity or enforceability of this Agreement, any other Loan Document, any of the Obligations or any other collateral security therefor or guarantee or right of offset with respect thereto at any time or from time to time held by the Administrative Agent or any Lender, (b) any defense, set-off or counterclaim (other than a defense of payment or performance) which may at any time be available to or be asserted by the Borrowers (other than the U.S. Borrower) against the Administrative Agent or any Lender, or (c) any other circumstance whatsoever (with or without notice to or knowledge of the Borrowers or the U.S. Borrower) which constitutes, or might be construed to constitute, an equitable or legal discharge of the Borrowers for the Obligations, or of the U.S. Borrower under this Section 10, in bankruptcy or in any other instance. When pursuing its rights and remedies hereunder against the Borrower, the Administrative Agent and any Lender may, but shall be under no obligation to, pursue such rights and remedies as it may have against the other Borrowers or any other Person or against any collateral security or guarantee for the Obligations or any right of offset with respect thereto, and any failure by the Administrative Agent or any Lender to pursue such other rights or remedies or to collect any payments from such other Borrowers or any such other Person or to realize upon any such collateral security or guarantee or to exercise any such right of offset, or any release of the other Borrowers or any such other Person or of any such collateral security, guarantee or right of offset, shall not relieve the U.S. Borrower of any liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of the Administrative Agent or any Lender against the U.S. Borrower. This Section 10 shall remain in full force and effect and be binding in accordance with and to the extent of its terms upon the U.S. Borrower and its successors and assigns, and shall inure to the benefit of the Administrative Agent and the Lenders, and their respective successors, indorsees, transferees and assigns, until all the Obligations and the obligations of the U.S. Borrower under this Agreement shall have been satisfied by payment in full and the Commitments shall be terminated, notwithstanding that from time to time during the term of this Agreement the Borrowers may be free from any Obligations.

10.5 Reinstatement. This Section 10 shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by the Administrative Agent or any Lender upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of any Borrower or upon or as a result of the appointment of a receiver, intervenor or conservator of, or

trustee or similar officer for, any Borrower or any substantial part of its property, or otherwise, all as though such payments had not been made.

10.6 Payments. The U.S. Borrower hereby agrees that all payments required to be made by it hereunder will be made to the Administrative Agent, for the benefit of the Administrative Agent and the Lenders, as the case may be, without set-off or counterclaim in accordance with the terms of the Obligations, including, without limitation, in the currency in which payment is due.

SECTION 11. EVENTS OF DEFAULT

Upon the occurrence of any of the following events:

(a) Any Borrower shall fail to pay (i) any principal of any Loans when due (whether at the stated maturity, by acceleration or otherwise) in accordance with the terms thereof or hereof or (ii) any interest on any Loans, or any fee or other amount payable hereunder, within five days after any such interest, fee or other amount becomes due in accordance with the terms hereof; or

(b) Any representation or warranty made or deemed made by the U.S. Borrower or any other Loan Party herein or in any other Loan Document or which is contained in any certificate, document or financial or other statement furnished at any time under or in connection with this Agreement or any other Loan Document shall prove to have been incorrect in any material respect on or as of the date made or deemed made; or

(c) The U.S. Borrower or any other Loan Party shall default in the observance or performance of any negative covenant contained in Section 9; or

(d) The U.S. Borrower or any other Loan Party shall default in the observance or performance of any other agreement contained in this Agreement or any other Loan Document other than as provided in (a) through (c) above, and such default shall continue unremedied for a period of 30 days; or

(e) Any Loan Document shall cease, for any reason, to be in full force and effect, or the U.S. Borrower or any other Loan Party shall so assert; or any security interest created by any of the Security Documents shall cease to be enforceable and of the same effect and priority purported to be created thereby, except, in each case, as provided in subsection 13.19; or

(f) The Subsidiary Guarantee shall cease, for any reason, to be in full force and effect, or any guarantor thereunder shall so assert, except as provided in subsection 13.19; or

(g) The subordination provisions contained in any instrument pursuant to which the Subordinated Debt was created or in any instrument evidencing such Subordinated Debt shall cease, for any reason, to be in full force and effect or enforceable in accordance with their terms; or

(h) The U.S. Borrower or any of its Subsidiaries shall (i) default in any payment of principal of or interest on any Indebtedness (other than Indebtedness under this Agreement), in the payment of any Guarantee Obligation or in the payment of any Interest Rate Agreement Obligation, in any case where the principal amount thereof then outstanding exceeds $40,000,000 beyond the period of grace (not to exceed 60 days), if any, provided in the instrument or agreement under which such Indebtedness, Guarantee Obligation or Interest Rate Agreement Obligation was created; or (ii) default in the observance or performance of any other agreement or condition relating to any such Indebtedness, Guarantee Obligation or Interest Rate Agreement Obligation or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness or beneficiary or beneficiaries of such Guarantee Obligation (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Indebtedness to become due prior to its stated maturity or such Guarantee Obligation to become payable; or

(i) The U.S. Borrower or any Material Subsidiary shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or the U.S. Borrower or any Material Subsidiary shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the U.S. Borrower or any Material Subsidiary any case, proceeding or other action of a nature referred to in clause (i) above which (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged or unbonded for a period of 60 days; or (iii) there shall be commenced against the U.S. Borrower or any Material Subsidiary any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within 60 days from the entry thereof; or (iv) the U.S. Borrower or any Material Subsidiary shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above; or (v) the U.S. Borrower or any Material Subsidiary shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or

(j) Any Person shall engage in any non-exempt "prohibited transaction" (as defined in Section 406 of ERISA or Section 4975 of the Code) involving any Plan, (ii) any "accumulated funding deficiency" (as defined in Section 302 of ERISA), whether or not waived, shall exist with respect to any Single Employer Plan, (iii) a Reportable Event shall occur with respect to, or proceedings shall commence to have a trustee appointed, or a trustee shall be appointed, to administer or to terminate, any Single Employer Plan, which Reportable Event or commencement of proceedings or appointment of a trustee is,

in the reasonable opinion of the Majority Lenders, likely to result in the termination of such Plan for purposes of Title IV of ERISA, (iv) any Single Employer Plan shall terminate for purposes of Title IV of ERISA, (v) the U.S. Borrower or any Commonly Controlled Entity shall, or in the reasonable opinion of the Majority Lenders is likely to, incur any liability in connection with a withdrawal from, or the Insolvency or Reorganization of, a Multiemployer Plan or (vi) any other event or condition shall occur or exist, with respect to a Plan; and in each case in clauses (i) through (vi) above, such event or condition, together with all other such events or conditions, if any, would reasonably be expected to subject the U.S. Borrower or any of its Subsidiaries to any tax, penalty or other liabilities in the aggregate material in relation to the business, operations, property or financial or other condition of the U.S. Borrower and its Subsidiaries taken as a whole; or

(k) One or more judgments or decrees shall be entered against the U.S. Borrower or any of its Subsidiaries involving in the aggregate a liability (not paid or fully covered by insurance) of $40,000,000 or more and all such judgments or decrees shall not have been vacated, discharged, stayed or bonded pending appeal within 60 days from the entry thereof; or

(l) Any Person or "group" (within the meaning of Section 13(d) or 15(d) of the Exchange Act) (A) shall have acquired beneficial ownership of 35% or more of any outstanding class of Capital Stock of the U.S. Borrower having ordinary voting power in the election of directors or (B) shall obtain the legal right (whether or not exercised) to elect a majority of the U.S. Borrower's directors or (ii) the Board of Directors of the U.S. Borrower shall not consist of a majority of Continuing Directors;

then, and in any such event, (A) if such event is an Event of Default specified in clause (i) or (ii) of paragraph (i) above with respect to the U.S. Borrower, automatically the Commitments shall immediately terminate and the Loans hereunder (with accrued interest thereon) and all other amounts owing under this Agreement shall immediately become due and payable, and (B) if such event is any other Event of Default, any of the following actions may be taken: (i) with the consent of the Majority Lenders, the Administrative Agent may, or upon the request of the Majority Lenders, the Administrative Agent shall, by notice to the U.S. Borrower declare the Commitments to be terminated forthwith, whereupon the Commitments shall immediately terminate; (ii) with the consent of the Majority Lenders, the Administrative Agent may, or upon the direction of the Majority Lenders, the Administrative Agent shall, by notice of default to the U.S. Borrower, declare the Loans hereunder (with accrued interest thereon) and all other amounts owing under this Agreement and the Notes to be due and payable forthwith, whereupon the same shall immediately become due and payable and (iii) the Administrative Agent may, and upon the direction of the Majority Lenders shall, exercise any and all remedies and other rights provided pursuant to this Agreement and/or the other Loan Documents.

Except as expressly provided above in this Section, presentment, demand, protest and all other notices of any kind are hereby expressly waived.

SECTION 12. THE ADMINISTRATIVE AGENT; DOCUMENTATION AGENT; SYNDICATION AGENT; MANAGING AGENTS; LEAD MANAGERS AND CO-AGENTS

12.1 Appointment. Each Lender hereby irrevocably designates and appoints Chase as the Administrative Agent of such Lender under this Agreement and the other Loan Documents, and each Lender irrevocably authorizes Chase to act as the Administrative Agent of such Lender, and to take such action on its behalf under the provisions of this Agreement and the other Loan Documents and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent, by the terms of this Agreement and the other Loan Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Administrative Agent shall not have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against the Administrative Agent.

12.2 Delegation of Duties. The Administrative Agent may execute any of its duties under this Agreement and the other Loan Documents by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

12.3 Exculpatory Provisions. Neither the Administrative Agent nor any of its respective officers, directors, employees, agents, attorneys-in-fact or affiliates shall be (i) liable for any action lawfully taken or omitted to be taken by it or such Person under or in connection with this Agreement or any other Loan Document (except for its or such Person's gross negligence or willful misconduct) or (ii) responsible in any manner to any of the Lenders for any recitals, statements, representations or warranties made by any Borrower or other Person or any officer thereof contained in this Agreement or any other Loan Document or in any certificate, report, statement or other document referred to or provided for in, or received by such Administrative Agent under or in connection with, this Agreement or any other Loan Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document or for any failure of a Borrower or any other Person to perform its obligations hereunder or thereunder. The Administrative Agent shall not be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Loan Document or to inspect the properties, books or records of the Borrowers.

12.4 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any Note, writing, resolution, notice, consent, certificate, affidavit, letter, telecopy, telex or teletype message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including, without limitation, counsel to the Borrowers or any of them), independent accountants and other experts selected by the Administrative Agent. The Administrative Agent may deem and treat the payee of any Note as the owner thereof for all purposes unless a written notice of assignment or transfer thereof shall have been filed with the Administrative Agent. The

Administrative Agent shall be fully justified as between itself and the Lenders in failing or refusing to take any action under this Agreement or any other Loan Document unless it shall first receive such advice or concurrence of the Majority Lenders as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the other Loan Documents in accordance with a request of the Majority Lenders, and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans.

12.5 Notice of Default. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the Administrative Agent has received notice from a Lender or a Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default". In the event that the Administrative Agent receives such a notice, the Administrative Agent shall give notice thereof to the Lenders. The Administrative Agent shall take such action reasonably promptly with respect to such Default or Event of Default as shall be reasonably directed by the Majority Lenders; provided that unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders.

12.6 Non-Reliance on Administrative Agent and Other Lender. Each Lender expressly acknowledges that neither the Administrative Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or affiliates has made any representations or warranties to it and that no act by the Administrative Agent hereinafter taken, including any review of the affairs of any Borrower, shall be deemed to constitute any representation or warranty by the Administrative Agent to any Lender. Each Lender represents to the Administrative Agent that it has, independently and without reliance upon the Administrative Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of the Borrowers and made its own decision to make its Extensions of Credit hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon the Administrative Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Borrowers. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder, the Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property, condition (financial or otherwise), prospects or creditworthiness of the Borrowers which may come into the possession of the Administrative Agent or any of its respective officers, directors, employees, agents, attorneys-in-fact or affiliates.

12.7 Indemnification. Each Lender agrees to indemnify the Administrative Agent in its capacity as such (to the extent not reimbursed by the Borrowers and without limiting the obligation of the Borrowers to do so), ratably according to its Aggregate Total Outstandings

on the date on which indemnification is sought from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever which may at any time (including, without limitation, at any time following the payment of the Loans) be imposed on, incurred by or asserted against the Administrative Agent in any way relating to or arising out of this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by the Administrative Agent under or in connection with any of the foregoing; provided that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the gross negligence or willful misconduct of the Administrative Agent. The agreements in this subsection shall survive the payment of the Loans and all other amounts payable hereunder.

12.8 Administrative Agent in its Individual Capacity. The Administrative Agent and its affiliates may make loans to, accept deposits from and generally engage in any kind of business with the Borrowers as though the Administrative Agent were not the Administrative Agent hereunder and under the other Loan Documents. With respect to the Loans made or renewed by the Administrative Agent, and any Note issued to it, the Administrative Agent shall have the same rights and powers under this Agreement and the other Loan Documents as any Lender and may exercise the same as though it were not the Administrative Agent, and the terms "Lender" and "Lenders" shall include the Administrative Agent in its individual capacity.

12.9 Successor Administrative Agent. The Administrative Agent may resign as Administrative Agent upon 30 days' notice to the Lenders. If the Administrative Agent shall resign as Administrative Agent under this Agreement and the other Loan Documents, then the Majority Lenders shall appoint from among the Lenders a successor administrative agent for the Lenders, which successor administrative agent shall be approved by the U.S. Borrower (such approval not to be unreasonably withheld), whereupon such successor administrative agent shall succeed to the rights, powers and duties of the resigning Administrative Agent, and the term "Administrative Agent" shall mean such successor administrative agent effective upon such appointment and approval, and the former Administrative Agent's rights, powers and duties as Administrative Agent shall be terminated, without any other or further act or deed on the part of such former Administrative Agent or any of the parties to this Agreement or any holders of the Loans. After any resigning Administrative Agent's resignation as Administrative Agent, the provisions of this subsection shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement and the other Loan Documents.

12.10 The Managing Agents, Co-Agents and Lead Managers, Documentation Agent and Syndication Agent. Each Lender, the Documentation Agent, the Syndication Agent and each Managing Agent, Co-Agent, and Lead Manager acknowledges that the Documentation Agent and each Managing Agent, Co-Agent, Lead Manager and the Syndication Agent, in such capacity, shall have no duties or responsibilities, and shall incur no liabilities, under this Agreement or the other Loan Documents in its respective capacity as such.

12.11 Actions Under Security Documents. With respect to any action under or in respect of the Security Documents that the provisions of this Agreement permit or require the

Administrative Agent to take only with the consent, or upon the direction, of all of the Lenders or the Majority Lenders, as the case may be, the Lenders acknowledge that the Administrative Agent shall be required to take such action only if such action is approved by, in addition to all the Lenders or the Majority Lenders, as the case may be, such instructing group of lenders under the Other Revolving Credit Agreement as the Other Revolving Credit Agreement requires for such action.

12.12 Intercreditor Agreement. In the event that a Refinancing Agreement is entered into, the Administrative Agent is authorized and directed to enter into an intercreditor agreement reasonably satisfactory to the Administrative Agent as contemplated by the definition of "Refinancing Agreement" set forth in subsection 1.1, and to enter into such amendments, if any, to the Subsidiary Guarantee and the Security Documents as it shall reasonably deem required in order to give effect to such intercreditor agreement, provided, that, in any case, the Indebtedness of the U.S. Borrower hereunder and under the Other Revolving Credit Agreement (including any Refinancing Agreement in respect of the Other Revolving Credit Agreement) shall be pari passu and equally and ratably secured.

SECTION 13. MISCELLANEOUS

13.1 Amendments and Waivers. (a) Neither this Agreement or any other Loan Document, nor any terms hereof or thereof may be amended, supplemented, waived or modified except in accordance with the provisions of this subsection 13.1. The Majority Lenders may, or, with the written consent of the Majority Lenders, the Administrative Agent may, from time to time, (i) enter into with the U.S. Borrower written amendments, supplements or modifications hereto and to the other Loan Documents for the purpose of adding any provisions to this Agreement or the other Loan Documents or changing in any manner the rights or obligations of the Lenders or of the U.S. Borrower hereunder or thereunder or (ii) waive at the U.S. Borrower's request, on such terms and conditions as the Majority Lenders or the Administrative Agent, as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Loan Documents or any Default or Event of Default and its consequences; provided, however, that no such waiver and no such amendment, supplement or modification shall:

(A) reduce the amount or extend the scheduled date of maturity of any Loan or of any scheduled installment thereof, or reduce the stated rate of any interest or fee payable hereunder or extend the scheduled date of any payment thereof or increase the amount or extend the expiration date of any Lender's Multicurrency Commitment or Revolving Credit Commitment, in each case without the consent of each Lender affected thereby;

(B) amend, supplement, modify or waive any provision of this subsection 13.1 or reduce the percentages specified in the definition of "Majority Lenders" or consent to the assignment or transfer by the U.S. Borrower of any of its rights and obligations under this Agreement and the other Loan Documents, in each case without the consent of all the Lenders or reduce the percentages specified in the definitions of "Majority Revolving Credit Lenders," "Majority Term Loan Lenders" or "Majority Multicurrency Lenders" without the consent of all of the Revolving Credit Lenders, Term Loan Lenders or Multicurrency Lenders, as the case may be;

(C) amend, supplement, modify or waive any provision of Section 2 or any other provision of this Agreement governing the rights or obligations of the Administrative Agent without the consent of the then Administrative Agent;

(D) amend, modify or waive any provision of subsection 5.8 without the consent of each Lender affected thereby; or

(E) release all or substantially all of the guarantees contained in Section 10 and under the Subsidiary Guarantee or all or substantially all of the Collateral under, and as defined in, the Security Documents without the consent of each Lender other than as permitted under subsection 13.18.

Any waiver and any amendment, supplement or modification pursuant to this subsection 13.1 shall apply to each of the Lenders and shall be binding upon the Borrowers, the Lenders, the Administrative Agent, and all future holders of the Loans. In the case of any waiver, the Borrowers, the Lenders, the Administrative Agent shall be restored to their former positions and rights hereunder and under the other Loan Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing; but no such waiver shall extend to any subsequent or other Default or Event of Default, or impair any right consequent thereon.

(b) In addition to amendments effected pursuant to the foregoing paragraph (a), Schedules II and III may be amended as follows:

(i) Schedule II will be amended to add Subsidiaries of the U.S. Borrower as additional Foreign Subsidiary Borrowers upon (A) execution and delivery by the U.S. Borrower, any such Foreign Subsidiary Borrower and the Administrative Agent, of a Joinder Agreement providing for any such Subsidiary to become a Foreign Subsidiary Borrower, and (B) delivery to the Administrative Agent of (I) a Foreign Subsidiary Opinion in respect of such additional Foreign Subsidiary Borrower and (II) such other documents with respect thereto as the Administrative Agent shall reasonably request.

(ii) Schedule II will be amended to remove any Subsidiary as a Foreign Subsidiary Borrower upon (A) execution and delivery by the U.S. Borrower of a written amendment providing for such amendment and (B) repayment in full of all outstanding Loans of such Foreign Subsidiary Borrower.

(iii) Schedule III will be amended (A) to change administrative information contained therein (other than any interest rate definition, funding time, payment time or notice time contained therein) or (B) to add Available Foreign Currencies (and related interest rate definitions and administrative information) with the approval of the Majority Multicurrency Lenders, in each case, upon execution and delivery by the U.S. Borrower and the Administrative Agent of a written amendment providing for such amendment.

(iv) Schedule III will be amended to conform any funding time, payment time or notice time contained therein to then-prevailing market practices, upon execution and delivery by the U.S. Borrower and the Administrative Agent of a written amendment providing for such amendment.

(v) Schedule III will be amended to change any interest rate definition contained therein, upon execution and delivery by the U.S. Borrower, all the Multicurrency Lenders and the Administrative Agent of a written amendment providing for such amendment.

(c) In addition to the amendments effected pursuant to the foregoing paragraphs (a) and (b), this Agreement may be amended, or amended and restated, contemporaneously with the occurrence of the Revolving Credit Termination Date under (and as defined in) the Other Revolving Credit Agreement, at the request of the U.S. Borrower and with the consent of the Administrative Agent but without the consent of any Lender or other party hereto, solely to provide for the inclusion in this Agreement of provisions permitting the Revolving Credit Commitments to be used for the issuance of letters of credit and the making of swing line loans and money market swing line loans. The provisions included in this Agreement pursuant to any such amendment or amendment and restatement shall in each case be substantially equivalent to the provisions in the Other Revolving Credit Agreement relating to Letters of Credit, Swing Line Loans and Money Market Rate Swing Line Loans (as such terms are defined in the Other Revolving Credit Agreement) mutatis mutandis. Without limiting the foregoing, under this Agreement (i) the letter of credit fee shall be equal to the Applicable Margin with respect to Revolving Credit Loans which are Eurodollar Loans (less the fronting fee payable to the issuing lender at the rate of 0.125% per annum), (ii) the swing line loans (other than money market rate swing line loans) shall bear interest at the Alternate Base Rate, and money market rate swing line loans shall bear interest at the money market rate determined in accordance with the procedures equivalent to those set forth in the Other Revolving Credit Agreement with respect to Money Market Rate Swing Line Loans, (iii) the maximum aggregate face amount of letters of credit at any time outstanding shall not exceed $250,000,000, (iv) the amount of the swing line commitment shall not exceed $150,000,000, (v) Letters of Credit outstanding under the Other Revolving Credit Agreement on the date on which the amendment described in this paragraph becomes effective shall become letters of credit under this Agreement and (vi) no letters of credit outstanding under this Agreement shall have an expiry date later than the Revolving Credit Termination Date. The Issuing Lender and one or more of the Swing Line Lenders under the Other Revolving Credit Agreement shall be the issuing lender and swing line lenders under this Agreement, and the Revolving Credit Lenders shall acquire participating interests in, and shall receive fees with respect to, letters of credit and swing line loans under this Agreement under provisions substantially equivalent to the applicable provisions set forth in the Other Revolving Credit Agreement.

(d) The Administrative Agent shall give prompt notice to each Lender of any amendment effected pursuant to subsection 13.1(b) or (c).

13.2 Notices. All notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing (including by facsimile transmission) and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered by hand, or five days after being deposited in the mail, postage prepaid, or, in the case of telecopy notice, when received, or, in the case of delivery by a nationally recognized overnight courier, when received, addressed as follows in the case of the Borrowers and the Administrative Agent, and as set forth in Schedule I in the case of the other parties hereto, or to such other address as may be hereafter notified by the respective parties hereto and any future holders of the Notes:

The U.S. Borrower:	Lear Corporation 21557 Telegraph Road Southfield, Michigan 48034 Attention: Cameron C. Hitchcock Telecopy: (248) 447-1730
The Foreign Subsidiary Borrowers:	Lear Corporation 21557 Telegraph Road Southfield, Michigan 48034 Attention: Cameron C. Hitchcock Telecopy: (248) 447-1730
The Administrative Agent:	The Chase Manhattan Bank 270 Park Avenue New York, New York 10017 Attention: Richard Duker Telecopy: (212) 270-5127

provided that any notice, request or demand to or upon the Administrative Agent or the Lenders pursuant to subsection 2.3, 4.3, 5.2, 5.4 or 5.7 shall not be effective until received.

