

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended 30 June 2013

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 1-4534

AIR PRODUCTS AND CHEMICALS, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of Incorporation or Organization)

23-1274455
(I.R.S. Employer Identification No.)

7201 Hamilton Boulevard, Allentown, Pennsylvania
(Address of Principal Executive Offices)

18195-1501
(Zip Code)

610-481-4911
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES NO

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at 30 June 2013
Common Stock, \$1 par value	209,645,754

AIR PRODUCTS AND CHEMICALS, INC. and Subsidiaries
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AIR PRODUCTS AND CHEMICALS, INC. and Subsidiaries
CONSOLIDATED INCOME STATEMENTS
(Unaudited)

(Millions of dollars, except for share data)	Three Months Ended 30 June		Nine Months Ended 30 June	
	2013	2012	2013	2012
Sales	\$2,547.3	\$2,340.1	\$7,593.9	\$7,005.9
Cost of sales	1,875.5	1,690.8	5,589.2	5,128.9
Selling and administrative	271.3	230.4	806.1	698.8
Research and development	33.5	32.5	99.1	90.3
Business restructuring and cost reduction plans	—	—	—	86.8
Gain on previously held equity interest	—	85.9	—	85.9
Other income, net	16.1	10.5	45.7	37.5
Operating Income	383.1	482.8	1,145.2	1,124.5
Equity affiliates' income	44.2	41.7	125.4	114.3
Interest expense	35.4	26.0	106.4	84.8
Income from Continuing Operations before Taxes	391.9	498.5	1,164.2	1,154.0
Income tax provision	94.1	133.3	282.1	269.5
Income from Continuing Operations	297.8	365.2	882.1	884.5
Income from Discontinued Operations, net of tax	.6	127.3	3.1	166.5
Net Income	298.4	492.5	885.2	1,051.0
Less: Net Income Attributable to Noncontrolling Interests	10.0	8.0	28.1	22.4
Net Income Attributable to Air Products	\$ 288.4	\$ 484.5	\$ 857.1	\$1,028.6
Net Income Attributable to Air Products				
Income from continuing operations	\$ 287.8	\$ 357.2	\$ 854.0	\$ 862.1
Income from discontinued operations	.6	127.3	3.1	166.5
Net Income Attributable to Air Products	\$ 288.4	\$ 484.5	\$ 857.1	\$1,028.6
Basic Earnings Per Common Share Attributable to Air Products				
Income from continuing operations	\$ 1.38	\$ 1.69	\$ 4.08	\$ 4.08
Income from discontinued operations	—	.60	.02	.79
Net Income Attributable to Air Products	\$ 1.38	\$ 2.29	\$ 4.10	\$ 4.87
Diluted Earnings Per Common Share Attributable to Air Products				
Income from continuing operations	\$ 1.36	\$ 1.66	\$ 4.03	\$ 4.02
Income from discontinued operations	—	.60	.01	.77
Net Income Attributable to Air Products	\$ 1.36	\$ 2.26	\$ 4.04	\$ 4.79
Weighted Average Common Shares – Basic (in millions)	209.4	211.5	209.3	211.0
Weighted Average Common Shares – Diluted (in millions)	211.9	214.7	211.9	214.6
Dividends Declared Per Common Share – Cash	\$.71	\$.64	\$ 2.06	\$ 1.86

The accompanying notes are an integral part of these statements.

AIR PRODUCTS AND CHEMICALS, INC. and Subsidiaries
CONSOLIDATED COMPREHENSIVE INCOME STATEMENTS
(Unaudited)