13.3 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of any Borrower, the Administrative Agent, or any Lender, any right, remedy, power or privilege hereunder or under the other Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

13.4 Survival of Representations and Warranties. All representations and warranties made hereunder and in the other Loan Documents (or in any amendment, modification or supplement hereto or thereto) and in any certificate delivered pursuant hereto or such other Loan Documents shall survive the execution and delivery of this Agreement and the Notes and the making of the Loans hereunder.

13.5 Payment of Expenses and Taxes. The U.S. Borrower agrees (a) to pay or reimburse the Administrative Agent for all its reasonable out-of-pocket costs and reasonable expenses incurred in connection with the development, preparation and execution of, and any amendment, supplement or modification to, this Agreement, the Notes and the other Loan Documents and any other documents prepared in connection herewith or therewith, and the consummation of the transactions contemplated hereby and thereby, including, without limitation, the reasonable fees and disbursements of one U.S. counsel to the Administrative Agent and such foreign counsel as the Administrative Agent shall reasonably deem necessary, (b) to pay or reimburse each Lender and the Administrative Agent for all its costs and expenses incurred in connection with the enforcement or preservation of any rights under this Agreement, the Notes and any such other documents, including, without limitation, fees and disbursements of counsel to the Administrative Agent and the reasonable fees and disbursements of counsel to the

several Lenders, and (c) to pay, indemnify, and hold each Lender and the Administrative Agent and their respective directors, officers, employees and agents harmless from, any and all recording and filing fees and any and all liabilities with respect to, or resulting from any delay in paying, stamp, excise and other taxes, if any, which may be payable or determined to be payable in connection with the execution and delivery of, or consummation of any of the transactions contemplated by, or any amendment, supplement or modification of, or any waiver or consent under or in respect of, this Agreement, the Notes and any such other documents, and (d) to pay, indemnify, and hold each Lender and the Administrative Agent harmless from and against any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever with respect to the execution, delivery, enforcement, performance and administration of this Agreement, the Notes and the other Loan Documents, the use or proposed use by the Borrowers of the proceeds of the Loans (all the foregoing, collectively, the "indemnified liabilities"); provided that the U.S. Borrower shall have no obligation hereunder to (i) the Administrative Agent with respect to indemnified liabilities arising from the gross negligence or willful misconduct of the Administrative Agent or (ii) any Lender with respect to indemnified liabilities arising from the gross negligence or willful misconduct of such Lender, in each case as finally determined by a court of competent jurisdiction. The agreements in this subsection shall survive repayment of the Loans and all other amounts payable hereunder.

13.6 Successors and Assigns; Participations and Assignments. (a) This Agreement shall be binding upon and inure to the benefit of the Borrowers, the Lenders, the Administrative Agent, all future holders of the Loans and their respective successors and assigns, except that no Borrower may assign or transfer any of its rights or obligations under this Agreement without the prior written consent of each Lender.

(b) Any Lender may, in the ordinary course of its commercial banking business and in accordance with applicable law, at any time sell to one or more banks or other entities ("Participants") participating interests in any Loan owing to such Lender, any Commitment of such Lender or any other interest of such Lender hereunder and under the other Loan Documents. In the event of any such sale by a Lender of a participating interest to a Participant, such Lender's obligations under this Agreement to the other parties to this Agreement shall remain unchanged, such Lender shall remain solely responsible for the performance thereof, such Lender shall remain the holder of any such Loan for all purposes under this Agreement and the other Loan Documents, and the Borrowers and the Administrative Agent shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement and the other Loan Documents. At the time of each sale of a participating interest, any Lender not organized under the laws of the United States of America or a state thereof shall provide the U.S. Borrower and the Administrative Agent with revised Forms required under Section 5.12 reflecting that portion of its Commitment and Loan which has been sold to the Participant on an IRS Form W-8IMY. Any agreement pursuant to which any Lender shall sell any such participating interest shall provide that such Lender shall retain the sole right and responsibility to exercise such Lender's rights and enforce the Borrowers' obligations hereunder, including the right to consent to any amendment, supplement, modification or waiver described in clause (A) or (B) of the proviso to the second sentence of subsection 13.1(a) without the consent of the Participant. Each Borrower agrees that if amounts outstanding under this Agreement are due or unpaid, or shall have been declared or shall have become due and payable upon the occurrence of an Event of Default, each Participant

shall be deemed to have the right of setoff in respect of its participating interest in amounts owing under this Agreement to the same extent as if the amount of its participating interest were owing directly to it as a Lender under this Agreement; provided that, in purchasing such participating interest, such Participant shall be deemed to have agreed to share with the Lenders the proceeds thereof as provided in subsection 13.7(a) as fully as if it were a Lender hereunder. Each Borrower agrees that each Participant shall be entitled to the benefits of subsections 5.10, 5.11, 5.12 and 13.6 with respect to its participation in the Commitments and the Loans outstanding from time to time hereunder as if it was a Lender; provided, that no Participant shall be entitled to receive any greater amount pursuant to such subsections than the transferor Lender would have been entitled to receive in respect of the amount of the participation transferred by such transferor Lender to such Participant had no such transfer occurred.

(c) Any Lender may, in the ordinary course of its commercial banking business and in accordance with applicable law, at any time and from time to time assign to any Lender or any Affiliate thereof or, with the prior written consent of the U.S. Borrower (such consent not to be unreasonably withheld) and the Administrative Agent (such consent not to be unreasonably withheld), to an additional bank or financial institution (an "Assignee") all or any part of its rights and obligations under this Agreement and the other Loan Documents including, without limitation, its Commitments and Loans, pursuant to an Assignment and Acceptance, substantially in the form of Exhibit K, executed by such Assignee, such assigning Lender (and, in the case of an Assignee that is not then a Lender or an Affiliate thereof, by the U.S. Borrower and the Administrative Agent) and delivered to the Administrative Agent for their acceptance and recording in the Register; provided that (i) if any Lender assigns a part of its rights and obligations in respect of its Revolving Credit Loans and/or Revolving Credit Commitment under this Agreement to an Assignee, such Lender shall assign proportionate interests in its Multicurrency Loans and Multicurrency Commitments (provided, that, with the consent of the U.S. Borrower and the Administrative Agent, a Lender may assign portions of its Revolving Credit Commitment without assigning a proportionate share of its Multicurrency Commitment if either (A) such proportionate share of such Multicurrency Commitment shall be assumed by another Lender or (B) if the U.S. Borrower so agrees, such proportionate share of such Multicurrency Commitment shall be terminated), (ii) in the case of any such assignment to an additional bank or financial institution, the aggregate amount of any Revolving Credit Commitment (or, if the Revolving Credit Commitments have terminated or expired, the aggregate principal amount of any Revolving Credit Loans) and Term Loans being assigned shall not be less than $10,000,000 (or (i) if less, the then outstanding amount of such Lender's Revolving Credit Commitment and Term Loans or (iii) such lesser amount as may be agreed by the U.S. Borrower and the Administrative Agent), and after giving effect to such assignment such assignor Lender, if it retains any Revolving Credit Commitment or Term Loans, shall retain a Revolving Credit Commitment and Term Loans aggregating at least $10,000,000. Upon such execution, delivery, acceptance and recording, from and after the closing date determined pursuant to such Assignment and Acceptance, (I) the Assignee thereunder shall be a party hereto and, to the extent provided in such Assignment and Acceptance, have the rights and obligations of a Lender hereunder with Commitments, rights in respect of Loans as set forth therein, and (II) the assigning Lender thereunder shall be released from its obligations under this Agreement to the extent that such obligations shall have been expressly assumed by the Assignee pursuant to such Assignment and Acceptance (and, in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Lender's rights and obligations under this Agreement, such assigning Lender shall cease to be a party hereto). Notwithstanding the

foregoing, no consent of the Borrower shall be required for any assignment effected while an Event of Default under Section 11(i) is in existence.

(d) The Administrative Agent, on behalf of the Borrowers, shall maintain at their respective addresses referred to in subsection 13.2 a copy of each Assignment and Acceptance delivered to it and a register (the "Register") for the recordation of the names and addresses of the Lenders and the Commitments of, and principal amounts of the Loans and Acceptances owing to, each Lender from time to time. The entries in the Register shall constitute prima facie evidence of the information recorded therein, and the Borrowers, the Administrative Agent and the Lenders may (and, in the case of any Loan or other obligation hereunder not evidenced by a Note, shall) treat each Person whose name is recorded in the Register as the owner of a Loan or other obligation hereunder as the owner thereof for all purposes of this Agreement and the other Loan Documents, notwithstanding any notice to the contrary. Any assignment of any Loan or other obligation hereunder not evidenced by a Note shall be effective only upon appropriate entries with respect thereto being made in the Register. The Register shall be available for inspection by the U.S. Borrowers or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(e) Upon its receipt of an Assignment and Acceptance executed by an assigning Lender and an Assignee (and, in the case of an Assignee that is not then a Lender or an Affiliate thereof, executed by the Borrowers and the Administrative Agent), together with payment to the Administrative Agent of a registration and processing fee of $3,500, the Administrative Agent shall (i) promptly accept such Assignment and Acceptance and (ii) on the effective date determined pursuant thereto record the information contained therein in the Register and give prompt notice of such acceptance and recordation to the Lenders and the Borrowers.

(f) Each Borrower authorizes each Lender to disclose to any Participant or Assignee (each, a "Transferee") and any prospective Transferee any and all financial information in such Lender's possession concerning such Borrower and its Affiliates which has been delivered to such Lender by or on behalf of such Borrower pursuant to this Agreement or which has been delivered to such Lender by or on behalf of such Borrower in connection with such Lender's credit evaluation of such Borrower and its Affiliates prior to becoming a party to this Agreement; provided, that any such Transferee is advised of the confidential nature of such information, if applicable, such Lender takes reasonable steps, in accordance with customary practices, to ensure that any such information is not used in violation of federal or state securities laws and such Lender otherwise complies with subsection 13.21.

(g) For avoidance of doubt, the parties to this Agreement acknowledge that the provisions of this subsection concerning assignments of Loans and Notes relate only to absolute assignments and that such provisions do not prohibit assignments creating security interests, including, without limitation, any pledge or assignment by a Lender of any Loan or Note to any Federal Reserve Bank in accordance with applicable law.

(h) If, pursuant to this subsection, any interest in this Agreement or any Loan is transferred from a Lender to any Transferee which is organized under the laws of any jurisdiction other than the United States or any state thereof, the transferor Lender shall cause such Transferee, concurrently with the effectiveness of such transfer, to agree (for the benefit of

the transferor Lender, the Administrative Agent and the U.S. Borrower) to provide the transferor Lender (and, in the case of any Transferee registered in the Register, the Administrative Agent and the U.S. Borrower) the tax forms and other documents required to be delivered pursuant to subsection 5.12(b) or (c) and to comply from time to time with all applicable U.S. laws and regulations with regard to such withholding tax exemption.

(i) If, pursuant to this subsection, any interest in this Agreement or any Loan is transferred from a Lender (other than a Lender) to any Transferee, the transferor Lender shall cause such Transferee, concurrently with the effectiveness of such transfer, to agree (for the benefit of the transferor Lender, the Administrative Agent and the Foreign Subsidiary Borrowers) to provide the transferor Lender, the Administrative Agent and the Foreign Subsidiary Borrowers the tax forms and other documents required to be delivered pursuant to subsection 5.12(c) and (e) and to comply from time to time with all applicable laws and regulations with regard to such withholding tax exemption.

13.7 Adjustments; Set-Off. (a) If any Lender (a "Benefited Lender") shall at any time receive any payment of all or part of its Loans then due and owing to it from any Borrower, or interest thereon, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off, pursuant to events or proceedings of the nature referred to in Section 11(i), or otherwise), in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of such other Lender's Loans then due and owing to it from such Borrower, or interest thereon, such Benefited Lender shall purchase for cash from the other Lenders a participating interest in such portion of each such other Lender's Loans owing to it from such Borrower, or shall provide such other Lenders with the benefits of any such collateral, or the proceeds thereof, as shall be necessary to cause such Benefited Lender to share the excess payment or benefits of such collateral or proceeds ratably with each of the Lenders; provided, however, that if all or any portion of such excess payment or benefits is thereafter recovered from such Benefited Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest.

(b) In addition to any rights and remedies of the Lenders provided by law, each Lender shall have the right, without prior notice to any Borrower, any such notice being expressly waived by the Borrowers to the extent permitted by applicable law, upon any amount becoming due and payable hereunder (whether at the stated maturity thereof, by acceleration or otherwise) to set-off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any branch, agency or Affiliate thereof to or for the credit or the account of such Borrower. Each Lender agrees promptly to notify the Borrowers and the Administrative Agent after any such set-off and application made by such Lender, provided that the failure to give such notice shall not affect the validity of such set-off and application.

13.8 Loan Conversion/Participations. (a) (i) On any Conversion Date, to the extent not otherwise prohibited by a Requirement of Law or otherwise, all Loans outstanding in any currency other than U.S. Dollars ("Loans to be Converted") shall be converted into U.S. Dollars (calculated on the basis of the relevant Exchange Rates as of the Business Day immediately preceding the Conversion Date) ("Converted Loans"), and (ii) on the Conversion

Date (with respect to Loans described in the foregoing clause (i)) (A) each Lender severally, unconditionally and irrevocably agrees that it shall purchase in U.S. Dollars a participating interest in such Converted Loans in an amount equal to its Conversion Sharing Percentage of the outstanding principal amount of the Converted Loans, and (B) to the extent necessary to cause the Revolving Outstandings Percentage of each Lender, after giving effect to the purchase and sale of participating interests under the foregoing clause (ii), to equal its Revolving Credit Commitment Percentage (calculated immediately prior to the termination or expiration of the Revolving Credit Commitments), each Lender severally, unconditionally and irrevocably agrees that it shall purchase or sell a participating interest in Revolving Credit Loans then outstanding. Each Lender will immediately transfer to the Administrative Agent, in immediately available funds, the amounts of its participation(s), and the proceeds of such participation(s) shall be distributed by the Administrative Agent to each Lender from which a participating interest is being purchased in the amount(s) provided for in the preceding sentence. All Converted Loans shall bear interest at the rate which would otherwise be applicable to ABR Loans.

(b) If, for any reason, the Loans to be Converted may not be converted into U.S. Dollars in the manner contemplated by paragraph (a) of this subsection 13.8, (i) the Administrative Agent shall determine the U.S. Dollar Equivalent of the Loans to be Converted (calculated on the basis of the Exchange Rate as of the Business Day immediately preceding the date on which such conversion would otherwise occur pursuant to paragraph (a) of this subsection 13.8), (ii) effective on such Conversion Date, each Lender severally, unconditionally and irrevocably agrees that it shall purchase in U.S. Dollars a participating interest in such Loans to be Converted in an amount equal to its Conversion Sharing Percentage of such Loans to be Converted and (iii) each Lender shall purchase or sell participating interests as provided in paragraph (a)(ii) of this subsection 13.8. Each Lender will immediately transfer to the Administrative Agent, in immediately available funds, the amount(s) of its participation(s), and the proceeds of such participation(s) shall be distributed by the Administrative Agent to each relevant Lender in the amount(s) provided for in the preceding sentence.

(c) To the extent any Taxes are required to be withheld from any amounts payable by a Lender (the "First Lender") to another Lender (the "Other Lender") in connection with its participating interest in any Converted Loan, each Borrower, with respect to the relevant Loans made to it, shall be required to pay increased amounts to the Other Lender receiving such payments from the First Lender to the same extent they would be required under subsection 5.12 if such Borrower were making payments with respect to the participating interest directly to the Other Lender.

(d) To the extent not prohibited by any Requirement of Law or otherwise, at any time after the actions contemplated by paragraphs (a) or (b) of this subsection 13.8 have been taken, upon the notice of any Lender to the Borrowers the following shall occur: (i) the U.S. Borrower (through the guarantee contained in Section 10) shall automatically be deemed to have assumed the Converted Loans in which such Lender holds a participation, (ii) any Loans outstanding in any currency other than U.S. Dollars shall be converted into U.S. Dollars on the dates of such assumption (calculated on the basis of the Exchange Rate on the Business Day immediately preceding such date of assumption) and such Loans shall bear interest at the rate which would otherwise be applicable to ABR Loans and (iii) such Loans shall be assigned by the relevant Lender holding such Loans or obligations to the Lender who gave the notice requesting such assumption by the U.S. Borrower.

13.9 Intercreditor Agreement. The Administrative Agent is hereby authorized to enter into the Intercreditor Agreement.

13.10 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by facsimile transmission), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Agreement signed by all the parties shall be delivered to the Borrowers and the Administrative Agent.

13.11 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

13.12 Integration. This Agreement and the other Loan Documents represent the agreement of the Borrowers, the Administrative Agent and the Lenders with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by the Borrowers, the Administrative Agent or any Lender relative to the subject matter hereof not expressly set forth or referred to herein or in the other Loan Documents.

13.13 GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

13.14 Submission to Jurisdiction; Waivers. (a) Each Borrower hereby irrevocably and unconditionally:

(i) submits for itself and its property in any legal action or proceeding relating to this Agreement or any other Loan Document to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the courts of the State of New York, the courts of the United States of America for the Southern District of New York, and appellate courts from any thereof;

(ii) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(iii) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such Borrower at its address set forth in subsection 13.2 or at such other address of which the Administrative Agent shall have been notified pursuant thereto; and

(iv) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction.

(b) Each Foreign Subsidiary Borrower hereby irrevocably appoints the U.S. Borrower as its agent for service of process in any proceeding referred to in subsection 13.13(a) and agrees that service of process in any such proceeding may be made by mailing or delivering a copy thereof to it care of U.S. Borrower at its address for notice set forth in subsection 13.2.

13.15 Acknowledgments. Each Borrower hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Loan Documents;

(b) none of the Administrative Agent or any Lender has any fiduciary relationship with or duty to such Borrower arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between the Administrative Agent and the Lenders, on the one hand, and the U.S. Borrower, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and

(c) no joint venture is created hereby or by the other Loan Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Borrowers and the Lenders.

13.16 WAIVERS OF JURY TRIAL. EACH OF THE BORROWERS, THE ADMINISTRATIVE AGENT AND THE LENDERS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

13.17 Power of Attorney. Each Foreign Subsidiary Borrower hereby grants to U.S. Borrower an irrevocable power of attorney to act as its attorney-in-fact with regard to matters relating to this Agreement and each other Loan Document, including, without limitation, execution and delivery of any amendments, supplements, waivers or other modifications hereto or thereto, receipt of any notices hereunder or thereunder and receipt of service of process in connection herewith or therewith. Each Foreign Subsidiary Borrower hereby explicitly acknowledges that the Administrative Agent and each Lender have executed and delivered this Agreement and each other Loan Document to which it is a party, and has performed its obligations under this Agreement and each other Loan Document to which it is a party, in reliance upon the irrevocable grant of such power of attorney pursuant to this subsection. The power of attorney granted by each Foreign Subsidiary Borrower hereunder is coupled with an interest.

13.18 [Reserved].

13.19 Release of Collateral and Guarantees. (a) The Lenders hereby agree with the U.S. Borrower, and hereby instruct the Administrative Agent, that if (i) the U.S. Borrower attains Investment Grade Status, (ii) the Administrative Agent has no actual knowledge of the existence of a Default, (iii) the U.S. Borrower shall have delivered a certificate of a Responsible Officer stating that such Responsible Officer has obtained no knowledge of any Default or Event of Default, and (iv) all Bond Guarantees, all guarantees by any Domestic Subsidiary of Public Indebtedness and all guarantees pursuant to which the Intercreditor Agreement and any intercreditor agreement entered into pursuant to subsection 12.12 relates, shall have been

released or shall be released concurrently with the requested release of the Subsidiary Guarantee, the Administrative Agent shall, at the request and expense of the U.S. Borrower, take such actions as shall be reasonably requested by the U.S. Borrower to release its security interest in all collateral held by it pursuant to the Security Documents and to release all Subsidiary Guarantors from their obligations under the Subsidiary Guarantee. In such event, the provisions of subsection 8.10 shall be deemed terminated and of no further force or effect.

(b) [Reserved.]

(c) The Lenders hereby agree with the U.S. Borrower, and hereby instruct the Administrative Agent, that if the U.S. Borrower shall have delivered to the Administrative Agent written notice that it proposes to sell or otherwise dispose of any Subsidiary whose stock is pledged pursuant to a Pledge Agreement or which is a Subsidiary Guarantor, and such disposition is permitted by this Agreement, the Administrative Agent shall, at the request and expense of the U.S. Borrower, take such actions as shall be reasonably requested by the U.S. Borrower to release its security interest in the stock of such Subsidiary and to release such Subsidiary Guarantor from its obligations under the Subsidiary Guarantee; provided, that such Subsidiary shall have been, or shall simultaneously be, released from all Bond Guarantees , all guarantees by any Subsidiary of Public Indebtedness and all guarantees pursuant to which the Intercreditor Agreement and any intercreditor agreement entered into pursuant to subsection 12.12 relates.

13.20 Judgment. (a) If for the purpose of obtaining judgment in any court it is necessary to convert a sum due hereunder in one currency into another currency, the parties hereto agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency in the city in which it normally conducts its foreign exchange operation for the first currency on the Business Day preceding the day on which final judgment is given.

(b) The obligation of each Borrower in respect of any sum due from it to any Lender hereunder shall, notwithstanding any judgment in a currency (the "Judgment Currency") other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the "Agreement Currency"), be discharged only to the extent that on the Business Day following receipt by such Lender of any sum adjudged to be so due in the Judgment Currency such Lender may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency; if the amount of Agreement Currency so purchased is less than the sum originally due to such Lender in the Agreement Currency, such Borrower agrees notwithstanding any such judgment to indemnify such Lender against such loss, and if the amount of the Agreement Currency so purchased exceeds the sum originally due to any Lender, such Lender agrees to remit to such Borrower such excess.

13.21 Confidentiality. Each Lender agrees to take normal and reasonable precautions to maintain the confidentiality of information designated in writing as confidential and provided to it by the U.S. Borrower or any Subsidiary in connection with this Agreement; provided, however, that any Lender may disclose such information (a) at the request of any bank regulatory authority or in connection with an examination of such Lender by any such authority, (b) pursuant to subpoena or other court process, (c) when required to do so in accordance with

the provisions of any applicable law, (d) at the discretion of any other Governmental Authority, (e) to such Lender's Affiliates, independent auditors and other professional advisors or (f) to any Transferee or potential Transferee; provided that such Transferee agrees to comply with the provisions of this subsection 13.21.

13.22 Effect of Amendment and Restatement of the Existing Credit Agreement. On the Closing Date, the Existing Credit Agreement shall be amended, restated and superseded in its entirety. The parties hereto acknowledge and agree that (a) this Agreement and the other Loan Documents, whether executed and delivered in connection herewith or otherwise, do not constitute a novation, payment and reborrowing, or termination of the "Obligations" (as defined in the Existing Credit Agreement) under the Existing Credit Agreement as in effect prior to the Closing Date, (b) such "Obligations" are in all respects continuing (as amended and restated hereby) with only the terms thereof being modified as provided in this Agreement; and (c) upon the effectiveness of this Agreement all Loans of Lenders outstanding under the Existing Credit Agreement immediately before the effectiveness of this Agreement will be converted into Loans of such Lenders hereunder on the terms and conditions set forth in this Agreement.

13.23 Conflicts. In the event that there exists a conflict between provisions in this Agreement and provisions in any other Loan Document, the provisions of this Agreement shall control.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

LEAR CORPORATION

By: /s/ Cameron C. Hitchcock

Name:
Title: Vice President and Treasurer

LEAR CORPORATION SWEDEN AB

By: /s/ Paul Jefferson

Name:
Title: Director

LEAR CORPORATION FRANCE SARL

By: /s/ Paul Jefferson

Name:
Title: Director

LEAR CORPORATION ITALIA S.P.A.

By: /s/ Paul Jefferson

Name:
Title: Director

LEAR CORPORATION GMBH & CO. KG

By: /s/ Paul Jefferson

Name:
Title:

LEAR CORPORATION BETEILIGUNGS GMBH

By: /s/ Paul Jefferson

Name:
Title: Director

THE CHASE MANHATTAN BANK, as
Administrative Agent and as a Lender

By: /s/ Richard W. Duker

Name:
Title: Vice President

BANCA DI ROMA - CHICAGO BRANCH

By: /s/ James W. Semonchik

Name:
Title: Vice President

By: /s/ Enrico W. SemonChik

Name:
Title: Senior Vice President &
Branch Manager

BANCA NAZIONALE DEL LAVORO S.P.A.
NEW YORK BRANCH

By: /s/ Giulio Giovine

Name:
Title: Vice President

By: /s/ Leonardo Valentini

Name:
Title: First Vice President

BANK AUSTRIA CREDITANSTALT CORPORATE
FINANCE, INC.

By: /s/ Christine A. Renard

Name:
Title: Vice President

By: /s/ W. Scott Harwood

Name:
Title: Vice President

BANK ONE, MICHIGAN

By: /s/ Paul E. Flynn

Name:
Title: First Vice President

BANK OF AMERICA N.A.

By: /s/ Steve Ahrenholz

Name:
Title: Principal

BANK OF MONTREAL

By: /s/ Michael P. Joyce

Name:
Title: Managing Director

THE BANK OF NEW YORK

By: /s/ Edward J. Dougherty III

Name:
Title: Vice President

THE BANK OF NOVA SCOTIA

By: /s/ F.C.H. Ashby

Name:
Title: Senior Manager Loan
Operations

THE BANK OF TOKYO-MITSUBISHI TRUST
COMPANY

By: /s/ Friedrich N. Wilms

Name:
Title: Global Relationship Manager

BANKERS TRUST COMPANY

By: /s/ Robert T. Telesca

Name:
Title: Assistant Vice President

BAYERISCHE HYPO-UND VEREINSBANK AG,
NEW YORK BRANCH

By: /s/ Christine A. Renard

Name:
Title: Associate Director

By: /s/ W. Scott Harwood

Name:
Title: Associate Director

CHANG HWA COMMERCIAL BANK, LTD.,
NEW YORK BRANCH

By: /s/ Wan-Tu Yeh

Name:
Title: SVP & General Manager

CHEVY CHASE BANK FSB

By: /s/ Dory Halati

Name:
Title: Vice President

CITICORP USA, INC.

By: /s/ Richard Marshall

Name:
Title: Managing Director

COMERICA BANK

By: /s/ Michael T. Shea

Name:
Title: Vice President

CREDIT SUISSE FIRST BOSTON

By: /s/ Kristin Lepri

Name:
Title: Associate

By: /s/ Bill O'Daly

Name:
Title: Vice President

ERSTE BANK DER OESTERREICHISCHEN
SPARKASSEN

By: /s/ Brandon A. Meyerson

Name:
Title: Vice President

By: /s/ Paul Judicke

Name:
Title: Vice President

FIRST MERIT BANK, N.A.

By: /s/ Edward D. Yannayon

Name:
Title: Vice President

FLEET NATIONAL BANK

By: /s/ Jack M. Harcourt

Name:
Title: Managing Director

THE FUJI BANK, LIMITED

By: /s/ Peter L. Chinnici

Name:
Title: Senior Vice President &
Group Head

THE INDUSTRIAL BANK OF JAPAN LIMITED

By: /s/ Walter Wolff

Name:
Title: Joint General Manager

KBC BANK N.V.

By: /s/ Robert Snauffer

Name:
Title: First Vice President

By: /s/ William Cavanaugh

Name:
Title: Vice President

LANDESBANK SCHLESWIG-HOLSTEIN GIROZ

By: /s/ Dr. Rainer Lemor

Name:
Title: Executive Vice President

By: /s/ Dr. Nikolai Ulrich

Name:
Title: Assistant Vice President

MERITA BANK PLC, NEW YORK BRANCH

By: /s/ Thomas P. Hickey

Name:
Title: Vice President

By: /s/ Charles J. Lansdown

Name: Senior Vice President
Title:

BNP PARIBAS

By: /s/ Ann B. McAloon

Name:
Title: Vice President

By: /s/ Richard L. Sted

Name:
Title: Central Region Manager

THE ROYAL BANK OF SCOTLAND PLC

By: /s/ Jayne Seaford

Name:
Title: Vice President

SCOTIABANC INC.

By: /s/ William E. Zarret

Name:
Title: Managing Director

SKANDINAVISKA ENSKILDA BANKEN

By: /s/ Sven Bjorkman

Name:

By: /s/ Bengt Smith

Name:

SOCIETE GENERALE

By: /s/ Anne-Marie Dumortier

Name:
Title: Vice President

SUNTRUST BANK

By: /s/ William C. Humphries

Name:
Title: Director

TORONTO DOMINION (TEXAS), INC.

By: /s/ Debbie A. Greene

Name:
Title: Vice President

WACHOVIA BANK

By: /s/ Alex Idichandy

Name:
Title: Vice President

EXHIBIT 10.27

LEAR CORPORATION

[EURO]250,000,000
8 1/8% Senior Notes Due 2008

Purchase Agreement

March 15, 2001

SALOMON BROTHERS INTERNATIONAL LIMITED
DEUTSCHE BANK AG
As Representatives of the Initial Purchasers
c/o Salomon Brothers International Limited
Citigroup Centre
Canary Wharf
London E14 5LB

Ladies and Gentlemen:

Lear Corporation, a corporation organized under the laws of Delaware (the "Company"), proposes to issue and sell to the several parties named in Schedule I hereto (the "Initial Purchasers"), for whom you (the "Representatives") are acting as representatives, E250,000,000 principal amount of its 8 1/8 % Senior Notes Due 2008 (the "Notes"). The Notes will be issued pursuant to an indenture to be dated as of March 20, 2001 (the "Indenture"), by and among the Company, the Guarantors (as defined below) and The Bank of New York, as trustee (the "Trustee"). The Notes will be guaranteed on a senior basis in accordance with the applicable provisions of the Indenture (each, a "Guarantee" and collectively, the "Guarantees") by each of Lear Operations Corporation, Lear Corporation Automotive Holdings, Lear Corporation EEDS and Interiors and Lear Seating Holdings Corp. #50 (each, a "Guarantor" and collectively, the "Guarantors"). The Notes and the Guarantees are referred to herein as the "Securities" and the Company and the Guarantors are referred to herein as the "Issuers."

The Securities have the benefit of a registration rights agreement (the "Registration Rights Agreement") the form of which is attached hereto as Exhibit D, dated as of March 20, 2001, among the Issuers and the Initial Purchasers, pursuant to which the Issuers have agreed to register the Securities under the Act subject to the terms and conditions therein specified. To the extent there are no additional parties listed on Schedule I other than you, the term Representatives as used herein shall mean you as the Initial Purchasers, and the terms Representatives and Initial Purchasers shall mean either the singular or plural as the context

requires. The use of the neuter in this Agreement shall include the feminine and masculine wherever appropriate. Certain terms used herein are defined in Section 17 hereof.

The sale of the Securities to the Initial Purchasers will be made without registration of the Securities under the Act in reliance upon exemptions from the registration requirements of the Act.

In connection with the sale of the Securities, the Issuers have prepared a preliminary offering memorandum, dated March 7, 2001 (as amended or supplemented at the Execution Time, including any and all exhibits thereto and any information incorporated by reference therein, the "Preliminary Memorandum"), and a final offering memorandum, dated March 15, 2001 (as amended or supplemented at the Execution Time, including any and all exhibits thereto and any information incorporated by reference therein, the "Final Memorandum" and, together with the Preliminary Memorandum, each a "Memorandum"). Each of the Preliminary Memorandum and the Final Memorandum sets forth certain information concerning the Issuers and the Securities. Each Issuer hereby confirms that it has authorized the use of the Preliminary Memorandum and the Final Memorandum, and any amendment or supplement thereto, in connection with the offer and sale of the Securities by the Initial Purchasers. Unless stated to the contrary, any references herein to the terms "amend", "amendment" or "supplement" with respect to a Memorandum shall be deemed to refer to and include any information filed under the Exchange Act subsequent to the date of such Memorandum which is incorporated by reference therein.

1. Representations and Warranties. Each Issuer represents and warrants to each Initial Purchaser as set forth below in this Section 1.

(a) The Preliminary Memorandum, at the date thereof, did not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. At the Execution Time and on the Closing Date, the Final Memorandum did not, and will not (and any amendment or supplement thereto, at the date thereof and at the Closing Date, will not), contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Issuers make no representation or warranty as to the information contained in or omitted from the Preliminary Memorandum or the Final Memorandum, or any amendment or supplement thereto, in reliance upon and in conformity with information furnished in writing to the Issuers by or on behalf of any Initial Purchaser through the Representatives specifically for inclusion therein.

(b) None of the Issuers, nor any of its Affiliates, nor any person acting on its or their behalf has, directly or indirectly, made offers or sales of any security, or

solicited offers to buy any security, under circumstances that would require the registration of the Securities under the Act.

(c) None of the Issuers, nor any of its Affiliates, nor any person acting on its or their behalf has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with any offer or sale of the Securities in the United States, except no representation or warranty is made by the Issuers with respect to the actions of any Initial Purchaser.

(d) The Securities satisfy the eligibility requirements of Rule 144A(d)(3) under the Act.

(e) None of the Issuers, nor any of its Affiliates, nor any person acting on its or their behalf has engaged in any directed selling efforts with respect to the Securities, and each of them has complied with the offering restrictions requirement of Regulation S, except no representation or warranty is made by the Issuers with respect to the actions of any Initial Purchaser. Terms used in this paragraph have the meanings given to them by Regulation S.

(f) None of the Issuers is, and after giving effect to the offering and sale of the Securities and the application of the proceeds thereof as described in the Final Memorandum will be, an "investment company" within the meaning of the Investment Company Act, without taking account of any exemption arising out of the number of holders of the Issuers' securities.

(g) The Issuers are subject to and in full compliance with the reporting requirements of Section 13 or Section 15(d) of the Exchange Act.

(h) The Issuers have not paid or agreed to pay to any person any compensation for soliciting another to purchase any Securities (except as contemplated by this Agreement).

(i) The Issuers have not taken, directly or indirectly, any action designed to cause or which has constituted or which might reasonably be expected to cause or result, under the Exchange Act or otherwise, in the stabilization or manipulation of the price of any security of the Issuers to facilitate the sale or resale of the Securities.

(j) The information provided by the Issuers pursuant to Section 5(h) hereof will not, at the date thereof, contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) Each of the Company and its subsidiaries has been duly organized and is validly existing and in good standing under the laws of the jurisdiction in which it is chartered or organized with full power and authority (corporate or otherwise) to own or lease, as the case may be, and to operate its properties and conduct its business as described in the Final Memorandum, and is duly qualified to do business as a foreign corporation (or other entity) and is in good standing under the laws of each jurisdiction which requires such qualification, except, in each case, to the extent that the failure to be duly organized, validly existing or in good standing or to be so qualified would not reasonably be expected to have a material adverse effect on the condition, financial or otherwise, or on the earnings, business or operations of the Company and its subsidiaries, taken as a whole (a "Material Adverse Effect").

(l) All the outstanding shares of capital stock of each subsidiary of the Company that represents more than 5% of the Company's consolidated assets, revenues or earnings (each a "Material Subsidiary" and collectively, the "Material Subsidiaries") have been duly and validly authorized and issued and are fully paid and nonassessable, and, except as otherwise set forth in the Final Memorandum, all outstanding shares of capital stock of the subsidiaries are owned by the Company either directly or through wholly owned subsidiaries free and clear of any perfected security interest or any other security interests, claims, liens or encumbrances (other than liens and other encumbrances that will be permitted under the terms of the Indenture).

(m) The statements in the Final Memorandum under the headings "Tax Consequences to Holders", "Description of the Notes" and "Exchange Offer; Registration Rights", fairly summarize the matters therein described in all material respects.

(n) This Agreement has been duly authorized, executed and delivered by each Issuer; the Indenture has been duly authorized by each of the Issuers, and when the Indenture is executed and delivered by each Issuer and the Securities are delivered and paid for pursuant to this Agreement on the Closing Date, assuming due authorization, execution and delivery thereof by the Trustee, the Indenture will constitute a legal, valid, binding instrument enforceable against each Issuer in accordance with its terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or other laws or court decisions affecting creditors' rights generally from time to time in effect and to general principles of equity); the Securities have been duly authorized, and, when executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Initial Purchasers in accordance with the terms of this Agreement, will have been duly executed and delivered by each Issuer and will constitute the legal, valid and binding obligations of such Issuer entitled to the benefits of the Indenture (subject to applicable bankruptcy, insolvency, moratorium or

other laws or court decisions affecting creditors' rights generally from time to time in effect and to general principles of equity); the Registration Rights Agreement has been duly authorized and, when executed and delivered by each Issuer and the Securities are delivered and paid for pursuant to this Agreement on the Closing Date, will constitute the legal, valid, binding and enforceable instrument of each Issuer (subject to applicable bankruptcy, reorganization, insolvency, moratorium or other laws or court decisions affecting creditors' rights generally from time to time in effect and to general principles of equity and except that rights to indemnification and contribution under such Agreement may be limited under applicable law or public policy considerations); and there are no contracts, agreements or understandings between the Company or the Guarantors and any person granting such person the right to require the Company or the Guarantors to include any securities of the Company or the Guarantors with the Securities registered pursuant to any registration statement.

(o) No consent, approval, authorization, filing with or order of any court or governmental agency or body is required in connection with the transactions contemplated herein or in the Indenture or the Registration Rights Agreement, except such as will be obtained or made under the Act, the Exchange Act, the Trust Indenture Act and the rules of The New York Stock Exchange, such as may be required under the blue sky laws of any state or the laws of any foreign jurisdiction in connection with the purchase and distribution of the Securities by the Initial Purchasers in the manner contemplated herein and in the Final Memorandum and the Registration Rights Agreement and as may be required by the National Association of Securities Dealer, Inc.

(p) Neither the execution and delivery of the Indenture, this Agreement or the Registration Rights Agreement, the issue and sale of the Securities, nor the consummation of any other of the transactions herein or therein contemplated, nor the fulfillment of the terms hereof or thereof will conflict with, result in a breach or violation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, (i) the charter or by-laws of the Company or any of its subsidiaries; (ii) the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which the Company or any of its subsidiaries is a party or bound or to which its or their property is subject and which is material to the Company and its subsidiaries, taken as a whole; or (iii) any statute, law, rule, regulation, judgment, order or decree applicable to the Company or any of its subsidiaries of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Company or any of its subsidiaries or any of its or their properties.

(q) The consolidated historical financial statements and schedules of the Company and its consolidated subsidiaries included in the Final Memorandum present fairly in all material respects the financial condition, results of operations and cash flows of the Company and its consolidated subsidiaries as of the dates and for the periods indicated, comply as to form with the applicable accounting requirements of the Act and have been prepared in conformity with generally accepted accounting principles applied on a consistent basis throughout the periods involved (except as otherwise noted therein); the selected consolidated financial data set forth under the caption "Selected Consolidated Financial Information" in the Final Memorandum fairly present, on the basis stated in the Final Memorandum, the information included therein.

(r) No action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries or its or their property is pending or, to the best knowledge of the Issuers, threatened that (i) would reasonably be expected to have a material adverse effect on the performance of this Agreement, the Indenture or the Registration Rights Agreement, or the consummation of any of the transactions contemplated hereby or thereby; or (ii) would reasonably be expected to have a Material Adverse Effect, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in the Final Memorandum (exclusive of any amendment or supplement thereto).

(s) Each of the Company and its subsidiaries holds good and marketable title to, or valid and enforceable leasehold interest in, all items of real and personal property which are material to the business of the Company and its subsidiaries taken as a whole, free and clear of any lien, claim, encumbrance, preemptive rights or any other claim of any other third party (other than liens and other encumbrances that would be permitted under the terms of the Indenture), with such exceptions as would not reasonably be expected to have Material Adverse Effect. Each of the Company and its subsidiaries enjoys peaceful and undisturbed possession under all leases and licenses of real property under which it is operating except where such failure would not reasonably be expected to have a Material Adverse Effect.

(t) Except such violations or defaults which would not reasonably be expected to have a Material Adverse Effect, neither the Company nor any subsidiary is in violation or default of (i) any provision of its charter or bylaws; (ii) the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which it is a party or bound or to which its property is subject; or (iii) any statute, law, rule, regulation, judgment, order or decree applicable to the Company or any of its subsidiaries of any court, regulatory body, administrative agency, governmental body, arbitrator or other

authority having jurisdiction over the Company or such subsidiary or any of its properties, as applicable.

(u) Arthur Andersen LLP, who have certified certain financial statements of the Company and its consolidated subsidiaries and delivered their report with respect to the audited consolidated financial statements and schedules included in the Final Memorandum, are independent public accountants with respect to the Company within the meaning of the Act and the applicable published rules and regulations thereunder.

(v) There are no stamp or other issuance or transfer taxes or duties or other similar fees or charges required to be paid in connection with the execution and delivery of this Agreement or the issuance or sale by the Issuers of the Securities.

(w) The Company has filed all foreign, federal, state and local tax returns that are required to be filed or has requested extensions thereof (except in any case in which the failure so to file would not reasonably be expected to have a Material Adverse Effect), whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in the Final Memorandum (exclusive of any amendment or supplement thereto) and has paid all taxes required to be paid by it and any other assessment, fine or penalty levied against it, to the extent that any of the foregoing is due and payable, except for any such assessment, fine or penalty that is currently being contested in good faith or as would not have a Material Adverse Effect, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in the Final Memorandum (exclusive of any amendment or supplement thereto).

(x) No labor problem or dispute with the employees of the Company or any of its subsidiaries exists or is threatened or imminent, and none of the Issuers are aware of any existing or imminent labor disturbance by the employees of any of its or its subsidiaries' principal suppliers, contractors or customers, that would reasonably be expected to have a Material Adverse Effect whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in the Final Memorandum (exclusive of any amendment or supplement thereto).

(y) The Company and each of its Material Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which they are engaged; all material policies of insurance insuring the Company or any of its subsidiaries or their respective businesses, assets, employees, officers and directors are in full force and effect; and the Company and its subsidiaries are in compliance with the terms of such material policies and instruments in all material respects.

(z) No Material Subsidiary of the Company is currently prohibited, directly or indirectly, from paying any dividends to the Company, from making any other distribution on such subsidiary's capital stock, from repaying to the Company any loans or advances to such subsidiary from the Company or from transferring any of such subsidiary's property or assets to the Company or any other subsidiary of the Company, except (i) as described in or contemplated by the Final Memorandum (exclusive of any amendment or supplement thereto), (ii) prohibitions and restrictions under applicable law and (iii) prohibitions and restrictions that would not have a material adverse effect on the ability of the Company to satisfy its obligations under the Indenture and the Notes.

(aa) The Company and its subsidiaries possess all licenses, certificates, permits and other authorizations issued by the appropriate federal, state or foreign regulatory authorities that are material to the business of the Company and its subsidiaries, taken as a whole, and neither the Company nor any such subsidiary has received any notice of proceedings relating to the revocation or modification of any such certificate, authorization or permit which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have a Material Adverse Effect, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in the Final Memorandum (exclusive of any amendment or supplement thereto).

(bb) Other than as set forth or contemplated in the Final Memorandum (exclusive of any amendment or supplement thereto) and other than such other exceptions as would not reasonably be expected to have a Material Adverse Effect, the Company and its subsidiaries are (i) in compliance with any and all applicable foreign, federal, state and local laws and regulations relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("Environmental Laws"); (ii) have received and are in compliance with all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses; and (iii) have not received notice of any actual or potential liability for the investigation or remediation of any disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants.

(cc) Other than for such exceptions as would not reasonably be expected to have a Material Adverse Effect, each of the Company and its subsidiaries has fulfilled its obligations, if any, under the minimum funding standards of Section 302 of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and the regulations and published interpretations thereunder with respect to each "plan" (as defined in Section 3(3) of ERISA and such regulations and published interpretations) in which employees of the Company and its subsidiaries are

eligible to participate and each such plan is in compliance in all material respects with the presently applicable provisions of ERISA and such regulations and published interpretations; the Company and its subsidiaries have not incurred any material liability which is due but not paid to the Pension Benefit Guaranty Corporation (other than for the payment of premiums in the ordinary course) or to any such plan under Title IV of ERISA.

Any certificate signed by any officer of Issuer and delivered to the Representatives or counsel for the Underwriters in connection with the offering of the Securities shall be deemed a representation and warranty by such Issuer, as to matters covered thereby, to each Initial Purchaser.

2. Purchase and Sale. Subject to the terms and conditions and in reliance upon the representations and warranties herein set forth, the Company agrees to sell to each Initial Purchaser, and each Initial Purchaser agrees, severally and not jointly, to purchase from the Company, at a purchase price of 98.875% of the principal amount thereof, the principal amount of Notes set forth opposite such Initial Purchaser's name in Schedule I hereto.

3. Delivery and Payment. Delivery of and payment for the Securities shall be made at 10:00 A.M., New York City time, on March 20, 2001, or at such time on such later date (not later than March 20, 2001) as the Representatives and the Company may agree or as provided in Section 9 hereof (such date and time of delivery and payment for the Securities being herein called the "Closing Date"). Delivery of the Securities shall be made to the Representatives for the respective accounts of the several Initial Purchasers against payment by the several Initial Purchasers through the Representatives of the purchase price thereof to or upon the order of the Company by wire transfer payable in same-day funds to the account specified by the Company. Delivery of the Securities shall be made through the facilities of Clearstream Banking S.A., Luxembourg ("Clearstream, Luxembourg") and the Euroclear System ("Euroclear") unless the Representatives shall otherwise instruct.

The Securities will be evidenced by one or more global securities and will be registered, in the case of a global security, in the name of Euroclear Bank S.A./N.V. as operator of Euroclear and Clearstream, Luxembourg, or its designated custodian, and in the other cases, in such names and in such denominations as the Initial Purchasers shall request prior to 12:00 p.m., New York City time, on the business day preceding the Closing Date. The certificated Securities to be delivered to the Initial Purchasers shall be made available to the Initial Purchasers in New York City for inspection and packaging not later than 9:30 a.m., New York City time, on the business day next preceding the Closing Date.

4. Offering by Initial Purchasers. Each Initial Purchaser, severally and not jointly, represents and warrants to and agrees with the Issuers that:

(a) It is purchasing Securities pursuant to a private sale exemption from registration under the Act.