(Millions of dollars)	Three Months Ended 30 June	
	2013	2012
Net Income	\$ 298.4	\$ 492.5
Other Comprehensive Income, net of tax:		
Translation adjustments, net of tax of (\$6.8) and \$22.8	(99.8)	(150.6)
Net gain (loss) on derivatives, net of tax of \$5.5 and (\$4.6)	12.0	(3.7)
Pension and postretirement benefits, net of tax of \$3.5	5.8	—
Reclassification adjustments:		
Currency translation adjustment	(.6)	13.3
Derivatives, net of tax of (\$1) and (\$2)	(2.1)	(2.2)
Pension and postretirement benefits, net of tax of \$14.6 and \$8.8	27.1	16.1
Total Other Comprehensive Income (Loss)	(57.6)	(127.1)
Comprehensive Income	240.8	365.4
Net Income Attributable to Noncontrolling Interests	10.0	8.0
Other Comprehensive Income (Loss) Attributable to Noncontrolling Interests	(1.4)	(1.4)
Comprehensive Income Attributable to Air Products	\$ 232.2	\$ 358.8

(Millions of dollars)	Nine Months Ended 30 June	
	2013	2012
Net Income	\$ 885.2	\$1,051.0
Other Comprehensive Income, net of tax:		
Translation adjustments, net of tax of (\$7.1) and \$18.8	(184.2)	(54.9)
Net gain (loss) on derivatives, net of tax of \$10.9 and (\$6.9)	25.5	(14.1)
Pension and postretirement benefits, net of tax of \$3.5	5.8	—
Reclassification adjustments:		
Currency translation adjustment	(.6)	13.3
Derivatives, net of tax of (\$2.3) and \$4.2	(9.8)	9.8
Pension and postretirement benefits, net of tax of \$40.4 and \$26.6	75.7	48.2
Total Other Comprehensive Income (Loss)	(87.6)	2.3
Comprehensive Income	797.6	1,053.3
Net Income Attributable to Noncontrolling Interests	28.1	22.4
Other Comprehensive Income (Loss) Attributable to Noncontrolling Interests	(3.1)	2.7
Comprehensive Income Attributable to Air Products	\$ 772.6	\$1,028.2

The accompanying notes are an integral part of these statements.

AIR PRODUCTS AND CHEMICALS, INC. and Subsidiaries
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(Millions of dollars, except for share data)	30 June 2013	30 September 2012
Assets		
Current Assets		
Cash and cash items	\$ 418.8	\$ 454.4
Trade receivables, net	1,616.0	1,544.7
Inventories	705.9	786.6
Contracts in progress, less progress billings	166.2	190.8
Prepaid expenses	137.1	81.7
Other receivables and current assets	428.3	342.0
Current assets of discontinued operations	8.4	15.6
Total Current Assets	3,480.7	3,415.8
Investment in net assets of and advances to equity affiliates	1,203.3	1,175.7
Plant and equipment, at cost	18,867.7	18,046.2
Less: accumulated depreciation	10,202.0	9,805.6
Plant and equipment, net	8,665.7	8,240.6
Goodwill	1,615.1	1,598.4
Intangible assets, net	716.9	761.6
Noncurrent capital lease receivables	1,441.9	1,328.9
Other noncurrent assets	348.3	393.6
Noncurrent assets of discontinued operations	19.4	27.2
Total Noncurrent Assets	14,010.6	13,526.0
Total Assets	\$17,491.3	\$16,941.8
Liabilities and Equity		
Current Liabilities		
Payables and accrued liabilities	\$ 1,811.0	\$ 1,927.7
Accrued income taxes	61.5	48.5
Short-term borrowings	1,406.0	633.4
Current portion of long-term debt	76.1	74.3
Current liabilities of discontinued operations	3.1	6.0
Total Current Liabilities	3,357.7	2,689.9
Long-term debt	4,648.2	4,584.2
Other noncurrent liabilities	1,707.5	1,980.9
Deferred income taxes	714.7	670.8
Noncurrent liabilities of discontinued operations	—	.2
Total Noncurrent Liabilities	7,070.4	7,236.1
Total Liabilities	10,428.1	9,926.0
Commitments and Contingencies – See Note 11		
Redeemable Noncontrolling Interest	371.8	392.5
Air Products Shareholders' Equity		
Common stock (par value \$1 per share; issued 2013 and 2012 – 249,455,584 shares)	249.4	249.4
Capital in excess of par value	802.5	810.5
Retained earnings	9,660.1	9,234.5
Accumulated other comprehensive loss	(1,433.3)	(1,348.8)
Treasury stock, at cost (2013 – 39,809,830 shares; 2012 – 36,979,704 shares)	(2,737.9)	(2,468.4)
Total Air Products Shareholders' Equity	6,540.8	6,477.2
Noncontrolling Interests	150.6	146.1
Total Equity	6,691.4	6,623.3
Total Liabilities and Equity	\$17,491.3	\$16,941.8

The accompanying notes are an integral part of these statements.