(b) It has not solicited offers for, offered or sold, and will not solicit offers for, offer or sell, any Securities except (i) to those it reasonably believes to be qualified institutional buyers (as defined in Rule 144A under the Act) and that, in connection with each such sale, it has taken or will take reasonable steps to ensure that the purchaser of such Securities is aware that such sale is being made in reliance on Rule 144A or (ii) in accordance with the restrictions set forth in Exhibit A hereto.

(c) Neither it nor any person acting on its behalf has made or will make offers or sales of the Securities in the United States by means of any form of general solicitation or general advertising (within the meaning of Regulation D) in the United States.

5. Agreements. Each Issuer agrees with each Initial Purchaser that:

(a) The Issuers will furnish to each Initial Purchaser and to counsel for the Initial Purchasers, without charge, during the period referred to in paragraph (c) below, as many copies of the Final Memorandum and any amendments and supplements thereto as they may reasonably request.

(b) The Issuers will not amend or supplement the Final Memorandum, other than by filing documents under the Exchange Act that are incorporated by reference therein, without the prior written consent of the Representatives, which consent shall not be unreasonably withheld or delayed; provided, however, that, prior to the completion of the distribution of the Securities by the Initial Purchasers (as determined by the Initial Purchasers), the Issuers will not, unless required to do so under applicable law or stock exchange requirement, file any document under the Exchange Act that is incorporated by reference in the Final Memorandum unless, prior to such proposed filing, the Issuers have furnished the Representatives with a copy of such document for their review and the Representatives have not reasonably objected to the filing of such document in a timely manner. Prior to the completion of the distribution of the Securities, the Issuers will promptly advise the Representatives when any document filed under the Exchange Act that is incorporated by reference in the Final Memorandum shall have been filed with the Commission.

(c) If at any time prior to the completion of the sale of the Securities by the Initial Purchasers (as determined by the Representatives), any event occurs as a result of which the Final Memorandum, as then amended or supplemented, would include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were

made, not misleading, or if it should be necessary to amend or supplement the Final Memorandum to comply with applicable law, the Issuers promptly (i) will notify the Representatives of any such event; (ii) subject to the requirements of paragraph (b) of this Section 5, will prepare an amendment or supplement that will correct such statement or omission or effect such compliance; and (iii) will supply any supplemented or amended Final Memorandum to the several Initial Purchasers and counsel for the Initial Purchasers without charge in such quantities as they may reasonably request.

(d) The Issuers will cooperate with you and your counsel to qualify the Securities for sale by the Initial Purchasers under the laws of such jurisdictions as the Initial Purchasers may designate and will maintain such qualifications in effect so long as required for the sale of the Securities by the Initial Purchasers; provided that in no event shall the Issuers be obligated to qualify or register to do business in any jurisdiction where they are not now so qualified or registered or to take any action that would subject any of them to service of process in suits, other than those arising out of the offering or sale of the Securities, or taxation in any jurisdiction where they are not now so subject. The Issuers will promptly advise the Representatives of the receipt by the Issuers of any notification with respect to the suspension of the qualification of the Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose.

(e) During the period of two years after the Closing Date, the Issuers will not, and will not permit any of their Affiliates to, resell any Securities which constitute "restricted securities" under Rule 144 of the Act that have been acquired by any of them.

(f) Neither the Issuers, nor any of their respective Affiliates, nor any person acting on their behalf will, directly or indirectly, make offers or sales of any security, or solicit offers to buy any security, under circumstances that would require the registration of the Securities under the Act.

(g) Neither the Issuers, nor any of their respective Affiliates, nor any person acting on their behalf will engage in any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with any offer or sale of the Securities in the United States.

(h) So long as any of the Securities are "restricted securities" within the meaning of Rule 144(a)(3) under the Act, the Company will, during any period in which it is not subject to and in compliance with Section 13 or 15(d) of the Exchange Act or it is are not exempt from such reporting requirements pursuant to and in compliance with Rule 12g3-2(b) under the Exchange Act, provide to each holder of such

restricted securities and to each prospective purchaser (as designated by such holder) of such restricted securities, upon the request of such holder or prospective purchaser, any information required to be provided by Rule 144A(d)(4) under the Act. This covenant is intended to be for the benefit of the holders, and the prospective purchasers designated by such holders, from time to time of such restricted securities.

(i) Neither the Issuers, nor any of their respective Affiliates, nor any person acting on their behalf will engage in any directed selling efforts with respect to the Securities, and each of them will comply with the offering restrictions requirement of Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S.

(j) The Issuers will cooperate with the Representatives and use their best efforts to permit the Securities to be eligible for clearance and settlement through Euroclear and Clearstream, Luxembourg.

(k) The Issuers will not take, directly or indirectly, any action designed to or which has constituted or which might reasonably be expected to cause or result, under the Exchange Act or otherwise, in stabilization or manipulation of the price of any security of the Issuers to facilitate the sale or resale of the Securities.

(l) The Issuers agree to pay the costs and expenses relating to the following matters: (i) the preparation of the Indenture and the Registration Rights Agreement, the issuance of the Securities and the fees of the Trustee; (ii) the preparation, printing or reproduction of the Preliminary Memorandum and Final Memorandum and each amendment or supplement to either of them; (iii) the printing (or reproduction) and delivery (including postage, air freight charges and charges for counting and packaging) of such copies of the Preliminary Memorandum and Final Memorandum, and all amendments or supplements to either of them, as may, in each case, be reasonably requested for use in connection with the offering and sale of the Securities; (iv) the preparation, printing, authentication, issuance and delivery of certificates for the Securities, including any stamp or transfer taxes in connection with the original issuance and sale of the Securities to the Initial Purchasers; (v) the printing (or reproduction) and delivery of this Agreement, any blue sky memorandum and all other agreements or documents printed (or reproduced) and delivered in connection with the offering of the Securities; (vi) any registration or qualification of the Securities for offer and sale under the securities or blue sky laws of the several states (including filing fees and the reasonable fees and expenses of counsel for the Initial Purchasers (which shall be approximately $5,000) relating to such registration and qualification); (vii) the application for the listing of the Securities on the Luxembourg Stock Exchange and the approval of the Notes for clearing through Euroclear and Clearstream, Luxembourg; (viii) the transportation and other expenses incurred by or on behalf of the Issuers'

representatives in connection with presentations to prospective purchasers of the Securities (other than customary expenses paid for by the Initial Purchasers); (ix) the fees and expenses of the Issuers' accountants and the fees and expenses of counsel (including local and special counsel) for the Issuers; (x) any fees charged by rating agencies for the rating of the Securities; (xi) the costs and charges of the Trustee and any transfer agent, registrar or depositary and (xii) all other costs and expenses incident to the performance by the Issuers of their obligations hereunder. It is understood and agreed that the Initial Purchasers will pay all of their costs and expenses, including the fees and disbursements of their counsel, transfer taxes payable on the resale of any of the Securities by them and any advertising expenses connected with any offers they may make.

6. Conditions to the Obligations of the Initial Purchasers. The obligations of the Initial Purchasers to purchase the Securities shall be subject to the representations and warranties on the part of the Issuers being true and correct in all respects to the extent qualified by materiality, and being true and correct in all material respects to the extent not qualified by materiality at the Execution Time and the Closing Date, to the accuracy of the statements of the Issuers made in any certificates pursuant to the provisions hereof, to the performance, in all material respects, by the Issuers of their obligations hereunder and to the following additional conditions:

(a) The Issuers shall have requested and caused Winston & Strawn, counsel for the Issuers, to furnish to the Representatives its opinion, dated the Closing Date and addressed to the Representatives substantially in the form of Exhibit B hereto.

(b) The Issuers shall have requested and caused Joseph F. McCarthy, General Counsel to the Company, to furnish to the Representatives, his opinion, dated the Closing Date and addressed to the Representatives substantially in the form of Exhibit C hereto.

(c) The Representatives shall have received from Cahill Gordon & Reindel, counsel for the Initial Purchasers, such opinion or opinions, dated the Closing Date and addressed to the Representatives, with respect to the issuance and sale of the Securities, the Indenture, the Registration Rights Agreement, the Final Memorandum (as amended or supplemented at the Closing Date) and other related matters as the Representatives may reasonably require, and the Company shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters.

(d) Each Issuer shall have furnished to the Representatives a certificate of such Issuer, signed by the Chairman of the Board, the Chief Executive Officer, the

President or any Vice President and the principal financial or accounting officer or Treasurer of such Issuer, dated the Closing Date, to the effect set forth in Section 6(h) that the signers of such certificate have reviewed the Final Memorandum, any amendment or supplement to the Final Memorandum and this Agreement and that, to their knowledge:

(i) the representations and warranties of such Issuer in this Agreement are true and correct in all respects to the extent qualified by materiality, and shall be true and correct in all material respects to the extent not qualified by materiality, on and as of the Closing Date with the same effect as if made on the Closing Date (except to the extent they speak as of an earlier date), and such Issuer has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date; and

(ii) since the date of the most recent financial statements included in the Final Memorandum (exclusive of any amendment or supplement thereto), there has been no material adverse change in the condition (financial or otherwise), or in the earnings, business or operations of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated by the Final Memorandum (exclusive of any amendment or supplement thereto).

(e) At the Execution Time and at the Closing Date, the Company shall have requested and caused Arthur Andersen LLP to furnish to the Representatives letters, dated respectively as of the Execution Time and as of the Closing Date, in form and substance satisfactory to the Representatives, confirming that they are independent accountants under rule 101 of the AICPA's Code of Professional Conduct, and related interpretations and rulings, stating in effect that:

(i) in their opinion the audited financial statements and financial statement schedules included or incorporated in the Final Memorandum and reported on by them comply as to form in all material respects with the applicable accounting requirements of the Act and the related published rules and regulations thereunder;

(ii) on the basis of a reading of the latest unaudited financial statements made available by the Company and its subsidiaries; carrying out certain specified procedures (but not an examination in accordance with generally accepted auditing standards) which would not necessarily reveal matters of significance with respect to the comments set forth in such letter; a reading of the minutes of the meetings of the stockholders, directors and audit committees of

the Company and its subsidiaries; and inquiries of certain officials of the Company who have responsibility for financial and accounting matters of the Company and its subsidiaries as to transactions and events subsequent to December 31, 2000, nothing came to their attention which caused them to believe that:

(1) with respect to the period subsequent to December 31, 2000, there were any changes, at a specified date not more than five business days prior to the date of the letter, in the long-term debt of the Company and its subsidiaries or capital stock of the Company or decreases in the stockholders' equity of the Company as compared with the amounts shown on the December 31, 2000 consolidated balance sheet included or incorporated in the Final Memorandum, or for the period from January 1, 2001 to such specified date (or such earlier date, not earlier than February 24, 2001, as of which there is available financial information) there were any decreases, as compared with the corresponding period in the preceding year in net sales or in net income of the Company and its subsidiaries, except in all instances for changes or decreases set forth in such letter, in which case the letter shall be accompanied by an explanation by the Company as to the significance thereof unless said explanation is not deemed necessary by the Representatives; or

(iii) they have performed certain other specified procedures as a result of which they determined that certain information of an accounting, financial or statistical nature (which is limited to accounting, financial or statistical information derived from the general accounting records of the Company and its subsidiaries) set forth in the Final Memorandum, and certain information included or incorporated by reference into the Company's Annual Report on Form 10-K incorporated in the Final Memorandum, agrees with the accounting records of the Company and its subsidiaries, excluding any questions of legal interpretation.

References to the Final Memorandum in this Section 6(d) include any amendment or supplement thereto at the date of the applicable letter.

(f) Subsequent to the Execution Time or, if earlier, the dates as of which information is given in the Final Memorandum (exclusive of any amendment or supplement thereto), there shall not have been (i) any change or decrease specified in the letter or letters referred to in paragraph (e) of this Section 6; or (ii) any change, or any development involving a prospective change, in the condition (financial or otherwise), or in the earnings, business or operations of the Company and its subsidiaries, taken as

a whole, whether or not arising from transactions in the ordinary course of business, except in the case of clauses (i) and (ii) above as set forth in or contemplated in the Final Memorandum (exclusive of any amendment or supplement thereto) the effect of which, in any case referred to in clause (i) or (ii) above, is, in the judgment of the Representatives, so material and adverse as to make it impractical to market the Securities as contemplated by the Final Memorandum (exclusive of any amendment or supplement thereto).

(g) The Securities shall be eligible for clearance and settlement through Euroclear and Clearstream, Luxembourg.

(h) Subsequent to the Execution Time, there shall not have been any decrease in the rating of any of the Company's debt securities by any "nationally recognized statistical rating organization" (as defined for purposes of Rule 436(g) under the Act) or any notice given of any intended or potential decrease in any such rating.

If any of the conditions specified in this Section 6 shall not have been fulfilled in all material respects when and as provided in this Agreement, or if any of the opinions and certificates mentioned above or elsewhere in this Agreement shall not be in all material respects reasonably satisfactory in form and substance to the Representatives and counsel for the Initial Purchasers, this Agreement and all obligations of the Initial Purchasers hereunder may be cancelled at, or at any time prior to, the Closing Date by the Representatives. Notice of such cancellation shall be given to the Company in writing or by telephone or facsimile confirmed in writing.

The documents required to be delivered by this Section 6 will be delivered at the office of counsel for the Initial Purchasers, at 80 Pine Street, New York, NY 10005, on the Closing Date.

7. Reimbursement of Expenses. If the sale of the Securities provided for herein is not consummated because any condition to the obligations of the Initial Purchasers set forth in Section 6 hereof is not satisfied, because of any termination pursuant to Section 10 hereof or because of any refusal, inability or failure on the part of the Issuers to perform, in any material respect, any agreement herein or comply, in any material respect, with any provision hereof other than by reason of a default by any of the Initial Purchasers, the Issuers will reimburse the Initial Purchasers severally through Salomon Brothers International Limited on demand for all out-of-pocket expenses (including reasonable fees and disbursements of counsel) that shall have been incurred by them in connection with the proposed purchase and sale of the Securities.

8. Indemnification and Contribution (a) The Issuers jointly and severally agree to indemnify and hold harmless each Initial Purchaser, the directors, officers, employees and agents of each Initial Purchaser and each person who controls any Initial Purchaser within the meaning of either the Act or the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Act, the Exchange Act or other Federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Preliminary Memorandum, the Final Memorandum (or in any supplement or amendment thereto) or any information provided by any Issuer to any holder or prospective purchaser of Securities pursuant to Section 5(h), or in any amendment thereof or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and agree to reimburse each such indemnified party, as incurred, for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the Issuers will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon any such untrue statement or alleged untrue statement or omission or alleged omission made in the Preliminary Memorandum or the Final Memorandum, or in any amendment thereof or supplement thereto, in reliance upon and in conformity with written information furnished to the Company by or on behalf of any Initial Purchasers through the Representatives specifically for inclusion therein. This indemnity agreement will be in addition to any liability which the Issuers may otherwise have.

(b) Each Initial Purchaser severally and not jointly agrees to indemnify and hold harmless each Issuer, each of its directors, each of its officers, and each person who controls an Issuer within the meaning of either the Act or the Exchange Act, to the same extent as the foregoing indemnity from the Issuers to each Initial Purchaser, but only with reference to written information relating to such Initial Purchaser furnished to the Company by or on behalf of such Initial Purchaser through the Representatives specifically for inclusion in the Preliminary Memorandum or the Final Memorandum (or in any amendment or supplement thereto). This indemnity agreement will be in addition to any liability which any Initial Purchaser may otherwise have. The Issuers acknowledge that the statements set forth in the last paragraph of the cover page regarding the delivery of the Securities, the legend on page (ii) concerning stabilization, syndicate covering transactions and penalty bids and, under the third, fifth, seventh and ninth paragraphs under the heading "Plan of Distribution", constitute the only information furnished in writing by or on behalf of the Initial Purchasers for inclusion in the Preliminary Memorandum or the Final Memorandum (or in any amendment or supplement thereto).

(c) Promptly after receipt by an indemnified party under this Section 8 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof may be made against the indemnifying party under this Section 8, notify the indemnifying party in writing of the commencement thereof; but the failure so to notify the indemnifying party (i) will not relieve it from liability under paragraph (a) or (b) above unless and to the extent it has been prejudiced thereby; and (ii) will not, in any event, relieve the indemnifying party from any obligations to any indemnified party other than the indemnification obligation provided in paragraph (a) or (b) above. The indemnifying party shall be entitled to appoint counsel of the indemnifying party's choice at the indemnifying party's expense to represent the indemnified party in any action for which indemnification is sought (in which case the indemnifying party shall not thereafter be responsible for the fees and expenses of any separate counsel retained by the indemnified party or parties except as set forth below); provided, however, that such counsel shall be reasonably satisfactory to the indemnified party. Notwithstanding the indemnifying party's election to appoint counsel to represent the indemnified party in an action, the indemnified party shall have the right to employ separate counsel (including local counsel), and the indemnifying party shall bear the reasonable fees, costs and expenses of such separate counsel if (i) the use of counsel chosen by the indemnifying party to represent the indemnified party would present such counsel with a conflict of interest; (ii) the named defendants in, any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded, based on advice of counsel, that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party such that representation by the same counsel would be inappropriate under the circumstances; (iii) the indemnifying party shall not have employed counsel reasonably satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of the institution of such action; or (iv) the indemnifying party shall authorize the indemnified party to employ separate counsel at the expense of the indemnifying party. It is understood, however, that the indemnifying party shall, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the fees and expenses of only one separate firm of attorneys (in addition to any local counsel) at any time for all such indemnified parties, which firm shall be designated in writing by Salomon Brothers International Limited, in the case of parties indemnified pursuant to Section 8(a) above, and the Company, in the case of parties indemnified pursuant to Section 8(b) above. An indemnifying party will not, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution is available hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent includes an unconditional release of each indemnified party from all liability arising out of such claim, action, suit

or proceeding. An indemnifying party shall not be liable under this Section 8 to any indemnified party regarding any settlement or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent is consented to in writing by such indemnifying party, which consent shall not be unreasonably withheld.

(d) In the event that the indemnity provided in paragraph (a) or (b) of this Section 8 is unavailable to or insufficient to hold harmless an indemnified party for any reason, the Issuers and the Initial Purchasers agree to contribute to the aggregate losses, claims, damages and liabilities (including legal or other expenses reasonably incurred in connection with investigating or defending same) (collectively "Losses") to which the Issuers and one or more of the Initial Purchasers may be subject in such proportion as is appropriate to reflect the relative benefits received by the Issuers on the one hand and by the Initial Purchasers on the other from the offering of the Securities; provided, however, that in no case shall any Initial Purchaser (except as may be provided in any agreement among the Initial Purchasers relating to the offering of the Securities) be responsible for any amount in excess of the purchase discount or commission applicable to the Securities purchased by such Initial Purchaser hereunder. If the allocation provided by the immediately preceding sentence is unavailable for any reason, the Issuers and the Initial Purchasers shall contribute in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Issuers on the one hand and of the Initial Purchasers on the other in connection with the statements or omissions which resulted in such Losses, as well as any other relevant equitable considerations. Benefits received by the Issuers shall be deemed to be equal to the total net proceeds from the offering (before deducting expenses) received by them, and benefits received by the Initial Purchasers shall be deemed to be equal to the total purchase discounts and commissions in each case set forth on the cover of the Final Memorandum. Relative fault shall be determined by reference to, among other things, whether any untrue or any alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information provided by the Issuers on the one hand or the Initial Purchasers on the other, the intent of the parties and their relative knowledge, information and opportunity to correct or prevent such untrue statement or omission. The Issuers and the Initial Purchasers agree that it would not be just and equitable if contribution were determined by pro rata allocation or any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this paragraph (d), no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 8, each person who controls an Initial Purchaser within the meaning of either the Act or the Exchange Act and each director, officer, employee and agent of an Initial Purchaser shall have the same rights to contribution as such Initial Purchaser, and each person who controls an Issuer within the meaning of either the Act or the Exchange Act and each officer and director of an Issuer shall have the same rights to contribution as an Issuer,

subject in each case to the applicable terms and conditions of this paragraph (d).

9. Default by an Initial Purchaser. If any one or more Initial Purchasers shall fail to purchase and pay for any of the Securities agreed to be purchased by such Initial Purchaser hereunder and such failure to purchase shall constitute a default in the performance of its or their obligations under this Agreement, the remaining Initial Purchasers shall be obligated severally to take up and pay for (in the respective proportions which the amount of Securities set forth opposite their names in Schedule I hereto bears to the aggregate amount of Securities set forth opposite the names of all the remaining Initial Purchasers) the Securities which the defaulting Initial Purchaser or Initial Purchasers agreed but failed to purchase; provided, however, that in the event that the aggregate amount of Securities which the defaulting Initial Purchaser or Initial Purchasers agreed but failed to purchase shall exceed 10% of the aggregate amount of Securities set forth in Schedule I hereto, and arrangements satisfactory to you and the Company are not made within 36 hours after such default, the remaining Initial Purchasers shall have the right to purchase all, but shall not be under any obligation to purchase any, of the Securities, and if such nondefaulting Initial Purchasers do not purchase all the Securities, this Agreement will terminate without liability to any nondefaulting Initial Purchaser or the Issuers. In the event of a default by any Initial Purchaser as set forth in this Section 9, the Closing Date shall be postponed for such period, not exceeding five Business Days, as the Representatives or the Company shall determine in order that the required changes in the Final Memorandum or in any other documents or arrangements may be effected. Nothing contained in this Agreement shall relieve any defaulting Initial Purchaser of its liability, if any, to the Issuers or any nondefaulting Initial Purchaser for damages occasioned by its default hereunder.

10. Termination. This Agreement shall be subject to termination in the discretion of the Salomon Brothers International Limited and Deutsche Bank AG, acting jointly, by notice given to the Company prior to the Closing Date if at any time after the Execution Time and prior to the Closing Date (i) trading in the Company's Common Stock shall have been suspended by the Commission or the New York Stock Exchange or trading in securities generally on the London Stock Exchange or the New York Stock Exchange shall have been suspended or materially limited or minimum prices shall have been established on such Exchange; (ii) a banking moratorium shall have been declared either by U.S. Federal or New York State authorities; or (iii) there shall have occurred any outbreak or escalation of hostilities, declaration by the United States of a national emergency or war or other calamity or crisis, which in the case of clauses 10(i) through 10(iii) the effect of which on the financial markets is to make it, in the reasonable judgment of Salomon Brothers International Limited and Deutsche Bank AG, acting jointly, impracticable to proceed with the offering or delivery of the Securities as contemplated by the Final Memorandum (exclusive of any amendment or supplement thereto).

11. Representations and Indemnities to Survive. The respective agreements, representations, warranties, indemnities and other statements of the Issuers or their officers and of the Initial Purchasers set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation made by or on behalf of the Initial Purchasers or the Issuers or any of the officers, directors or controlling persons referred to in Section 8 hereof, and will survive delivery of and payment for the Securities. The provisions of Sections 7 and 8 hereof shall survive the termination or cancellation of this Agreement.

12. Notices. All communications hereunder will be in writing and effective only on receipt, and, if sent to the Representatives, will be mailed, delivered or telefaxed to the Salomon Smith Barney General Counsel (fax no.: (212) 816-7912) and confirmed to the General Counsel, Salomon Smith Barney at 388 Greenwich Street, New York, New York 10013 Attention: General Counsel; or, if sent to the Company, will be mailed, delivered or telefaxed to Cameron Hitchcock at 21557 Telegraph Road, Southfield, Michigan 48086 (fax no.: (248) 997-1590) and confirmed to it at Joespeh F. McCarthy, attention of the Legal Department at 21557 Telegraph Road, Southfield, Michigan 48086 with copies to Winston and Strawn, 35 West Wacker Drive, Chicago, Illinois 60601 Attention: John MacCarthy.

13. Successors. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and controlling persons referred to in Section 8 hereof, and, except as expressly set forth in Section 5(h) hereof, no other person will have any right or obligation hereunder.

14. Applicable Law. This Agreement will be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed within the State of New York.

15. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument.

16. Headings. The section headings used herein are for convenience only and shall not affect the construction hereof.

17. Definitions. The terms which follow, when used in this Agreement, shall have the meanings indicated.

"Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder.

"Affiliate" shall have the meaning specified in Rule 501(b) of Regulation D.

"Business Day" shall mean any day other than a Saturday, a Sunday or a legal holiday or a day on which banking institutions or trust companies are authorized or obligated by law to close in The City of New York or Luxembourg, Belgium.

"Commission" shall mean the Securities and Exchange Commission.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

"Execution Time" shall mean, the date and time that this Agreement is executed and delivered by the parties hereto.

"Investment Company Act" shall mean the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission promulgated thereunder.

"NASD" shall mean the National Association of Securities Dealers, Inc.

"Regulation D" shall mean Regulation D under the Act.

"Regulation S" shall mean Regulation S under the Act.

"Trust Indenture Act" shall mean the Trust Indenture Act of 1939, as amended, and the rules and regulations of the Commission promulgated thereunder.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to us the enclosed duplicate hereof, whereupon this Agreement and your acceptance shall represent a binding agreement between the Issuers and the several Initial Purchasers.

Very truly yours,

LEAR CORPORATION

By /s/ Cameron C. Hitchcock

Name: Cameron C. Hitchcock
Title: Vice President and Treasurer

LEAR OPERATIONS CORPORATION

By /s/ Cameron C. Hitchcock

Name: Cameron C. Hitchcock
Title: Vice President and Treasurer

LEAR CORPORATION AUTOMOTIVE HOLDINGS

By /s/ Donald J. Stebbins

Name: Donald J. Stebbins
Title: Vice President, Chief Financial Officer and Assistant Secretary

LEAR CORPORATION EEDS AND INTERIORS

By /s/ Cameron C. Hitchcock

Name: Cameron C. Hitchcock
Title: Vice President and Treasurer

LEAR SEATING HOLDINGS CORP. #50

By /s/ Cameron C. Hitchcock

Name: Cameron C. Hitchcock
Title: Vice President and Treasurer

The foregoing Agreement is hereby confirmed and accepted as of the date first above written.

By: SALOMON BROTHERS INTERNATIONAL LIMITED

By /s/

Name:
Title:

By: DEUTSCHE BANK AG

By /s/

Name:
Title:

For themselves and the other several Initial Purchasers named in Schedule I to the foregoing Agreement.

SCHEDULE I

Initial Purchasers	Principal Amount of Firm Securities to Be Purchased
Salomon Brothers International Limited	E68,750,000.00
Deutsche Bank AG	68,750,000.00
Lehman Brothers International (Europe)	26,500,000.00
Credit Suisse First Boston (Europe) Limited	24,000,000.00
Merrill Lynch International	20,775,000.00
Chase Securities Inc	8,775,000.00
Bank of America International Limited	8,775,000.00
BNP Paribas Securities Corp.	5,925,000.00
Mizuho International plc	5,925,000.00
Scotia Capital (USA) Inc.	5,925,000.00
TD Securities Limited	5,925,000.00
Total	E250,000,000

EXHIBIT A

Selling Restrictions for Offers and
Sales Outside the United States

(1)(a) The Securities have not been and will not be registered under the Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Act or pursuant to an exemption from the registration requirements of the Act. Each Initial Purchaser represents and agrees that, except as otherwise permitted by Section 4(b)(i) of the Agreement to which this is an exhibit, it has offered and sold the Securities, and will offer and sell the Securities, (i) as part of their distribution at any time; and (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date, only in accordance with Rule 903 of Regulation S under the Act. Accordingly, each Initial Purchaser represents and agrees that neither it, nor any of its Affiliates nor any person acting on its or their behalf has engaged or will engage in any directed selling efforts with respect to the Securities, and that it and they have complied and will comply with the offering restrictions requirement of Regulation S. Each Initial Purchaser agrees that, at or prior to the confirmation of sale of Securities (other than a sale of Securities pursuant to Section 4(b)(i) of the Agreement to which this is an exhibit), it shall have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Securities from it during the distribution compliance period a confirmation or notice to substantially the following effect:

> "The Securities covered hereby have not been registered under the U.S. Securities Act of 1933 (the "Act") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and March [ ], 2001, except in either case in accordance with Regulation S or Rule 144A under the Act. Terms used above have the meanings given to them by Regulation S."

(b) Each Initial Purchaser also represents and agrees that it has not entered and will not enter into any contractual arrangement with any distributor with respect to the distribution of the Securities, except with its Affiliates or with the prior written consent of the Company.

(c) Terms used in this section have the meanings given to them by Regulation S.

(2) Each Initial Purchaser represents and agrees that (i) it has not offered or sold and, prior to the date six months after the date of issuance of the Securities, will not offer

or sell any Securities to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995; (ii) it has complied and will comply with all applicable provisions of the Financial Services Act 1986 of the United Kingdom with respect to anything done by it in relation to the Securities in, from or otherwise involving the United Kingdom; and (iii) it has only issued or passed on and will only issue or pass on in the United Kingdom any document received by it in connection with the issue of the Securities to a person who is of a kind described in Article 9(3) of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1996 or is a person to whom the document may otherwise lawfully be issued or passed on.

(3) Each Initial Purchaser understands and acknowledges that no action has been or will be taken in any jurisdiction by any Issuer that would permit a public offering of the Securities, or possession or distribution of either Memorandum or any other offering or publicity material relating to the Securities, in any country or jurisdiction where action for that purpose is required.

(4) Each Initial Purchaser has complied and will comply with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Securities or has in its possession or distributes either Memorandum or any other offering or publicity material relating to the Securities.

EXHIBIT 10.29

REGISTRATION RIGHTS AGREEMENT

Dated March 20, 2001

among

LEAR CORPORATION,
LEAR OPERATIONS CORPORATION,
LEAR CORPORATION AUTOMOTIVE HOLDINGS
LEAR CORPORATION EEDS AND INTERIORS
LEAR SEATING HOLDINGS CORP. #50

and

SALOMON BROTHERS INTERNATIONAL LIMITED
DEUTSCHE BANK AG
CREDIT SUISSE FIRST BOSTON (EUROPE) LIMITED
CHASE SECURITIES INC.
LEHMAN BROTHERS INTERNATIONAL (EUROPE)
MERRILL LYNCH INTERNATIONAL
BANK OF AMERICA INTERNATIONAL LIMITED
BNP PARIBAS SECURITIES CORP.
MIZUHO INTERNATIONAL PLC
SCOTIA CAPITAL (USA) INC.
TD SECURITIES LIMITED

THIS REGISTRATION RIGHTS AGREEMENT ("AGREEMENT") is made and entered into on March 20, 2001 among LEAR CORPORATION, a Delaware corporation (the "COMPANY"), LEAR OPERATIONS CORPORATION, a Delaware corporation ("LOC"), LEAR CORPORATION AUTOMOTIVE HOLDINGS, a Delaware corporation ("LEAR AUTOMOTIVE"), LEAR CORPORATION EEDS AND INTERIORS, a Delaware corporation ("EEDS"), and LEAR SEATING HOLDINGS CORP. #50, a Delaware corporation ("SEATING" and together with LOC, Lear Automotive and EEDS, the "GUARANTORS"), and Salomon Brothers International Limited, Deutsche Bank AG, Credit Suisse First Boston (Europe) Limited, Chase Securities Inc., Lehman Brothers International (Europe), Merrill Lynch International, Bank of America International Limited, BNP Paribas Securities Corp., Mizuho International plc, Scotia Capital (USA) Inc., TD Securities Limited, as representatives of the initial purchasers as listed in Schedule I of the Purchase Agreement (as defined below) (the "INITIAL PURCHASERS").

This Agreement is made pursuant to the Purchase Agreement dated March 15, 2001, among the Company, the Guarantors and the Initial Purchasers (the "PURCHASE AGREEMENT"), which provides for the sale by the Company to the Initial Purchasers of E250,000,000 aggregate principal amount of the Company's 8 1/8 % Senior Notes due 2008 (the "NOTES") to be guaranteed on a joint and several basis by the Guarantors. The Notes and the guarantees of the Guarantors (the "GUARANTEES" and, together with the Notes, the "SECURITIES") are to be issued pursuant to the provisions of an Indenture dated as of March 20, 2001 (the "INDENTURE") among the Company, the Guarantors and The Bank of New York, as trustee (the "TRUSTEE"). In order to induce the Initial Purchasers to enter into the Purchase Agreement, the Company and the Guarantors have agreed to provide to the Initial Purchasers and their direct and indirect permitted transferees the registration rights set forth in this Agreement. The execution of this Agreement is a condition to the closing under the Purchase Agreement.

In consideration of the foregoing, the parties hereto agree as follows:

1. Definitions. As used in this Agreement, the following capitalized defined terms shall have the following meanings:

"CLOSING DATE" shall mean the Closing Date as defined in the Purchase Agreement.

"COMMISSION" shall mean the Securities and Exchange Commission.

"COMPANY" shall have the meaning set forth in the preamble and shall also include the Company's successors.

"EXCHANGE ACT" shall mean the Securities Exchange Act of 1934, as amended from time to time.

"EXCHANGE OFFER" shall mean the exchange offer by the Company and the Guarantors of Exchange Securities for Registrable Securities pursuant to Section 2(a) hereof.

"EXCHANGE OFFER REGISTRATION" shall mean a registration under the Securities Act offered pursuant to Section 2(a) hereof.

"EXCHANGE OFFER REGISTRATION STATEMENT" shall mean an exchange offer registration statement on Form S-4 (or, if applicable, on another appropriate form) and all amendments and supplements to such registration statement, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

"EXCHANGE SECURITIES" shall mean securities issued by the Company and the Guarantors under the Indenture containing terms identical to the Securities (except that (i) interest thereon shall accrue from the date of issuance, and (ii) the Exchange Securities will not contain restrictions on transfer) and to be offered to Holders of Securities in exchange for Securities pursuant to the Exchange Offer.

"GUARANTORS" shall have the meaning set forth in the preamble and shall also include each Guarantor's successors.

"HOLDER" shall mean the Initial Purchasers, for so long as they own any Registrable Securities, and each of their successors, assigns and direct and indirect permitted transferees who become registered owners of Registrable Securities under the Indenture; provided that for purposes of Sections 4 and 5 of this Agreement, the term "Holder" shall include Participating Broker-Dealers (as defined in Section 4(a)).

"INDENTURE" shall have the meaning set forth in the preamble and shall include the Indenture as the same may be amended from time to time in accordance with the terms thereof.

"INITIAL PURCHASERS" shall have the meaning set forth in the preamble.

"MAJORITY HOLDERS" shall mean the Holders of a majority of the aggregate principal amount of outstanding Registrable Securities.

"PERSON" shall mean an individual, partnership, limited liability company, corporation, trust or unincorporated organization, or a government or agency or political subdivision thereof.

"PROSPECTUS" shall mean the prospectus included in a Registration Statement, including any preliminary prospectus, and any such prospectus as amended or supplemented by any prospectus supplement, including a prospectus supplement with respect to the terms of the offering of any portion of the Registrable Securities covered by a Shelf Registration Statement, and by all other amendments and supplements to such prospectus, and in each case including all material incorporated by reference therein.

"PURCHASE AGREEMENT" shall have the meaning set forth in the preamble.

"REGISTRABLE SECURITIES" shall mean the Securities; provided, however, that any Securities shall cease to be Registrable Securities when

(i) such Securities have been exchanged for Exchange Securities in the Exchange Offer;

(ii) a Registration Statement with respect to such Securities shall have been declared effective under the Securities Act and such Securities shall have been disposed of pursuant to such Registration Statement;

(iii) such Securities have been distributed to the public pursuant to Rule 144 under the Securities Act (or any similar provision then in force) or are eligible for sale without restriction pursuant to Rule 144(k) (or any similar provision then in force, but not Rule 144A) under the Securities Act; or

(iv) such Securities shall have ceased to be outstanding.

"REGISTRATION EXPENSES" shall mean any and all expenses incident to performance of or compliance by the Company and the Guarantors with this Agreement, including without limitation,

(i) all Commission, stock exchange or National Association of Securities Dealers, Inc. registration and filing fees;

(ii) all fees and expenses incurred in connection with compliance with state securities or Blue Sky laws (including reasonable fees and disbursements of counsel to any underwriters or Holders in connection with Blue Sky qualification of any of the Exchange Securities or Registrable Securities, if required pursuant to this Agreement);

(iii) all expenses of any Persons engaged by the Company or the Guarantors in preparing or assisting in preparing, word processing, printing and distributing any Registration Statement, any Prospectus, any amendments or supplements thereto, any

underwriting agreements, securities sales agreements and other documents relating to the performance of and compliance with this Agreement;

(iv) all rating agency fees;

(v) all fees and disbursements relating to the qualification of the Indenture under applicable securities laws;

(vi) the reasonable fees and disbursements of the Trustee and its counsel;

(vii) the fees and disbursements of counsel to the Company and the Guarantors and, in the case of a Shelf Registration Statement, the reasonable fees and disbursements of one counsel to the Holders (which counsel shall be selected by the Majority Holders and which counsel may also be counsel to the Initial Purchasers);

(viii) the fees and disbursements of the independent public accountants engaged by the Company and the Guarantors, including the expenses of any special audits or "cold comfort" letters required by or incident to such performance and compliance, but excluding fees and expenses of counsel to the underwriters (other than fees and expenses set forth in clause (ii) above) or the Holders and underwriting discounts and commissions and transfer taxes, if any, relating to the sale or disposition of Registrable Securities by a Holder; and

(ix) the fees related to listing the Securities on the Luxembourg Stock Exchange.

"REGISTRATION STATEMENT" shall mean any registration statement of the Company and the Guarantors that covers any of the Exchange Securities or Registrable Securities pursuant to the provisions of this Agreement and all amendments and supplements to any such Registration Statement, including post-effective amendments, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

"SECURITIES ACT" shall mean the Securities Act of 1933, as amended from time to time.

"SHELF REGISTRATION" shall mean a Registration effected pursuant to Section 2(b) hereof.

"SHELF REGISTRATION STATEMENT" shall mean a "shelf" registration statement of the Company and the Guarantors pursuant to the provisions of Section 2(b) of this Agreement which covers all of the Registrable Securities (but no other securities unless approved by the

Holders whose Registrable Securities are covered by such Shelf Registration Statement) on an appropriate form under Rule 415 under the Securities Act, or any similar rule that may be adopted by the Commission, and all amendments and supplements to such registration statement, including post-effective amendments, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

"TRUSTEE" shall mean the trustee with respect to the Securities under the Indenture.

"UNDERWRITER" shall have the meaning set forth in Section 3 hereof.

"UNDERWRITTEN REGISTRATION" or "UNDERWRITTEN OFFERING" shall mean a registration in which Registrable Securities are sold to an Underwriter for reoffering to the public.

2. Registration Under the Securities Act. (a) To the extent not prohibited by any applicable law or applicable interpretation of the Staff of the Commission, the Company and the Guarantors shall use their reasonable best efforts to cause to be filed, within 120 days of the Closing Date, an Exchange Offer Registration Statement covering the offer by the Company and the Guarantors to the Holders to exchange all of the Registrable Securities for Exchange Securities, to have the Exchange Offer Registration Statement declared effective within 210 days of the Closing Date and to have such Registration Statement remain effective until the closing of the Exchange Offer. The Company and the Guarantors shall commence the Exchange Offer promptly after the Exchange Offer Registration Statement has been declared effective by the Commission and use their reasonable best efforts to consummate the Exchange Offer within 240 days of the Closing Date. The Company and the Guarantors shall commence the Exchange Offer by mailing the related Exchange Offer Prospectus and accompanying documents to each Holder stating, in addition to such other disclosures as are required by applicable law:

(i) that the Exchange Offer is being made pursuant to this Registration Rights Agreement and that all Registrable Securities validly tendered will be accepted for exchange;

(ii) the dates of acceptance for exchange (which shall be a period of at least 20 business days from the date such notice is mailed) (the "EXCHANGE DATES");

(iii) that any Registrable Security not tendered will remain outstanding and continue to accrue interest, but will not retain any rights under this Registration Rights Agreement;

(iv) that Holders electing to have a Registrable Security exchanged pursuant to the Exchange Offer will be required to surrender such Registrable Security, together with the enclosed letters of transmittal, to the institution and at the address (located in the Borough of Manhattan, The City of New York) specified in the notice prior to the close of business on the last Exchange Date; and

(v) that Holders will be entitled to withdraw their election, not later than the close of business on the last Exchange Date, by sending to the institution and at the address (located in the Borough of Manhattan, The City of New York) specified in the notice a telegram, telex, facsimile transmission or letter setting forth the name of such Holder, the principal amount of Registrable Securities delivered for exchange and a statement that such Holder is withdrawing his election to have such Securities exchanged.

As soon as practicable after the last Exchange Date, the Company and the Guarantors shall:

(i) accept for exchange Registrable Securities or portions thereof tendered and not validly withdrawn pursuant to the Exchange Offer; and

(ii) deliver, or cause to be delivered, to the Trustee for cancellation all Registrable Securities or portions thereof so accepted for exchange by the Company and the Guarantors and issue, and cause the Trustee to promptly authenticate and mail to each Holder, an Exchange Security equal in principal amount to the principal amount of the Registrable Securities surrendered by such Holder.

The Company and the Guarantors shall use their reasonable best efforts to complete the Exchange Offer as provided above and shall comply with the applicable requirement of the Securities Act, the Exchange Act and other applicable laws and regulations in connection with the Exchange Offer. The Exchange Offer shall not be subject to any conditions, other than that the Exchange Offer does not violate applicable law or any applicable interpretation of the Staff of the Commission. The Company shall inform the Initial Purchasers of the names and addresses of the Holders to whom the Exchange Offer is made, and the Initial Purchasers shall have the right, subject to applicable law, to contact such Holders and otherwise facilitate the number of Registrable Securities in the Exchange Offer.

For a period of 180 days after the last Exchange Date, the Company and the Guarantors shall also use their reasonable best efforts to make available a prospectus meeting the requirements of the Securities Act, which may be the Prospectus contained in the Exchange Offer Registration Statement or the Prospectus contained in a Shelf Registration Statement, as such Registration Statements may be amended or supplemented from time to time, to Holders which are broker-dealers (and which identify themselves as such) in

connection with resales of Exchange Securities received in exchange for Registrable Securities, where such Registrable Securities were acquired by such broker-dealers for their own account as a result of market-making or other trading activities; provided that each Holder which is a broker-dea1er agrees that, upon receipt of notice from the Company of the occurrence of any event which makes any statement in the Prospectus untrue in any material respect or which requires the making of any changes in the Prospectus in order to make the statements therein nor misleading (which notice the Company agrees to deliver promptly to such broker-dealer), such broker-dealer will suspend use of the Prospectus until the Company has amended or supplemented the Prospectus to correct such misstatement or omission and has furnished copies of the amended or supplemented Prospectus to such broker-dealer. If the Company shall give any such notice to suspend the use of the Prospectus, it shall extend the 180-day period referred to above by the number of days during the period from and including the date of the giving of such notice to and including the date when broker-dealers shall have received copies of the supplemented or amended Prospectus necessary to permit resales of the Exchange Securities.

In the event that, at the last Exchange Date, any of the Initial Purchasers shall not have sold all of the Registrable Securities initially purchased from the Company and the Guarantors by such Initial Purchaser to unaffiliated investors, upon such Initial Purchaser's written request (made within 10 days after the last Exchange Date), the Company and the Guarantors will use their reasonable best efforts to file promptly or, if so requested by any Initial Purchaser, on a later date (which date shall not exceed the date that is six months after the Exchange Date) a Shelf Registration Statement or a post-effective amendment to the Exchange Offer Registration Statement if acceptable to the Commission to register all such Registrable Securities for all such Initial Purchasers. The Company and the Guarantors will keep such Shelf Registration Statement or other Registration Statement effective and make available to such Initial Purchasers a Prospectus meeting the requirements of the Securities Act for a period of 180 days; provided that each such Initial Purchaser agrees that, upon receipt of notice from the Company of the happening of any event which makes any statement in the Prospectus untrue in any material respect or which requires the making of any changes in the Prospectus in order to make the statements therein not materially misleading (which notice the Company agrees to deliver promptly to such Initial Purchasers), such Initial Purchaser will suspend use of the Prospectus until the Company has amended or supplemented the Prospectus to correct such misstatement or omission and has furnished copies of the amended or supplemented Prospectus to such Initial Purchaser. If the Company shall give any such notice to suspend the use of the Prospectus, it shall extend the 180-day period referred to above by the number of days during the period from and including the date of the giving of such notice to and including the date when such Initial Purchasers shall have received copies of the supplemented or amended Prospectus necessary to permit sales of their Securities.

(b) In the event that:

(i) the Company determines that the Exchange Offer Registration provided for in Section 2(a) above is not available or may not be consummated as soon as practicable after the last Exchange Date because it would violate applicable law or the applicable interpretations of the Staff of the Commission;

(ii) the Exchange Offer is not for any other reason consummated within 240 days of the Closing Date; or

(iii) the Exchange Offer has been completed and in the written opinion of counsel to the Initial Purchasers (a copy of which is furnished to the Company) a Registration Statement must be filed and a Prospectus must be delivered by the Initial Purchasers in connection with any offering or sale of Registrable Securities,

the Company and the Guarantors shall use their reasonable best efforts to cause to be filed as soon as practicable after such determination, date or notice of such opinion of counsel is given to the Company and the Guarantors, as the case may be, a Shelf Registration Statement providing for the sale by the Holders of all of the Registrable Securities and to have such Shelf Registration Statement declared effective by the Commission. In the event the Company and the Guarantors are required to file a Shelf Registration Statement solely as a result of the matters referred to in clause (iii) of the preceding sentence, the Company and the Guarantors shall use their reasonable best efforts to file and have declared effective by the Commission both an Exchange Offer Registration Statement pursuant to Section 2(a) with respect to all Registrable Securities eligible to be included therein and a Shelf Registration Statement (which may be a combined Registration Statement with the Exchange Offer Registration Statement) with respect to offers and sales of Registrable Securities held by the Initial Purchasers after completion of the Exchange Offer. The Company and the Guarantors agree to use their reasonable best efforts to keep the Shelf Registration Statement continuously effective until the expiration of the period referred to in Rule 144(k) with respect to the Registrable Securities or such shorter period that will terminate when all of the Registrable Securities covered by the Shelf Registration Statement have been sold pursuant to the Shelf Registration Statement. The Company and the Guarantors further agree to supplement or amend the Shelf Registration Statement if required by the rules, regulations or instructions applicable to the registration form used by the Company and the Guarantors for such Shelf Registration Statement or by the Securities Act or by any other rules and regulations thereunder for shelf registration or if reasonably requested by a Holder with respect to information relating to such Holder, and to use their reasonable best efforts to cause any such amendment to become effective and such Shelf Registration Statement to become usable as soon as thereafter practicable. The Company agrees to furnish to the Holders of

Registrable Securities copies of any such supplement or amendment promptly after its being used or filed with the Commission.