AIR PRODUCTS AND CHEMICALS, INC. and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(Millions of dollars)	Nine Months Ended 30 June	
	2013	2012
Operating Activities		
Net Income	\$ 885.2	\$ 1,051.0
Less: Net income attributable to noncontrolling interests	28.1	22.4
Net income attributable to Air Products	857.1	1,028.6
Income from discontinued operations	(3.1)	(166.5)
Income from continuing operations attributable to Air Products	854.0	862.1
Adjustments to reconcile income to cash provided by operating activities:		
Depreciation and amortization	674.4	620.5
Deferred income taxes	8.4	113.1
Benefit from Spanish tax ruling	—	(58.3)
Gain on previously held equity interest	—	(85.9)
Undistributed earnings of unconsolidated affiliates	(47.6)	(42.8)
Share-based compensation	33.0	36.2
Noncurrent capital lease receivables	(124.2)	(204.1)
Other adjustments	161.7	74.4
Working capital changes that provided (used) cash, excluding effects of acquisitions and divestitures:		
Trade receivables	(88.9)	(71.9)
Inventories	68.5	(18.8)
Contracts in progress, less progress billings	(3.9)	(16.7)
Other receivables	(65.9)	8.6
Payables and accrued liabilities	(139.8)	30.0
Other working capital	(19.9)	29.8
Pension plan contributions	(258.6)	(31.6)
Cash Provided by Operating Activities	1,051.2	1,244.6
Investing Activities		
Additions to plant and equipment	(1,115.4)	(1,166.5)
Acquisitions, less cash acquired	(125.6)	(173.8)
Investment in and advances to unconsolidated affiliates	.2	(175.4)
Proceeds from sale of assets and investments	25.4	13.5
Change in restricted cash	—	60.9
Other investing activities	(2.8)	—
Cash Used for Investing Activities	(1,218.2)	(1,441.3)
Financing Activities		
Long-term debt proceeds	522.1	409.6
Payments on long-term debt	(415.7)	(477.6)
Net increase (decrease) in commercial paper and short-term borrowings	780.8	(171.5)
Dividends paid to shareholders	(416.8)	(379.4)
Purchase of treasury shares	(461.6)	(53.1)
Proceeds from stock option exercises	133.1	88.7
Excess tax benefit from share-based compensation	24.6	20.2
Payment for subsidiary shares from noncontrolling interests	(12.6)	(58.4)
Other financing activities	(28.8)	(16.1)
Cash Provided by (Used for) Financing Activities	125.1	(637.6)
Discontinued Operations		
Cash provided by operating activities	13.3	32.1
Cash (used for) provided by investing activities	(1.2)	766.4
Cash provided by financing activities	—	—
Cash Provided by Discontinued Operations	12.1	798.5
Effect of Exchange Rate Changes on Cash	(5.8)	(25.5)
Decrease in Cash and Cash Items	(35.6)	(61.3)
Cash and Cash Items – Beginning of Year	454.4	422.5
Cash and Cash Items – End of Period	\$ 418.8	\$ 361.2

The accompanying notes are an integral part of these statements.

AIR PRODUCTS AND CHEMICALS, INC. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Millions of dollars unless otherwise indicated, except for share data)

1. BASIS OF PRESENTATION AND MAJOR ACCOUNTING POLICIES

Refer to our 2012 Form 10-K for a description of major accounting policies. There have been no material changes to these accounting policies during the first nine months of fiscal year 2013.

The consolidated financial statements of Air Products and Chemicals, Inc. and its subsidiaries (“we”, “our”, “us”, the “Company”, “Air Products”, or “registrant”) included herein have been prepared by us, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (SEC). Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. In our opinion, the accompanying statements reflect adjustments necessary to present fairly the financial position, results of operations, and cash flows for those periods indicated, and contain adequate disclosure to make the information presented not misleading. Adjustments included herein are of a normal, recurring nature unless otherwise disclosed in the Notes. The interim results for the periods indicated herein, however, do not reflect certain adjustments, such as the valuation of inventories on the LIFO cost basis, which are only finally determined on an annual basis. The consolidated financial statements and related Notes included herein should be read in conjunction with the financial statements and Notes thereto included in our latest Form 10-K in order to fully understand the basis of presentation. Results of operations for interim periods are not necessarily indicative of the results of operations for a full year.

2. NEW ACCOUNTING GUIDANCE

Accounting Guidance Implemented in 2013

Goodwill Impairment

In September 2011, the Financial Accounting Standards Board (FASB) issued authoritative guidance that amends previous guidance related to the manner in which entities test goodwill for impairment. The new guidance provides an entity the option to first perform a qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If it is determined to be more likely than not that the fair value of a reporting unit is less than its carrying amount, entities must perform the quantitative analysis of the goodwill impairment test. Otherwise, the quantitative test is optional. This guidance is effective for annual and interim goodwill impairment tests performed this fiscal year. The implementation of this guidance does not impact our consolidated financial statements.

Indefinite-lived Intangible Asset Impairment

In July 2012, the FASB amended the guidance on indefinite-lived intangible asset impairment testing to allow companies the option to first perform a qualitative assessment to determine whether it is more likely than not that the fair value of an indefinite-lived asset is less than its carrying amount. If it is determined to be more likely than not that the fair value of an indefinite-lived asset is less than its carrying amount, entities must perform the quantitative analysis of the asset impairment test. Otherwise, the quantitative test is optional. The guidance is effective for annual and interim impairment tests performed this fiscal year. The implementation of this guidance does not impact our consolidated financial statements.

New Accounting Guidance to be Implemented

Amounts Reclassified out of Accumulated Other Comprehensive Income

In February 2013, the FASB issued disclosure guidance to improve the transparency of items reclassified out of accumulated other comprehensive income to net income. The guidance requires an entity to present, in a single location, information about the amounts reclassified out of accumulated other comprehensive income, by component, including the income statement line items affected by the reclassification. This guidance will be effective for us beginning in the first quarter of our fiscal year 2014, with early adoption permitted. This guidance requires additional disclosure and will not have a material impact on our consolidated financial statements upon adoption.

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Cumulative Translation Adjustment

In March 2013, the FASB issued an update to clarify existing guidance for the release of cumulative translation adjustments into net income when a parent sells all or a part of its investment in a foreign entity or achieves a business combination of a foreign entity in stages. This guidance will be applied prospectively and is effective for us beginning in the first quarter of our fiscal year 2015, with early adoption permitted. We do not expect this guidance to have a material impact on our consolidated financial statements.

Fed Funds Effective Swap Rate

In July 2013, the FASB issued an update permitting the use of the Fed Funds Effective Swap Rate (OIS) as an acceptable benchmark interest rate for hedge accounting purposes in addition to U.S. Treasury rates and the LIBOR swap rate. This guidance was effective upon issuance and should be applied prospectively for qualifying new or redesignated hedging relationships entered into. This guidance will not have an impact on our consolidated financial statements.

Unrecognized Tax Benefits

In July 2013, the FASB issued guidance to require standard presentation of an unrecognized tax benefit when a carryforward related to net operating losses or tax credits exist. This guidance will be applied prospectively and is effective for us beginning in the first quarter of our fiscal year 2015, with early adoption permitted. The guidance will not have a material impact on our consolidated financial statements.