(c) The Company and the Guarantors shall pay all Registration Expenses in connection with the registration pursuant to Section 2(a) and Section 2(b). Each Holder shall pay all underwriting discounts and commissions and transfer taxes, if any, relating to the sale or disposition of such Holder's Registrable Securities pursuant to the Shelf Registration Statement.

(d) An Exchange Offer Registration Statement pursuant to Section 2(a) hereof or a Shelf Registration Statement pursuant to Section 2(b) hereof will not be deemed to have become effective unless it has been declared effective by the Commission; provided, however, that if, after it has been declared effective, the offering of Registrable Securities pursuant to a Shelf Registration Statement is interfered with by any stop order, injunction or other order or requirement of the Commission or any other governmental agency or court, such Registration Statement will be deemed not to have become effective during the period of such interference until the offering of Registrable Securities pursuant to such Registration Statement may legally resume.

If the Company or the Guarantors fail to comply with the above provisions, additional interest (the "ADDITIONAL INTEREST") shall be assessed as follows:

(i) If neither the Exchange Offer Registration Statement nor the Shelf Registration Statement, as applicable, is filed within 120 days following the Closing Date, then commencing on the 121st day after the Closing Date, Additional Interest shall be accrued on the Registrable Securities affected thereby over and above the accrued interest at a rate of 0.25% per annum; or

(ii) If an Exchange Offer Registration Statement or Shelf Registration Statement is filed pursuant to (i) above and is not declared effective within 210 days following the Closing Date, then commencing on the 211th day after the Closing Date, Additional Interest shall be accrued on the Registrable Securities affected thereby over and above the accrued interest at a rate of 0.25% per annum; or

(iii) If either (A) the Company and the Guarantors have not exchanged Exchange Securities for all Securities validly tendered in accordance with the terms of the Exchange Offer within 240 days of the Closing Date, or (B) if applicable, the Shelf Registration Statement has been declared effective but such Shelf Registration Statement ceases to be effective at any time prior to the expiration of the period referred to in Rule 144(k), then Additional Interest shall be accrued on the Registrable Securities affected thereby over and above the accrued interest at a rate of 0.25% per annum immediately following (x) the 241st day after the Closing Date, in the case of

(A) above, or (y) the day such Shelf Registration Statement ceases to be effective in the case of (B) above;

provided, however, that the Additional Interest rate on the Registrable Securities may in no event exceed 0.25% per annum; and provided, further, that Additional Interest on the Registrable Securities as a result of such clause (i), (ii) or (iii) shall cease to accrue upon

(1) the filing of the Exchange Offer Registration Statement or Shelf Registration Statement (in the case of (i) above);

(2) the effectiveness of the Exchange Offer Registration Statement or Shelf Registration Statement (in the case of (ii) above); or

(3) the exchange of Exchange Securities for all Securities tendered or upon the effectiveness of the Shelf Registration Statement which had ceased to remain effective prior to the expiration of the period referred to in Rule 144(k) (in the case of (iii) above).

Any amounts of Additional Interest due pursuant to clauses (i), (ii) or (iii) above will be payable in cash on the same original payment dates of the Securities. The amount of Additional Interest will be determined by multiplying the applicable Additional Interest rate by the principal amount of the Registrable Securities, multiplied by a fraction, the numerator of which is the number of days such Additional Interest rate was applicable during such period (determined on the basis of a 360-day year comprised of twelve 30-day months), and the denominator of which is 360.

Additional Interest shall not apply in the event that a Shelf Registration Statement is required to be filed solely as a result of the matters referred to in clause (iii) of Section 2(b) and shall not apply to Securities that cease to be Registrable Securities.

(e) The accrual and payment of Additional Interest, as set forth in Section 2(d), shall be the sole and exclusive remedy of the Holders and the Initial Purchasers against the Company and the Guarantors for the breach by the Company or the Guarantors of any of their obligations under Section 2.

3. Registration Procedures. In connection with the obligations of the Company and the Guarantors with respect to the Registration Statements pursuant to Section 2(a) and Section 2(b) hereof, the Company and the Guarantors shall

(a) prepare and file with the Commission a Registration Statement on the appropriate form under the Securities Act, which form (x) shall be selected by the Company and the Guarantors, (y) shall, in the case of a Shelf Registration, be available

for the sale of the Registrable Securities by the selling Holders thereof and (z) shall comply as to form in all material respects with the requirements of the applicable form and include (or incorporate by reference) all financial statements required by the Commission to be filed therewith, and use their reasonable best efforts to cause such Registration Statement to become effective and remain effective in accordance with Section 2 hereof;

(b) prepare and file with the Commission such amendments and post-effective amendments to each Registration Statement as may be necessary to keep such Registration Statement effective for the applicable period and cause each Prospectus to be supplemented by any required prospectus supplement and, as so supplemented, to be filed pursuant to Rule 424 under the Securities Act and to use their respective best efforts to keep each Prospectus current during the period described under Section 4(3) and Rule 174 under the Securities Act that is applicable to transactions by brokers or dealers with respect to the Registrable Securities or Exchange Securities;

(c) in the case of a Shelf Registration, furnish to each Holder of Registrable Securities participating thereto, to counsel to the Initial Purchasers, to counsel to the Holders and to each Underwriter of an Underwritten Offering of Registrable Securities, if any, without charge, as many copies of each Prospectus, including each preliminary Prospectus, and any amendment or supplement thereto and such other documents as such Holder or Underwriter may reasonably request, in order to facilitate the public sale or other disposition of the Registrable Securities; and the Company and the Guarantors consent to the use of such Prospectus and any amendment or supplement thereto in accordance with applicable law by each of the selling Holders of Registrable Securities and any such Underwriters in connection with the offering and sale of the Registrable Securities covered by and in the manner described in such Prospectus or any amendment or supplement thereto in accordance with applicable law;

(d) use their reasonable best efforts to register or qualify the Registrable Securities under all applicable state securities or "Blue Sky" laws of such jurisdictions as any Holder of Registrable Securities covered by a Registration Statement shall reasonably request in writing by the time the applicable Registration Statement is declared effective by the Commission, to cooperate with such Holders in connection with any filings required to be made with the National Association of Securities Dealers, Inc. and the Luxembourg Stock Exchange and do any and all other acts and things which may be reasonably necessary or advisable to enable such Holder to consummate the disposition in each such jurisdiction of such Registrable Securities owned by such Holder; provided, however, that neither the Company nor the Guarantors shall be required to (i) qualify as a foreign corporation or as a dealer in securities in any

jurisdiction where it would not otherwise be required to qualify but for this Section 3(d), (ii) file any general consent to service of process or (iii) subject itself to taxation in any such jurisdiction if it is not so subject;

(e) in the case of a Shelf Registration, notify each Holder of Registrable Securities participating therein, counsel to the Holders and counsel to the Initial Purchasers promptly and, if requested by any such Holder or counsel, confirm in writing

(i) when a Registration Statement has become effective and when any post-effective amendment thereto has been filed and becomes effective;

(ii) of any request by the Commission, any state securities authority, the Luxembourg Stock Exchange or any other regulatory authority for amendments and supplements to a Registration Statement and Prospectus or for additional information after the Registration Statement has become effective;

(iii) of the issuance by the Commission, any state securities authority, the Luxembourg Stock Exchange or any other regulatory authority of any stop order suspending the effectiveness of a Registration Statement or the initiation of any proceedings for that purpose;

(iv) if, between the effective date of a Registration Statement and the closing of any sale of Registrable Securities covered thereby, the representations and warranties of the Company and the Guarantors contained in any underwriting agreement, securities sales agreement or other similar agreement, if any, relating to the offering cease to be true and correct in all material respects or if the Company or the Guarantors receive any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation of any proceeding for such purpose;

(v) of the happening of any event during the period a Shelf Registration Statement is effective which makes any statement made in such Registration Statement or the related Prospectus untrue in any material respect or which requires the making of any changes in such Registration Statement or Prospectus in order to make the statements therein not materially misleading; and

(vi) of any determination by the Company or the Guarantors that a post-effective amendment to a Registration Statement would be appropriate;

(f) make every reasonable effort to obtain the withdrawal of any order suspending the effectiveness of a Registration Statement at the earliest possible moment and provide immediate notice to each Holder of the withdrawal of any such order;

(g) in the case of a Shelf Registration, furnish to each Holder of Registrable Securities participating therein, without charge, at least one conformed copy of each Registration Statement and any post-effective amendment thereto (without documents incorporated therein by reference or exhibits thereto, unless requested);

(h) in the case of a Shelf Registration, cooperate with the selling Holders of Registrable Securities to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold and not bearing any restrictive legends and enable such Registrable Securities to be in such denominations (consistent with the provisions of the Indenture) and registered in such names as the selling Holders may reasonably request at least one business day prior to the closing of any sale of Registrable Securities;

(i) in the case of a Shelf Registration, upon the occurrence of any event contemplated by Section 3(e)(v) hereof, use its reasonable best efforts to prepare and file with the Commission a supplement or post-effective amendment to a Registration Statement or the related Prospectus or any document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of the Registrable Securities, such Prospectus will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The Company and the Guarantors agree to notify the Holders to suspend use of the Prospectus as promptly as practicable after the occurrence of such an event, and the Holders hereby agree to suspend use of the Prospectus until the Company and the Guarantors have amended or supplemented the Prospectus to correct such misstatement or omission;

(j) in the case of a Shelf Registration, a reasonable time prior to the filing of any Shelf Registration Statement, any Prospectus, any amendment to a Shelf Registration Statement or amendment or supplement to a Prospectus or any document which is to be incorporated by reference into a Shelf Registration Statement or a Prospectus after initial filing of a Shelf Registration Statement, provide copies of such document to the Holders participating therein and their counsel and make such of the representatives of the Company and the Guarantors as shall be reasonably requested by the Holders participating therein or their counsel available for discussion of such document and shall not at any time file or make any amendment to the Shelf Registration

Statement, any Prospectus or any amendment of or supplement to a Shelf Registration Statement or a Prospectus or any document which is to be incorporated by reference into a Shelf Registration Statement or a Prospectus, of which the Holders participating therein and their counsel shall not have previously been advised and furnished a copy, except for any amendment or supplement or document (a copy of which has been previously furnished to the Holders participating therein and their counsel) which counsel to the Company and the Guarantors shall advise the Company and the Guarantors is required in order to comply with applicable law;

(k) obtain an ISIN number for all Exchange Securities or Registrable Securities, as the case may be, not later than the effective date of the applicable Registration Statement;

(l) cause the Indenture to remain qualified under the Trust Indenture Act of 1939, as amended (the "TRUST INDENTURE ACT"), in connection with the registration of the Exchange Securities or Registrable Securities, as the case may be, cooperate with the Trustee and the Holders to effect such changes to the Indenture as may be required for the Indenture to remain so qualified in accordance with the terms of the Trust Indenture Act and execute, and use its reasonable best efforts to cause the Trustee to execute, all documents as may be required to effect such changes and all other forms and documents required to be filed with the Commission to enable the Indenture to be so qualified in a timely manner;

(m) in the case of a Shelf Registration, make available for inspection by a representative of the Holders of the Registrable Securities participating therein, any Underwriter participating in any disposition pursuant to such Shelf Registration Statement, and attorneys and accountants designated by the Majority Holders, at reasonable times and in a reasonable manner, all material financial and other records, pertinent documents and properties of the Company and the Guarantors, and use their respective reasonable best efforts to cause the respective officers, directors and employees of the Company and the Guarantors to supply all information reasonably requested by any such representative, Underwriter, attorney or accountant in connection with a Shelf Registration Statement; provided, however, that each such party shall be required to maintain in confidence and not to disclose to any other person any information or records reasonably designated by the Company and the Guarantors as being confidential, until such time as

(i) such information becomes a matter of public record (whether by virtue of its inclusion in such registration statement or otherwise but excluding any matter that becomes public by virtue of the breach by any Holder of its obligations to maintain the confidentiality of any such information);

(ii) such person shall be required so to disclose such information pursuant to a subpoena or order of any court or other governmental agency or body having jurisdiction over the matter (subject to the requirements of such order, and only after such person shall have given the Company and the Guarantors prompt prior written notice of such requirement and the opportunity to contest the same or seek an appropriate protective order); or

(iii) such information is required to be set forth in such Shelf Registration Statement or the Prospectus included therein or in an amendment to such Shelf Registration Statement or an amendment or supplement to such Prospectus in order that such Shelf Registration Statement, Prospectus, amendment or supplement, as the case may be, does not contain an untrue statement of a material fact or omit to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading;

(n) in the case of a Shelf Registration, use its reasonable best efforts to cause all Registrable Securities to be listed on any securities exchange or any automated quotation system on which securities issued by the Company and the Guarantors of the same class are then listed if requested by the Majority Holders, to the extent such Registrable Securities satisfy applicable listing requirements;

(o) if reasonably requested by any Holder of Registrable Securities covered by a Shelf Registration Statement, use its best efforts to:

(i) incorporate in a Prospectus supplement or post-effective amendment such information with respect to such Holder as such Holder reasonably requests to be included therein; and

(ii) make all required filings of such Prospectus supplement or such post-effective amendment as soon as the Company or the Guarantors have received notification of the matters to be incorporated in such filing;

provided that neither the Company nor any Guarantor shall be required to take any action under this paragraph (o) that is not, in the opinion of counsel to the Company, legally required; provided, however, that such opinion shall be in writing and delivered to the Holder; and

(p) in the case of a Shelf Registration, enter into such customary agreements and take all such other reasonable actions in connection therewith (including those reasonably requested by the Holders of a majority of the Registrable Securities being sold) in order to expedite or facilitate the disposition of such Registrable

Securities including, but not limited to, an Underwritten Offering and in such connection:

(i) to the extent possible, make such representations and warranties to the Holders and any Underwriters of such Registrable Securities with respect to the business of the Company and its subsidiaries, the Shelf Registration Statement, Prospectus and documents incorporated by reference or deemed incorporated by reference therein, if any, in each case, in form, substance and scope as are customarily made by issuers to underwriters in underwritten offerings of this type and confirm the same if and when requested;

(ii) use its reasonable best efforts to obtain opinions of counsel to the Company and the Guarantors (which counsel and opinions, in form, scope and substance, shall be reasonably satisfactory to the Holders and such Underwriters and their respective counsel) addressed to each selling Holder and Underwriter of Registrable Securities, covering the matters customarily covered in opinions requested in underwritten offerings of this type;

(iii) use its reasonable best efforts to obtain "cold comfort" letters from the independent certified public accountants of the Company and the Guarantors (and, if necessary, any other certified public accountant of any subsidiary of the Company, or of any business acquired by the Company or the Guarantors for which financial statements and financial data are or are required to be included in the Shelf Registration Statement) addressed to each selling Holder and Underwriter of Registrable Securities, such letters to be in customary form and covering matters of the type customarily covered in "cold comfort" letters in connection with underwritten offerings of this type; provided that any such accountant receives appropriate documentation as contemplated, and only if permitted, by Statement of Auditing Standards Nos. 71 or 72; and

(iv) deliver such documents and certificates as may be reasonably requested by the Holders of a majority in principal amount of the Registrable Securities being sold or the Underwriters, and which are customarily delivered in underwritten offerings, to evidence the continued validity of the representations and warranties of the Company and the Guarantors made pursuant to clause (i) above and to evidence compliance with any customary conditions contained in an underwriting agreement.

In the case of a Shelf Registration Statement, the Company and the Guarantors may require each Holder of Registrable Securities to furnish to the Company and the Guarantors such information regarding the Holder and the proposed distribution by such

Holder of such Registrable Securities as the Company or the Guarantors may from time to time reasonably request in writing.

In the case of a Shelf Registration Statement, each Holder agrees that, upon receipt of any notice from the Company or the Guarantors of the happening of any event of the kind described in Section 3(e)(v) hereof, such Holder will forthwith discontinue disposition of Registrable Securities pursuant to the Shelf Registration Statement until such Holder's receipt of the copies of the supplemented or amended Prospectus contemplated by Section 3(i) hereof, and, if so directed by the Company or the Guarantors, such Holder will deliver to the Company or the Guarantors (at their expense) all copies in its possession, other than permanent file copies then in such Holder's possession, of the Prospectus covering such Registrable Securities current at the time of receipt of such notice and shall not use such Shelf Registration Statement or Prospectus until amended or supplemented. If the Company or the Guarantors shall give any such notice to suspend the disposition of Registrable Securities pursuant to a Shelf Registration Statement, the Company and the Guarantors shall extend the period during which the Shelf Registration Statement shall be maintained effective pursuant to this Agreement by the number of days during the period from and including the date of the giving of such notice to and including the date when the Holders shall have received copies of the supplemented or amended Prospectus necessary to resume such dispositions. The Company or the Guarantors may give any such notice only twice during any 365-day period and any such suspensions may not exceed 30 days for each suspension and there may not be more than two suspensions in effect during any 365-day period.

The Holders of Registrable Securities covered by a Shelf Registration Statement who desire to do so may sell such Registrable Securities in an Underwritten Offering. In any such Underwritten Offering the investment banker or investment bankers and manager or managers (the "UNDERWRITERS") that will administer the offering will be selected by the Majority Holders of the Registrable Securities included in such offering, subject to the consent of the Company (which shall not be unreasonably withhold or delayed) and such Holders shall be responsible for all underwriting commissions and discounts.

4. Participation of Broker-Dealers in Exchange Offer. The Staff of the Commission has taken the position that any broker-dealer that receives Exchange Securities for its own account in the Exchange Offer in exchange for Securities that were acquired by such broker-dealer as a result of market-making or other trading activities (a "PARTICIPATING BROKER-DEALER"), may be deemed to be an "underwriter" within the meaning of the Securities Act and must deliver a Prospectus meeting the requirements of the Securities Act in connection with any resale of such Exchange Securities.

The Company and the Guarantors understand that it is the Staff's position that if the Prospectus contained in the Exchange Offer Registration Statement includes a plan of

distribution containing a statement to the above effect and the means by which Participating Broker-Dealers may resell the Exchange Securities, without naming the Participating Broker-Dealers or specifying the amount of Exchange Securities owned by them, such Prospectus may be delivered by Participating Broker-Dealers to satisfy their prospectus delivery obligation under the Securities Act in connection with resales of Exchange Securities for their own accounts, so long as the Prospectus otherwise meets the requirements of the Securities Act.

5. Indemnification and Contribution. (a) Each of the Company and the Guarantors jointly and severally agrees to indemnify and hold harmless the Initial Purchasers, each Holder and each Person, if any, who controls any Initial Purchaser or any Holder within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act, or is under common control with, or is controlled by, any Initial Purchaser or any Holder, from and against all losses, claims, damages and liabilities (including, without limitation, any legal or other expenses reasonably incurred by the Initial Purchaser, any Holder or any such controlling or affiliated Person in connection with defending or investigating any such action or claim) that arose out of or were based upon any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement (or any amendment thereto) pursuant to which Exchange Securities or Registrable Securities were registered under the Securities Act, including all documents incorporated therein by reference, or that arose out of or were based upon any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or that arose out of or were based upon any untrue statement or alleged untrue statement of a material fact contained in any Prospectus (as amended or supplemented if the Company or that Guarantors shall have furnished any amendments or supplements thereto), or that arose out of or were based upon any omission or alleged omission to state therein a material fact necessary to make the statements therein in light of the circumstances under which they were made not misleading, except insofar as such losses, claims, damages or liabilities arose out of or were based upon any such untrue statement or omission or alleged untrue statement or omission based upon information relating to the Initial Purchasers or any Holder furnished to the Company in writing by the Initial Purchasers or any selling Holder expressly for use therein. In connection with any Underwritten Offering permitted by Section 3, the Company and the Guarantors will also jointly and severally indemnify the Underwriter, if any, selling brokers, dealers and similar securities industry professionals participating in the distribution, their officers and directors and each Person who controls such Persons (within the meaning of the Securities Act and the Exchange Act) to the same extent as provided above with respect to the indemnification of the Holders, if requested in connection with any Registration Statement.

(b) Each Holder agrees, severally and not jointly, to indemnify and hold harmless the Company, the Guarantors, the Initial Purchasers and the other selling Holders,

and each of their respective directors, officers who sign the Registration Statement and each Person, if any, who controls the Company or the Guarantors, any Initial Purchaser and any other selling Holder within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the foregoing indemnity from the Company to the Initial Purchasers and the Holders, but only with reference to information relating to such Holder furnished to the Company in writing by such Holder expressly for use in any Registration Statement (or any amendment thereto) or any Prospectus (or any amendment or supplement thereto).

(c) In case any proceeding (including any governmental investigation) shall be instituted involving any Person in respect of which indemnity may be sought pursuant to either Section 5(a) or 5(b), such Person (the "INDEMNIFIED PARTY") shall promptly notify the Person against whom such indemnity may be sought (the "INDEMNIFYING PARTY") in writing and the indemnifying party, upon request of the indemnified party, shall retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding. In any such proceeding, the indemnifying party shall be entitled to participate in such proceeding and, to the extent that it so elects, jointly with any other similarly notified indemnifying party, to assume the defense thereof, subject to the right of the indemnified party to be separately represented and to direct its own defense if the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and the indemnified party has been advised by counsel that representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless:

(i) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel; or

(ii) the named parties to any such proceeding (including any impeded parties) include both the indemnifying party and the indemnified party and the indemnified party has been advised by counsel that representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them.

It is understood that the indemnifying party shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for

(A) the fees and expenses of more than one separate firm (in addition to any local counsel) for the Initial Purchasers, any Holders and all Persons, if any, who con-

trol any Initial Purchasers or any Holder within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act; and

(B) the fees and expenses of more than one separate firm (in addition to any local counsel) for the Company, the Guarantors, their directors, their officers who sign the Registration Statement and each Person, if any, who controls the Company or the Guarantors within the meaning of either such Section, and

that all such fees and expenses shall be reimbursed, upon reasonable request, as they are incurred. The indemnifying party shall not be liable for any settlement of any proceeding effected without its written consent but, if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying party agrees to indemnify the indemnified party from and against any loss or liability by reason of such settlement or judgment. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened proceeding in respect of which any indemnified party is a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such proceeding.

(d) If the indemnification provided for in paragraph (a) or paragraph (b) of this Section 5 is unavailable to an indemnified party or insufficient in respect of any losses, claims, damages or liabilities, then each indemnifying party under such paragraph, in lieu of indemnifying such indemnified party thereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities in such proportion as is appropriate to reflect the relative fault of the indemnifying party or parties on the one hand and of the indemnified party or parties on the other hand in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative fault of the Company, the Guarantors and the Holders shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company, the Guarantors or by the Holders and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Holders' respective obligations to contribute pursuant to this Section 5(d) are several in proportion to the respective principal amount of Registrable Securities of any such Holder that were registered pursuant to a Registration Statement.

(e) The Company, the Guarantors and each Holder agree that it would not be just or equitable if contribution pursuant to this Section 5 were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (d) above. The amount paid or payable by an indemnified

party as a result of the losses, claims, damages and liabilities referred to in paragraph (d) above shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 5, no Holder shall be required to indemnify or contribute any amount in excess of the amount by which the total price at which Registrable Securities were sold by such Holder exceeds the amount of any damages that such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. The remedies provided for in this Section 5 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any indemnified party at law or in equity.