3. DISCONTINUED OPERATIONS

In the third quarter of 2012, we sold the majority of our Homecare business to The Linde Group for total sale proceeds of €590 million (\$777) and recognized a gain of \$207.4 (\$150.3 after-tax, or \$.70 per share). For additional information on this transaction, refer to Note 3, Discontinued Operations, in our 2012 Form 10-K.

We are actively marketing the remaining portion of the Homecare business, which is primarily in the United Kingdom and Ireland. We expect to close on the sale of this business by the end of fiscal year 2013. In the third quarter of 2012, an impairment charge of \$33.5 (\$29.5 after-tax, or \$.14 per share) was recorded to write down the remaining business to its estimated net realizable value. Additional charges may be recorded in future periods dependent upon the timing and method of ultimate disposition.

The Homecare business, which had been previously reported as part of the Merchant Gases business segment, has been accounted for as a discontinued operation. The results of operations and cash flows of this business have been reclassified from the results of continuing operations for all periods presented. The assets and liabilities of discontinued operations have been reclassified and are segregated in the consolidated balance sheets.

The results of discontinued operations are summarized below:

	Three Months Ended 30 June		Nine Months Ended 30 June	
	2013	2012	2013	2012
Sales	\$12.7	\$ 45.0	\$40.0	\$242.0
Income before taxes	\$.5	\$ 10.2	\$ 3.3	\$ 66.3
Income tax provision	(.1)	3.7	.2	20.6
Income from operations of discontinued operations	.6	6.5	3.1	45.7
Gain on sale of business and impairment/write-down, net of tax	—	120.8	—	120.8
Income from Discontinued Operations, net of tax	\$.6	\$127.3	\$ 3.1	\$166.5

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Assets and liabilities of discontinued operations consist of the following:

	30 June 2013	30 September 2012
Trade receivables, net	\$ 7.8	\$15.0
Inventories	.3	.5
Other current assets	.3	.1
Total Current Assets	\$ 8.4	\$15.6
Plant and equipment, net	\$19.4	\$27.2
Total Noncurrent Assets	\$19.4	\$27.2
Payables and accrued liabilities	\$ 3.1	\$ 6.0
Total Current Liabilities	\$ 3.1	\$ 6.0
Other noncurrent liabilities	\$ —	\$.2
Total Noncurrent Liabilities	\$ —	\$.2

4. BUSINESS RESTRUCTURING AND COST REDUCTION PLANS

In 2012, we recorded an expense of \$327.4 (\$222.4 after-tax, or \$1.03 per share) for business restructuring and cost reduction plans in our Polyurethane Intermediates, Electronics, and European Merchant businesses.

During the second quarter of 2012, we recorded an expense of \$86.8 (\$60.6 after-tax, or \$.28 per share) for actions to remove stranded costs resulting from our decision to exit the Homecare business, the reorganization of the Merchant business, and actions to right-size our European cost structure in light of the challenging economic outlook. This charge is reflected on the consolidated income statements as “Business restructuring and cost reduction plans.” The planned actions are substantially complete.

During the fourth quarter of 2012, we took actions to exit the Polyurethane Intermediates (PUI) business to improve costs, resulting in a net expense of \$54.6 (\$34.8 after-tax, or \$.16 per share). We sold certain assets and the rights to a supply contract for \$32.7 in cash at closing. In connection with these actions, we recognized an expense of \$26.6, for the net book value of assets sold and those committed to be disposed of other than by sale. The remaining charge was primarily related to contract terminations and an environmental liability. Our PUI production facility in Pasadena, Texas is currently being dismantled, with completion expected in fiscal year 2014. The costs to dismantle are expensed as incurred and reflected in continuing operations in the Tonnage Gases business segment.

During the fourth quarter of 2012, we completed an assessment of our position in the photovoltaic (PV) market, resulting in \$186.0 of expense (\$127.0 after-tax, or \$.59 per share) primarily related to the Electronics and Performance Materials segment. Air Products supplies the PV market with both bulk and onsite supply of gases, including silane. The PV market has not developed as expected, and as a result, the market capacity to produce silane is expected to exceed demand for the foreseeable future. As a result, we recorded a charge of \$93.5 for an offer that we made to terminate a long term take-or-pay silane contract. Although any settlement could differ from this amount, we do not expect it to be material to our financial position. It is uncertain when a settlement will be reached.