The indemnity and contribution provisions contained in this Section 5 shall remain operative and in full force and effect regardless of:

(i) any termination of this Agreement;

(ii) any investigation made by or on behalf of the Initial Purchasers, any Holder or any Person controlling any Initial Purchaser or any Holder, or by or on behalf of the Company, the Guarantors, their officers or directors or any Person controlling the Company or the Guarantors;

(iii) acceptance of any of the Exchange Securities; and

(iv) any sale of Registrable Securities pursuant to a Shelf Registration Statement.

6. Miscellaneous.

(a) No Inconsistent Agreements. Neither the Company nor the Guarantors have entered into, and on or after the date of this Agreement will not enter into, any agreement which is inconsistent with the rights granted to the Holders of Registrable Securities in this Agreement or otherwise conflicts with the provisions hereof. The rights granted to the Holders hereunder do not in any way conflict with and are not inconsistent with the rights granted to the holders of other issued and outstanding securities of the Company or the Guarantors under any such agreements.

(b) Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given unless the

Company and the Guarantors have obtained the written consent of Holders of at least a majority in aggregate principal amount of the outstanding Registrable Securities affected by such amendment, modification, supplement, waiver or consent.

(c) Notices. All notices and other communications provided for or permitted hereunder shall be made in writing by hand-delivery, registered first-class mail, telex, telecopier, or any courier guaranteeing overnight delivery (i) if to a Holder, at the most current address given by such Holder to the Company and the Guarantors by means of a notice given in accordance with the provisions of this Section 6(c), which address initially is, with respect to the Initial Purchasers, the address set forth in the Purchase Agreement, and (ii) if to the Company or the Guarantors, initially at the Company's address set forth in the Purchase Agreement and thereafter at such other address, notice of which is given in accordance with the provisions of this Section 6(c).

All such notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five business days after being deposited in the mail, postage prepaid, if mailed; when answered back, if telexed; when receipt is acknowledged, if telecopied; and on the next business day, if timely delivered to an air courier guaranteeing overnight delivery.

Copies of all such notices, demands, or other communications shall be concurrently delivered by the Person giving the same to the Trustee, at the address specified in the Indenture.

(d) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors, assigns and transferees of each of the parties, including, without limitation and without the need for an express assignment, subsequent Holders; provided that nothing herein shall be deemed to permit any assignment, transfer or other disposition of Registrable Securities in violation of the terms of the Purchase Agreement. If any transferee of any Holder shall acquire Registrable Securities, in any manner, whether by operation of law or otherwise, such Registrable Securities shall be held subject to all of the terms of this Agreement, and by taking and holding such Registrable Securities such Person shall be conclusively deemed to have agreed to be bound by and to perform all of the terms and provisions of this Agreement and such Person shall be entitled to receive the benefits hereof. The Initial Purchasers (in their capacity as Initial Purchasers) shall have no liability or obligation to the Company or the Guarantors with respect to any failure by a Holder to comply with, or any breach by any Holder of, any of the obligations of such Holder under this Agreement.

(e) Purchases and Sales of Securities. The Company and the Guarantors shall not, and shall use their best efforts to cause their affiliates (as defined in Rule 405 under the Securities Act) not to, purchase and then resell or otherwise transfer any Securities.

(f) Third Party Beneficiary. The Holders shall be third party beneficiaries to the agreements made hereunder between the Company and the Guarantors, on the one hand, and the Initial Purchasers, on the other hand, and shall have the right to enforce such agreements directly to the extent it deems such enforcement necessary or advisable to protect its rights or the rights of Holders hereunder.

(g) Counterparts. This Agreement 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.

(h) Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(i) Severability. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein shall not be affected or impaired thereby.

(j) Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

LEAR CORPORATION

By: /s/ Joseph F. McCarthy

Name: Joseph F. McCarthy
Title: Vice President, General Counsel and Secretary

LEAR OPERATIONS CORPORATION

By: /s/ Joseph F. McCarthy

Name: Joseph F. McCarthy
Title: Vice President, Secretary and General Counsel

LEAR CORPORATION AUTOMOTIVE HOLDINGS

By: /s/ Joseph F. McCarthy

Name: Joseph F. McCarthy
Title: Vice President and Secretary

LEAR CORPORATION EEDS AND INTERIORS

By: /s/ Joseph F. McCarthy

Name: Joseph F. McCarthy
Title: Vice President and Secretary

LEAR SEATING HOLDINGS CORP. #50

By: /s/ Joseph F. McCarthy

Name: Joseph F. McCarthy
Title: Secretary and General Counsel

Confirmed and accepted on behalf of the Initial Purchasers as of the date first above written:

SALOMON BROTHERS INTERNATIONAL LIMITED

By /s/

Name:
Title:

DEUTSCHE BANK AG

By /s/

Name:
Title:

EXHIBIT 11.1

COMPUTATION OF NET INCOME PER SHARE
(IN MILLIONS, EXCEPT SHARE INFORMATION)

	FOR THE YEAR ENDED DECEMBER 31, 2000		FOR THE YEAR ENDED DECEMBER 31, 1999		FOR THE YEAR ENDED DECEMBER 31, 1998	
	BASIC	DILUTED	BASIC	DILUTED	BASIC	DILUTED
Income before extraordinary items	$ 274.7	$ 274.7	$ 257.1	$ 257.1	$ 111.5	$ 115.5
Extraordinary items	-	-	-	-	-	-
Net income	$ 274.7	$ 274.7	$ 257.1	$ 257.1	$ 115.5	$ 115.5
Weighted average shares:						
Common shares outstanding	65,176,499	65,176,499	66,922,844	66,922,844	66,947,135	66,947,135
Exercise of stock options (1)	-	664.465	-	820,308	-	1,076,240
Exercise of warrants (2)	-	-	-	-	-	-
Common and equivalent shares outstanding	65,176,499	65,840,964	66,922,844	67,743,152	66,947,135	68,023,375
Per common and equivalent share:						
Income before extraordinary items	$ 4.21	$ 4.17	$ 3.84	$ 3.80	$ 1.73	$ 1.70
Extraordinary items	-	-	-	-	-	-
Net income	$ 4.21	$ 4.17	$ 3.84	$ 3.80	$ 1.73	$ 1.70

[Additional columns below]

[Continued from above table, first column(s) repeated]

	FOR THE YEAR ENDED DECEMBER 31, 1997		FOR THE YEAR ENDED DECEMBER 31, 1996	
	BASIC	DILUTED	BASIC	DILUTED
Income before extraordinary items	$ 208.2	$ 208.2	$ 151.9	$ 151.9
Extraordinary items	(1.0)	(1.0)	-	-
Net income	$ 207.2	$ 207.2	$ 151.9	$ 151.9
Weighted average shares:				
Common shares outstanding	66,304,770	66,304,770	60,485,696	60,485,696
Exercise of stock options (1)	-	1,943,313	-	3,275,938
Exercise of warrants (2)	-	-	-	-
Common and equivalent shares outstanding	66,304,770	68,248,083	60,485,696	63,761,634
Per common and equivalent share:				
Income before extraordinary items	$ 3.14	$ 3.05	$ 2.51	$ 2.38
Extraordinary items	(0.01)	(0.01)	-	-
Net income	$ 3.13	$ 3.04	$ 2.51	$ 2.38

- ------------------

(1) Amount represents the number of common shares issued assuming exercise of stock options outstanding, reduced by the number of shares which could have been purchased with the proceeds from the exercise of such options.

(2) Amount represents the number of common shares issued assuming exercise of warrants outstanding.

EXHIBIT 12.1

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

(DOLLARS IN MILLIONS, EXCEPT RATIO OF EARNINGS TO FIXED CHARGES)

	Year Ended December 31,				
	2000	1999	1998	1997	1996
Income before provision for national income taxes, minority interests in net income (loss) of subsidiaries, equity (income) loss of affiliates, and extraordinary items	$ 484.2	$ 443.0	$ 214.8	$ 345.8	$ 253.4
Fixed charges	349.3	253.8	130.7	113.6	112.7
Distributed income of affiliates	2.0	1.8	2.3	3.9	3.0
Earnings	$ 835.5	$ 698.6	$ 347.8	$ 463.3	$ 369.1
Interest expense	$ 316.2	$ 235.1	$ 110.5	$ 101.0	$ 102.8
Portion of lease expense representative of interest	33.1	18.7	20.2	12.6	9.9
Fixed Charges	$ 349.3	$ 253.8	$ 130.7	$ 113.6	$ 112.7
Ratio of Earnings to Fixed Charges	2.4	2.8	2.7	4.1	3.3
Fixed Charges in Excess of Earnings	-	-	-	-	-

EXHIBIT 23.1

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this registration statement of our reports dated January 26, 2001 included in Lear Corporation's Form 10-K for the year ended December 31, 2000 and to all references to our Firm included in this registration statement.

ARTHUR ANDERSEN LLP

Detroit, Michigan,
April 17, 2001.

EXHIBIT 23.2

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Registration Statement of Lear Corporation on Form S-4 of our report dated August 21, 1998 on the financial statements of the Seating Business, formerly of the Delphi Interior Systems Division of Delphi Automotive Systems Corporation, appearing in the Current Report of Lear Corporation on Form 8-K/A dated September 1, 1998, and filed with the Securities and Exchange Commission on October 19, 1999 and to the reference to us under the heading "Experts" in the Prospectus.

/s/ Deloitte & Touche LLP

Detroit, Michigan
April 17, 2001

Exhibit 99.1

LETTER OF TRANSMITTAL

EXCHANGE OFFER FOR ALL OUTSTANDING

8 1/8% SENIOR NOTES DUE 2008
OF
LEAR CORPORATION
Pursuant to the Prospectus dated , 2001

THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2001

UNLESS EXTENDED (THE "EXPIRATION DATE").

The Exchange Agent for the Exchange Offer is:

The Bank of New York

By Hand or Overnight Delivery:

The Bank of New York

Lower Ground Floor
30 Cannon Street
London
EC4M 6XH
Attention: Carol Richardson
Facsimile Transmissions:
(Eligible Institutions Only)

011 44 207 964-6369 or

011 44 207 964-7294

Confirm by Telephone:

011 44 207 964-7235

For Information Call:

011 44 207 964-7235 or

011 44 207 964-7284 or
(212) 815-8387
By Registered or Certified Mail:

The Bank of New York

Lower Ground Floor
30 Cannon Street
London
EC4M 6XH
Attention: Carol Richardson

IF YOU DELIVER THIS LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE OR TRANSMIT INSTRUCTIONS VIA FACSIMILE OTHER THAN AS SET FORTH ABOVE, SUCH DELIVERY OR INSTRUCTIONS WILL NOT BE EFFECTIVE. YOU MUST SIGN THIS LETTER OF TRANSMITTAL IN THE APPROPRIATE SPACE PROVIDED THEREFOR AND COMPLETE THE SUBSTITUTE FORM W-9 SET FORTH BELOW.

The instructions accompanying this Letter of Transmittal should be read carefully before this Letter of Transmittal is completed.

Lear Corporation (the "Company") is offering (the "Exchange Offer"), upon the terms and subject to the conditions set forth in the Prospectus, dated , 2001 (the "Prospectus"), and in this Letter of Transmittal (which, together with any supplements or amendments hereto or thereto, collectively constitute the "Exchange Offer Documents") to exchange up to E250,000,000 aggregate principal amount of its 8 1/8% Series B Senior Notes due 2008 (the "Exchange Notes" or the "Exchange Securities") which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), for a like principal amount of its original unregistered 8 1/8% Senior Notes due 2008 (the "Original Notes" or the "Original Securities"). Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to them in the Prospectus. This Letter of Transmittal is to be completed by holders of Original Securities (i) if certificates representing Original Securities ("Certificates") are to be forwarded herewith or (ii) unless an agent's message (as defined in the Prospectus) is utilized, if delivery of Original Securities is to be made by book-entry transfer to the account maintained by the Bank of New York (the "Exchange Agent") at Euroclear or Clearstream, Luxembourg (the "Book-Entry Transfer Facility") pursuant to the procedures set forth in the Prospectus under the caption "The Exchange Offer — Book-Entry Transfer." See Instruction 1. Delivery of documents to the Book-Entry Transfer Facility does not constitute delivery to the Exchange Agent.

List below the Original Securities to which this Letter of Transmittal relates. If the space provided below is inadequate, list the certificate numbers and principal amount of Original Securities on a separate signed schedule and affix the list to this Letter of Transmittal.

DESCRIPTION OF ORIGINAL NOTES

Name(s) and Address(es) of Registered Holders	Certificate Number(s)*	Aggregate Principal Amount of Original	Aggregate Principal Amount of Original

(Please complete, if blank)	Notes Represented by Certificate(s)	Notes Tendered**
	Total Principal Amount Tendered:	

* Need not be completed if Original Securities are being tendered by book-entry.
** Unless otherwise indicated in this column, a holder will be deemed to have tendered the entire principal amount of its Original Securities.

☐ CHECK HERE IF TENDERED ORIGINAL SECURITIES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER MADE TO THE ACCOUNT MAINTAINED BY THE EXCHANGE AGENT WITH THE BOOK-ENTRY TRANSFER FACILITY AND COMPLETE THE FOLLOWING:

Name of Tendering Institution:

Account Number:

Transaction Code Number:

☐ CHECK HERE IF YOU ARE A BROKER-DEALER AND WISH TO RECEIVE 10 ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO AND COMPLETE THE FOLLOWING.

Name:

Address:

Ladies and Gentlemen:

On the terms and subject to the conditions of the Exchange Offer, the undersigned hereby tenders to the Company the aggregate principal amount of Original Securities indicated above. Subject to, and effective upon, the acceptance for exchange of the Original Securities tendered hereby, the undersigned hereby (i) sells, assigns, and transfers to, or upon the order of, the Company all right, title, and interest in and to the Original Securities tendered hereby and (ii) irrevocably constitutes and appoints the Exchange Agent as its true and lawful agent and attorney-in-fact (with full knowledge that the Exchange Agent also acts as the agent of the Company) with respect to such Original Securities, with full power of substitution (such power of attorney deemed to be an irrevocable power of attorney coupled with an interest), to (a) deliver Certificates evidencing such Original Securities, or transfer ownership of such Original Securities on the account books maintained by the Book-Entry Transfer Facility, together, in any such case, with all accompanying evidences of transfer and authenticity to, or upon the order of, the Company, (b) present such Original Securities for transfer on the books of the registrar for the Original Securities, and (c) receive all benefits and otherwise exercise all rights of beneficial ownership of such Original Securities.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, sell, assign, transfer, and exchange the Original Securities tendered hereby and that, when the same are accepted by the Company for exchange, the Company will acquire good and unencumbered title thereto, free and clear of all liens, restrictions, charges, encumbrances, and adverse claims. The undersigned hereby further represents that (i) any Exchange Securities acquired in exchange for Original Securities tendered hereby are being acquired in the ordinary course of business of the person receiving such Exchange Securities, whether or not such person is the holder of such Original Securities, (ii) neither the undersigned nor any such other person is engaging in or intends to engage in a distribution of the Exchange Securities, (iii) neither the undersigned nor any such other person has an arrangement or understanding with any person to participate in the distribution of such Exchange Securities, and (iv) neither the undersigned nor any such other person is an “affiliate” (as defined in Rule 405 under the Securities Act) of the Company, or, if either is an affiliate, it will comply with the registration and prospectus delivery requirements of the Securities Act. If the undersigned is a broker-dealer that is to receive Exchange Securities for its own account in exchange for Original Securities, it further represents that such Original Securities were acquired as a result of market-making activities or other trading activities, and acknowledges that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such Exchange Securities; however, by so acknowledging and by delivering a prospectus, the undersigned will not be deemed to admit that it is an “underwriter” with respect to such Exchange Securities within the meaning of the Securities Act.

The undersigned acknowledges that this Exchange Offer is being made in reliance upon interpretations by the staff of the Securities and Exchange Commission, as set forth in no-action letters issued to third parties, that indicate that the Exchange Securities issued in exchange for the Original Securities pursuant to the Exchange Offer may be offered for resale, resold, or otherwise transferred by the holders thereof (other than any such holder that is an “affiliate” of the Company within the meaning of Rule 405 under the Securities Act), without compliance with the registration and prospectus delivery provisions of the Securities Act, if such Exchange Securities are acquired in the ordinary course of such holders’ business and such holders have no arrangement or understanding with any person to participate in a distribution of such Exchange Securities. However, the Securities and Exchange Commission has not considered the Exchange Offer in the context of a no-action letter and there can be no assurance that the staff of the Securities and Exchange Commission would make a similar determination with respect to the Exchange Offer. If any holder of Original Securities is an affiliate of the Company or is engaged in, or intends to engage in or has any arrangement or understanding with any person to participate in, the distribution of the Exchange Securities to be acquired pursuant to the Exchange Offer, such holder (i) cannot rely on the applicable interpretations of the staff of the Securities and Exchange Commission and (ii) must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction.

The undersigned will, upon request, execute and deliver any additional documents deemed by the Exchange Agent or the Company to be necessary or desirable to complete the sale, assignment, and transfer of the Original Securities tendered hereby.

All authority conferred or agreed to be conferred by this Letter of Transmittal and every obligation of the undersigned hereunder shall be binding upon the undersigned's heirs, executors, administrators, trustees in bankruptcy, legal representatives, successors, and assigns and shall survive the death, incapacity, or dissolution of the undersigned.

The undersigned understands that the valid tender of Original Securities pursuant to the procedures set forth in the Prospectus under the caption "The Exchange Offer — Procedures for Tendering" and in the instructions hereto will constitute a binding agreement between the undersigned and the Company upon the terms and subject to the conditions of the Exchange Offer.

Unless otherwise indicated herein under "Special Issuance Instructions," please issue the Certificates representing the Exchange Securities and return any Original Securities not tendered or not accepted for exchange in the name(s) of the undersigned or, in the case of a book-entry delivery of Original Securities, please credit the account indicated above maintained at the Book-Entry Transfer Facility. Similarly, unless otherwise indicated herein under "Special Delivery Instructions," please mail the Certificates representing the Exchange Securities issued in exchange for the Original Securities accepted for exchange and any certificates for Original Securities not tendered or not accepted for exchange (and accompanying documents, as appropriate) to the undersigned at the address shown below the undersigned's signature(s). The undersigned recognizes that the Company has no obligation pursuant to the "Special Issuance Instructions" and "Special Delivery Instructions" to transfer any Original Securities from the name of the registered holder(s) thereof if the Company does not accept for exchange any of the Original Securities so tendered.

THE UNDERSIGNED, BY COMPLETING THE BOXES ENTITLED "DESCRIPTION OF ORIGINAL NOTES" ABOVE AND SIGNING THIS LETTER OF TRANSMITTAL, WILL BE DEEMED TO HAVE TENDERED THE ORIGINAL SECURITIES AS SET FORTH IN SUCH BOXES ABOVE.

SPECIAL ISSUANCE INSTRUCTIONS
(See Instructions 3, 4 and 6)

To be completed ONLY (i) if Certificates for Exchange Securities and any Original Securities that are not accepted for exchange are to be issued in the name of and sent to someone other than the undersigned or (ii) if Original Securities tendered by book-entry transfer that are not accepted for exchange are to be returned by credit to an account maintained at the Book-Entry Transfer Facility other than the account indicated above.

Issue Certificate(s) to:

Name:

(Please Print)

Address:

(Include Zip Code)

☐ Credit unexchanged Original Securities delivered by book-entry transfer to the Book-Entry Transfer Facility Account set forth below.

(Taxpayer Identification or Social Security No.)

(Please Also Complete Substitute Form W-9)

SPECIAL DELIVERY INSTRUCTIONS
(See Instructions 3, 4 and 6)

To be completed ONLY if Certificates for Exchange Securities and any Original Securities that are not accepted for exchange are to be sent to someone other than the undersigned, or to the undersigned at an address other than that shown above.

Mail Certificate(s) to:

Name:

(Please Print)

Address:

(Include Zip Code)

IMPORTANT: THIS LETTER OF TRANSMITTAL (TOGETHER WITH THE CERTIFICATES FOR ORIGINAL SECURITIES OR A BOOK-ENTRY CONFIRMATION AND ALL OTHER REQUIRED DOCUMENTS) MUST BE RECEIVED BY THE EXCHANGE AGENT PRIOR TO 5:00 P.M., NEW YORK CITY TIME, ON THE EXPIRATION DATE.

BROKER-DEALER STATUS

☐ Check this box if the beneficial owner of the Original Securities is a broker-dealer and such broker-dealer acquired the Original Securities for its own account as a result of market-making activities or other trading activities. IF THIS BOX IS CHECKED, PLEASE SEND A COPY OF THIS LETTER OF TRANSMITTAL TO JOSEPH F. MCCARTHY, ESQ., VIA FACSIMILE: (248) 447-1677.

PLEASE READ THIS ENTIRE LETTER OF TRANSMITTAL
CAREFULLY BEFORE COMPLETING ANY BOX ABOVE.

IMPORTANT:
SIGN HERE AND COMPLETE SUBSTITUTE FORM W-9 BELOW

Signature(s) of Holder(s) of Original Securities

Dated: ____, 2001

(Must be signed by the registered holder(s) of Original Securities as their name(s) appear(s) on the certificates for the Original Securities or on a security position listing, or by person(s) authorized to become registered holder(s) by endorsements and documents transmitted herewith. If signature is by trustees, executors, administrators, guardians, attorneys-in-fact, agents, officers of corporations, or others acting in a fiduciary or representative capacity, please provide the following information. See Instruction 3.)

Name:

(Please Type or Print)

Capacity (Full Title):

Address:

(Include a Zip Code)

Area Code and Telephone:

(Home)

(Business)

Tax Identification or Social Security No.:

(Complete Substitute Form W-9 Below)

GUARANTEE OF SIGNATURE(S)
(See Instruction 3)

Authorized Signature(s):

Name:

(Please Type or Print)

Title:

Name of Firm:

Address:

(Include a Zip Code)

Area Code and Telephone No.:

Dated: ____, 2001

INSTRUCTIONS

Forming Part of the Terms and Conditions of the Exchange Offer

1. *Delivery of this Letter of Transmittal and Original Securities.* This Letter of Transmittal is to be completed by holders of Original Securities (a) if Certificates are to be forwarded herewith or (b) unless an agent's message (as defined in the Prospectus) is utilized, if delivery of Original Securities is to be made by book-entry transfer pursuant to the procedures set forth in the Prospectus under the caption "The Exchange Offer — Book-Entry Transfer." Certificates for all physically tendered Original Securities, or Book-Entry Confirmation (as defined below), as the case may be, as well as a properly completed and duly executed Letter of Transmittal (or, at the option of the holder in the case of a book-entry tender of Original Securities, an agent's message) and any other documents required by this Letter of Transmittal, must be received by the Exchange Agent at the address set forth herein prior to 5:00 p.m., New York City time, on the Expiration Date, or the tendering holder must comply with the guaranteed delivery procedures set forth below. Original Securities tendered hereby must be in denominations of principal amount of E1,000 and any integral multiple thereof. The method of delivery of this Letter of Transmittal, the Original Securities, and all other required documents is at the election and risk of the tendering holders, but the delivery will be deemed made only when actually received or confirmed by the Exchange Agent. If Original Securities are sent by mail, it is suggested

that the mailing be registered mail, properly insured, with return receipt requested, made sufficiently in advance of the Expiration Date to permit delivery to the Exchange Agent prior to 5:00 p.m., New York City time, on the Expiration Date. See “The Exchange Offer” in the Prospectus.

2. *Partial Tenders (Not Applicable to Security Holders Who Tender by Book-Entry Transfer).* If less than all of the Original Securities evidenced by a submitted Certificate are to be tendered, the tendering holder(s) should fill in the aggregate principal amount of Original Securities to be tendered in the boxes above entitled “Description of Original Notes — Aggregate Principal Amount of Original Notes Tendered.” A reissued Certificate representing the balance of nontendered Original Securities will be sent to such tendering holder, unless otherwise provided in the appropriate box on this Letter of Transmittal, promptly after the Expiration Date. ALL OF THE ORIGINAL SECURITIES DELIVERED TO THE EXCHANGE AGENT WILL BE DEEMED TO HAVE BEEN TENDERED UNLESS OTHERWISE INDICATED.

3. *Signatures on this Letter; Bond Powers and Endorsements; Guarantee of Signatures.* If this Letter of Transmittal is signed by the registered holder of the Original Securities tendered hereby, the signature must correspond exactly with the name as written on the face of the Certificates without any change whatsoever. If any tendered Original Securities are owned of record by two or more joint owners, all of such owners must sign this Letter of Transmittal. If any tendered Original Securities are registered in different names on several Certificates, it will be necessary to complete, sign, and submit as many separate copies of this Letter of Transmittal as there are different registrations of Certificates. When this Letter of Transmittal is signed by the registered holder or holders of the Original Securities specified herein and tendered hereby, no endorsements of Certificates or separate bond powers are required. If, however, the Exchange Securities are to be issued, or any untendered Original Securities are to be reissued, to a person other than the registered holder, then endorsements of any Certificates transmitted hereby or separate bond powers are required. Signatures on such Certificate(s) must be guaranteed by an Eligible Institution. If this Letter of Transmittal is signed by a person other than the registered holder or holders of any Certificate(s) specified herein, such Certificate(s) must be endorsed or accompanied by appropriate bond powers, in either case signed exactly as the name or names of the registered holder or holders appear(s) on the Certificate(s) and signatures on such Certificate(s) must be guaranteed by an Eligible Institution. If this Letter of Transmittal or any Certificates or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations, or others acting in a fiduciary or representative capacity, such persons should so indicate when signing and, unless waived by the Company, proper evidence satisfactory to the Company of their authority to so act must be submitted. ENDORSEMENTS ON CERTIFICATES FOR ORIGINAL SECURITIES OR SIGNATURES ON

BOND POWERS REQUIRED BY THIS INSTRUCTION 3 MUST BE GUARANTEED BY A FIRM THAT IS A FINANCIAL INSTITUTION (INCLUDING MOST BANKS, SAVINGS AND LOAN ASSOCIATIONS, AND BROKERAGE HOUSES) THAT IS A PARTICIPANT IN THE SECURITIES TRANSFER AGENTS MEDALLION PROGRAM, THE NEW YORK STOCK EXCHANGE MEDALLION SIGNATURE PROGRAM, OR THE STOCK EXCHANGES MEDALLION PROGRAM (EACH AN “ELIGIBLE INSTITUTION”). SIGNATURES ON THIS LETTER OF TRANSMITTAL NEED NOT BE GUARANTEED BY AN ELIGIBLE INSTITUTION, PROVIDED THE ORIGINAL SECURITIES ARE TENDERED: (i) BY A REGISTERED HOLDER OF ORIGINAL SECURITIES (WHICH TERM, FOR PURPOSES OF THE EXCHANGE OFFER, INCLUDES ANY PARTICIPANT IN THE BOOK-ENTRY TRANSFER FACILITY SYSTEM WHOSE NAME APPEARS ON A SECURITY POSITION LISTING AS THE HOLDER OF SUCH ORIGINAL SECURITIES) WHO HAS NOT COMPLETED THE BOX ENTITLED “SPECIAL ISSUANCE INSTRUCTIONS” OR “SPECIAL DELIVERY INSTRUCTIONS” ON THIS LETTER OF TRANSMITTAL OR (ii) FOR THE ACCOUNT OF AN ELIGIBLE INSTITUTION.

4. *Special Issuance and Delivery Instructions.* Tendering holders of Original Securities should indicate in the applicable box the name and address to which Exchange Securities issued pursuant to the Exchange Offer and or substitute Certificates evidencing Original Securities not exchanged are to be issued or sent, if different from the name or address of the person signing this Letter of Transmittal. In the case of issuance in a different name, the employer identification or social security number of the person named must also be indicated. Security holders tendering Original Securities by book-entry transfer may request that Original Securities not exchanged be credited to such account maintained at the Book-Entry Transfer Facility as such security holder may designate hereon. If no such instructions are given, such Original Securities not exchanged will be returned to the name and address of the person signing this Letter of Transmittal.

5. *Substitute Form W-9.* Each tendering noteholder that is a U.S. noteholder (or a U.S. resident alien) is required to provide the Trustee with a correct Taxpayer Identification Number (“TIN”) on the Substitute Form W-9 which is provided under “Important Tax Information” below, and to certify, under penalty of perjury, that such number is correct and that such holder is not subject to backup withholding of federal income tax. If a tendering holder has been notified by the Internal Revenue Service that such holder is subject to backup withholding, such holder must cross out item (2) of the Certification box of the Substitute Form W-9, unless such holder has since been notified by the Internal Revenue Service that such holder is no longer subject to backup withholding. Failure to provide the information on the Substitute Form W-9 may subject the tendering holder to 31% federal income tax withholding on the payment of the Repurchase Price of all Notes purchased from such holder. If the tendering holder has not been issued a TIN and has applied for one or intends to apply for one in the near future, such holder should write “Applied For” in the space provided for the TIN in Part I of the Substitute Form W-9, and sign and date the Substitute Form W-9. If “Applied For” is written in Part I and the Trustee is not provided with a TIN within 60 days, the Trustee will withhold 31% on all payments of the Repurchase Price to such holder until a TIN is provided to the Trustee. Each tendering noteholder that is not a U.S. person (or a U.S. resident alien) should see the discussion under “Important Tax Information” for additional instructions.

6. *Transfer Taxes.* The Company will pay all transfer taxes, if any, applicable to the transfer of Original Securities to it or its order pursuant to the Exchange Offer. If, however, Exchange Securities and/ or substitute Original Securities not exchanged are to be delivered to, or are to be registered or issued in the name of, any person other than the registered holder of the Original Securities tendered hereby, or if tendered Original Securities are registered in the name of any person other than the person signing this Letter of Transmittal, or if a transfer tax is imposed for any reason other than the transfer of Original Securities to the Company or its order pursuant to the Exchange Offer, the amount of any such transfer taxes (whether imposed on the registered holder or any other persons) will be payable by the tendering holder. If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted

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herewith, the amount of such transfer taxes will be billed directly to such tendering holder. EXCEPT AS PROVIDED IN THIS INSTRUCTION 6, IT WILL NOT BE NECESSARY FOR TRANSFER TAX STAMPS TO BE AFFIXED TO THE ORIGINAL SECURITIES SPECIFIED IN THIS LETTER OF TRANSMITTAL.

7. *Waiver of Conditions.* The Company reserves the absolute right to waive satisfaction of any or all conditions to the Exchange Offer set forth in the Prospectus.

8. *No Conditional Tenders.* No alternative, conditional, irregular, or contingent tenders will be accepted. All tendering holders of Original Securities, by execution of this Letter of Transmittal, shall waive any right to receive notice of the acceptance of their Original Securities for exchange.

Neither the Company, the Exchange Agent, nor any other person is obligated to give notice of any defect or irregularity with respect to any tender of Original Securities nor shall any of them incur any liability for failure to give any such notice.

9. *Mutilated, Lost, Stolen, or Destroyed Original Securities.* Any holder whose Original Securities have been mutilated, lost, stolen, or destroyed should contact the Exchange Agent at the address indicated above for further instructions.

10. *Withdrawal Rights.* Tenders of Original Securities may be withdrawn at any time prior to 5:00 p.m., New York City time, on the Expiration Date. For a withdrawal of a tender of Original Securities to be effective, a written notice of withdrawal must be received by the Exchange Agent at the address, or in the case of eligible institutions, at the facsimile number set forth above prior to 5:00 p.m., New York City time, on the Expiration Date. Any such notice of withdrawal must (a) specify the name of the person who tendered the Original Securities to be withdrawn (the "Depositor"), (b) identify the Original Securities to be withdrawn (including certificate number or numbers and the principal amount of such Original Securities), (c) contain a statement that such holder is withdrawing his election to have such Original Securities exchanged, (d) be signed by the holder in the same manner as the original signature on the Letter of Transmittal by which such Original Securities were tendered (including any required signature guarantees) or be accompanied by documents of transfer to have the registrar with respect to the Original Securities register the transfer of such Original Securities in the name of the person withdrawing the tender, and (e) specify the name in which such Original Securities are registered, if different from that of the Depositor. If Original Securities have been tendered pursuant to the procedure for book-entry transfer set forth in the Prospectus under the caption "The Exchange Offer — Book-Entry Transfer," any notice of withdrawal must specify the name and number of the account at the Book-Entry Transfer Facility to be credited with the withdrawn Original Securities and otherwise comply with the procedures of such facility. All questions as to the validity, form, and eligibility (including time of receipt) of such notices will be determined by the Company, whose determination shall be final and binding on all parties. Any Original Securities so withdrawn will be deemed not to have been validly tendered for exchange for purposes of the Exchange Offer. Any Original Securities that have been tendered for exchange but which are not exchanged for any reason will be returned to the holder thereof without cost to such holder (or, in the case of Original Securities tendered by book-entry transfer into the Exchange Agent's account at the Book-Entry Transfer Facility pursuant to the book-entry transfer procedures set forth in the Prospectus under the caption "The Exchange Offer — Book-Entry Transfer," such Original Securities will be credited to an account maintained with the Book-Entry Transfer Facility for the Original Securities) promptly after the expiration or termination of the Exchange Offer. Properly withdrawn Original Securities may be retendered by following the procedures described above at any time prior to 5:00 p.m., New York City time, on the Expiration Date.

11. *Requests for Assistance or Additional Copies.* Questions relating to the procedure for tendering, requests for additional copies of the Prospectus and this Letter of Transmittal, and requests for Notices of Guaranteed Delivery and other related documents may be directed to the Exchange Agent, at the address and telephone number indicated above.

IMPORTANT TAX INFORMATION

As described in the Statement, under U.S. federal income tax law, a holder whose tendered Notes are accepted for payment is generally required to provide the Trustee (as payer) with such holder's correct TIN on Substitute Form W-9 provided herewith. If such holder is an individual, the TIN generally is such holder's social security number. If the Trustee is not provided with the correct TIN, the holder may be subject to a $50 penalty imposed by the Internal Revenue Service and payments that are made to such holder with respect to Notes purchased pursuant to the Offer may be subject to backup withholding of 31%. In addition, if a holder makes a false statement that results in no imposition of backup withholding, and there was no reasonable basis for making such statement, a $500 penalty may also be imposed by the Internal Revenue Service.

Certain holders (including, among others, corporations and certain foreign individuals) are not subject to these backup withholding and reporting requirements. In order for a foreign individual to qualify as an exempt recipient, such individual must submit a statement (Internal Revenue Service Form W-8BEN or W-8ECI), signed under penalties of perjury, attesting to such individual's exempt status. Such forms can be obtained from the Trustee. A holder should consult his or her tax advisor as to such holder's qualification for exemption from backup withholding and the procedure for obtaining such exemption.

If backup withholding applies, the Trustee is required to withhold 31% of any payments made to the holder. Backup withholding is not an additional tax. Rather, the federal income tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained provided that the required information is furnished to the Internal Revenue Service.

Purpose of Substitute Form W-9

To prevent backup withholding on payments that are made to a holder with respect to Notes purchased pursuant to the Offer, the holder is required to notify the Trustee of such holder's correct TIN by completing the form below certifying that (a) the TIN provided on Substitute Form W-9 is correct (or that such holder is awaiting a TIN), (b)(i) such holder has not been notified by the Internal Revenue Service that he is subject to backup withholding as a result of a failure to report all interest or dividends or (ii) the Internal Revenue Service has notified such holder that such holder is no longer subject to backup withholding, and (c) such shareholder is a U.S. person (or U.S. resident alien).

What Number to Give the Trustee

The holder is required to give the Trustee the TIN (e.g., social security number or employer identification number) of the record holder of Notes tendered hereby. If Notes are in more than one name or are not in the name of the actual owner, consult your tax advisor on which number to report. If the tendering holder has not been issued a TIN and has applied for a number or intends to apply for a number in the near future, the holder should write "Applied For" in the space provided for the TIN in Part I, and sign and dated the Substitute Form W-9. If "Applied For" is written in Part I and the Trustee is not provided with a TIN within 60 days, the Trustee will withhold 31% of all payments of the Repurchase Price to such holder until a TIN is provided to the Trustee.

PLEASE COMPLETE SUBSTITUTE FORM W-9 BELOW.

PAYER'S NAME: THE BANK OF NEW YORK		
SUBSTITUTE **FORM W-9** Department of the Treasury Internal Revenue Service	**Part I** — Taxpayer Identification Number — For all accounts, enter your taxpayer identification number in the box at right. (For most individuals, this is your social security number. If you do not have a number, please consult your tax advisor.) Certify by signing and dating. (If awaiting TIN write "Applied For") below. Note:	Social Security Number or Employer Identification Number ____________________

Payer's Request for Taxpayer Identification Number (TIN) and Certification

If the account is in more than one name, please consult your tax advisor.

Part II — For Payees Exempt from Backup Withholding, please consult your tax advisor.

____ Certification — Under penalties of perjury, I certify that:

(1) The number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me),

(2) I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (the "IRS") that I am subject to back-up withholding as a result of failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and

(3) I am a U.S. Person (including a U.S. resident).

The IRS does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

SIGNATURE: ____ DATE:

NAME (Please Print):

Certificate Instructions — You must cross out item (2) above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return. However, if after being notified by the IRS that you were subject to backup withholding you received another notification from the IRS that you are no longer subject to backup withholding, do not cross out item (2).

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU ARE AWAITING A TAXPAYER IDENTIFICATION NUMBER.

____ **CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER**

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (1) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration office or (2) I intend to mail or deliver an application in the near future. I understand that If I do not provide a taxpayer identification number by the time of payment, 31% of all reportable cash payments made to me thereafter will be withheld until I provide a taxpayer identification number.

SIGNATURE: ____ DATE:

NAME (Please Print):

The Exchange Agent for the Exchange Offer is:

The Bank of New York

By Hand or Overnight Delivery:

The Bank of New York

Lower Ground Floor
30 Cannon Street
London
EC4M 6XH
Attention: Carol Richardson
Facsimile Transmissions:
(Eligible Institutions Only)

01144 207 964-6369

011 44 207 964-7294

Confirm by Telephone:

011 44 207 964-9235

For Information Call:

011 44 207 964-7235 or

011 44 207 964 7284 or
(212) 815-8387
By Registered or Certified Mail:

The Bank of New York

Lower Ground Floor

30 Cannon Street
London
EC4M 6XH
Attention: Carol Richardson

Exhibit 99.2

EXCHANGE OFFER FOR ALL OUTSTANDING

8 1/8% SENIOR NOTES DUE 2008
OF

LEAR CORPORATION

Pursuant to the Prospectus Dated , 2001

To: Brokers, Dealers, Commercial Banks,
Trust Companies, and Other Nominees:

Lear Corporation (the "Company") is offering (the "Exchange Offer"), upon the terms and subject to conditions set forth in the Prospectus, dated , 2001 (the "Prospectus"), and the enclosed Letter of Transmittal (the "Letter of Transmittal"), to exchange up to 250,000,000 aggregate principal amount of its 8 1/8% Series B Senior Notes due 2008 (the "Exchange Notes" or the "Exchange Securities") which have been registered under the Securities Act of 1933, as amended, for a like aggregate principal amount of its original unregistered 8 1/8% Senior Notes due 2008 (the "Original Notes" or the "Original Securities"). The Exchange Offer is being made in order to satisfy certain obligations of the Company contained in the Registration Rights Agreement, dated March 20, 2001, by and among the Company, Lear Operations Corporation, Lear Corporation Automotive Holdings, Lear Corporation EEDS and Interiors, Lear Seating Holdings Corp. #50 and the initial purchasers of the Original Securities from the Company.

Please forward to your clients for whose accounts you hold Original Securities registered in your name or in the name of your nominee copies of the following enclosed documents:

1. The Prospectus dated , 2001;

2. The Letter of Transmittal to tender Original Securities for your use and for the information of your clients;

3. A form of letter which may be sent to your clients for whose account you hold Original Securities registered in your name or the name of your nominee, with space provided for obtaining such clients' instructions with regard to the Exchange Offer;

4. Return envelopes addressed to The Bank of New York, the Exchange Agent for the Exchange Offer.

YOUR PROMPT ACTION IS REQUESTED. THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON , 2001, UNLESS EXTENDED BY THE COMPANY (THE "EXPIRATION DATE"). ORIGINAL SECURITIES TENDERED PURSUANT TO THE EXCHANGE OFFER MAY BE WITHDRAWN AT ANY TIME BEFORE 5:00 P.M., NEW YORK CITY TIME, ON THE EXPIRATION DATE.

To participate in the Exchange Offer, a duly executed and properly completed Letter of Transmittal (with any required signature guarantees) or, at the option of the tendering holder in the case of a book-entry tender, an agent's message (as defined in the Prospectus), and any other required documents, should be sent to the Exchange Agent and certificates representing the Original Securities should be delivered to the Exchange Agent, all in accordance with the instructions set forth in the Letter of Transmittal and the Prospectus.

The Company will, upon request, reimburse brokers, dealers, commercial banks and trust companies for reasonable and necessary costs and expenses incurred by them in forwarding the Prospectus and the related documents to the beneficial owners of Original Securities held by them as nominee or in a fiduciary capacity. The Company will pay or cause to be paid all transfer taxes applicable to the exchange of Original Securities pursuant to the Exchange Offer, except as set forth in Instruction 6 of the Letter of Transmittal.

Any inquiries you may have with respect to the Exchange Offer, or requests for additional copies of the enclosed materials, should be directed to The Bank of New York, the Exchange Agent for the Exchange Offer, at its address and telephone number set forth on the front of the Letter of Transmittal.

Very truly yours,

LEAR CORPORATION

NOTHING HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL CONSTITUTE YOU OR ANY PERSON AS AN AGENT OF THE COMPANY OR THE EXCHANGE AGENT, OR AUTHORIZE YOU OR ANY OTHER PERSON TO USE ANY DOCUMENT OR MAKE ANY STATEMENTS ON BEHALF OF EITHER OF THEM WITH RESPECT TO THE EXCHANGE OFFER, EXCEPT FOR STATEMENTS EXPRESSLY MADE IN THE PROSPECTUS OR THE LETTER OF TRANSMITTAL.

Enclosures

Exhibit 99.3

EXCHANGE OFFER FOR ALL OUTSTANDING

8 1/8% SENIOR NOTES DUE 2008

OF

LEAR CORPORATION

Pursuant to the Prospectus dated [ ], 2001

To Our Clients:

Enclosed for your consideration is a Prospectus, dated [,] 2001 (the “Prospectus”), and the related Letter of Transmittal (the “Letter of Transmittal”), relating to the offer (the “Exchange Offer”) by Lear Corporation (the “Company”) to exchange up to E250,000,000 aggregate principal amount of its 8 1/8% Series B Senior Notes due 2008 (the “Exchange Notes” or the “Exchange Securities”) which have been registered under the Securities Act of 1933, as amended, for a like aggregate principal amount of its original unregistered 8 1/8% Senior Notes due 2008 (the “Original Notes” or the “Original Securities”), upon the terms and subject to the conditions described in the Prospectus and the Letter of Transmittal. The Exchange Offer is being made in order to satisfy certain obligations of the Company contained in the Registration Rights Agreement, dated March 20, 2001, by and among the Company, Lear Operations Corporation, Lear Corporation Automotive Holdings, Lear Corporation EEDS and Interiors, Lear Seating Holdings Corp. #50 and the initial purchasers of the Original Securities from the Company.

We are (or our nominee is) the holder of record of the Original Securities held by us for your account. A tender of such Original Securities can be made only by the holder of record and pursuant to your instructions. The Letter of Transmittal accompanying this letter is furnished to you for your information only and cannot be used by you to tender Original Securities held by us for your account.

Accordingly, we request instructions as to whether you wish us to tender on your behalf the Original Securities held by us for your account, pursuant to the terms and conditions set forth in the enclosed Prospectus and Letter of Transmittal. Your instructions should be forwarded to us as promptly as possible in order to permit us to tender Original Securities on your behalf (should you so desire) in accordance with the provisions of the Exchange Offer.

Your attention is directed to the following:

1. The Company is offering to exchange the Exchange Securities for any and all of the Original Securities.

2. The terms of the Exchange Notes are identical in all respects to the terms of the Original Notes, except that the registration rights and related liquidated damages provisions, and the transfer restrictions, applicable to the Original Notes are not applicable to the Exchange Notes.

3. Subject to the satisfaction or waiver of certain conditions set forth in the Prospectus in the section captioned “The Exchange Offer — Conditions to the Exchange Offer,” the Company will exchange the applicable Exchange Securities for all Original Securities that are validly tendered and not withdrawn prior to the expiration of the Exchange Offer.

4. The Exchange Offer will expire at 5:00 p.m., New York City time, on [ ], 2001, unless extended by the Company.

5. You may withdraw tenders of Original Securities at any time prior to the expiration of the Exchange Offer.

6. The exchange of Original Securities for Exchange Securities pursuant to the Exchange Offer generally will not be a taxable event for U.S. federal income tax purposes. See “United States Federal Income Tax Considerations” in the enclosed Prospectus.

If you wish to have us tender your Original Securities, please so instruct us by completing, executing and returning to us the instruction form on the back of this letter. THE LETTER OF TRANSMITTAL IS FURNISHED TO YOU FOR INFORMATION ONLY AND CANNOT BE USED BY YOU TO TENDER ORIGINAL SECURITIES HELD BY US FOR YOUR ACCOUNT.

INSTRUCTIONS WITH RESPECT TO

THE EXCHANGE OFFER

The undersigned acknowledge(s) receipt of your letter and the enclosed material referred to therein relating to the Exchange Offer made by Lear Corporation with respect to the Original Securities. Terms used herein with initial capital letters have the respective meanings ascribed to them in your letter.

This will instruct you to tender the Original Securities held by you for the account of the undersigned, upon and subject to the terms and conditions set forth in the Prospectus and the related Letter of Transmittal.

☐ Please tender the amount of Original Securities indicated below (or if no amount is indicated below, all Original Securities) held by you for my account.

E_________Aggregate Principal Amount of Original Notes

☐ Please do not tender any Original Securities held by you for my account.

Dated: ___________________, 2001

Signature(s)

Print Name(s) here:

Print Address(es):

Area Code and Telephone Number(s):

Tax Identification or
Social Security Number(s):

None of the Original Securities held by us for your account will be tendered unless we

receive written instructions from you to do so. If you authorize the tender of Original Securities held by us for your account, all such Original Securities will be tendered unless a specific contrary instruction is given in the space provided.