These charges relate only to past actions and do not reflect our position on any future actions.

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The following table summarizes the carrying amount of the accrual for the plans at 30 June 2013:

	Severance and Other Benefits	Asset Actions	Contract Actions	Other Costs	Total
Second quarter charge – Cost reduction plan	\$ 80.8	\$ 6.0	\$ —	\$ —	\$ 86.8
Fourth quarter charge – PUI business actions ^(A)	2.7	26.6	6.5	18.8	54.6
Fourth quarter charge – PV market actions ^(B)	—	34.7	93.5	57.8	186.0
2012 Charge	\$ 83.5	\$ 67.3	\$100.0	\$ 76.6	\$327.4
Amount reflected in environmental liability ^(C)	—	—	—	(9.0)	(9.0)
Amount reflected in pension liability	(7.5)	—	—	—	(7.5)
Noncash expenses	(.4)	(67.3)	—	(19.3)	(87.0)
Cash expenditures	(32.8)	—	—	(.1)	(32.9)
Currency translation adjustment	(1.6)	—	—	—	(1.6)
30 September 2012	\$ 41.2	\$ —	\$100.0	\$ 48.2	\$189.4
Cash expenditures	(39.2)	—	(3.3)	(11.9)	(54.4)
Currency translation adjustment	.3	—	—	—	.3
Accrued Balance	\$ 2.3	\$ —	\$ 96.7	\$ 36.3	\$135.3

^(A) Charge is net of \$32.7 in proceeds received in cash at closing for certain PUI assets and the rights to a supply contract.

^(B) Other includes the write-down of inventory to its net realizable value, the write-down of accounts receivable, and expected losses on purchase commitments.

^(C) Reflected in accrual for environmental obligations. See Note 11, Commitments and Contingencies.

5. BUSINESS COMBINATIONS

2013 Business Combinations

On 31 May 2013, we acquired EPCO Carbon dioxide Products, Inc. (EPCO), the largest independent U.S. producer of liquid carbon dioxide (CO₂). This acquisition expands our North American offerings of bulk industrial process gases. In addition, we acquired Wuxi Chem-Gas Company, Ltd. (WCG) on 1 April 2013. This acquisition provides us with additional gases presence in the Jiangsu Province of China. The acquisitions were accounted for as business combinations, and their results of operations were consolidated within the Merchant Gases business segment after the acquisition dates. The aggregate purchase price, net of cash acquired, for these acquisitions was \$134, and resulted in recognition of \$67 of goodwill.

2012 Business Combinations

Indura S.A.

In July 2012, we acquired a 64.8% controlling equity interest in the outstanding shares of Indura S.A. We paid cash consideration in Chilean pesos (CLP) of 345.5 billion (\$690) and assumed debt of CLP113.8 billion (\$227) for these interests. Prior to the acquisition, Indura S.A. was the largest independent industrial gas company in South America. Indura S.A.'s integrated gas and retail business comprises packaged gases and hardgoods, liquid bulk, healthcare, and on-sites.

Under the purchase agreement, the largest minority shareholder has a right to exercise a put option to require Air Products to purchase up to a 30.5% equity interest during the two-year period beginning on 1 July 2015, at a redemption value equal to fair market value (subject to a minimum price based upon the acquisition date value escalated by an inflation factor). Under the agreement, we also had an obligation to purchase 2.0% of the remaining shares of Indura S.A. During the third quarter of 2013, we purchased these shares for CLP5.5 billion (\$11).

The acquisition of Indura S.A. was accounted for as a business combination. Following the acquisition date, 100% of the Indura S.A. results were consolidated in our Merchant Gases business segment. The portion of the business that is not owned by the Company is recorded as noncontrolling interests.

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The following table summarizes the fair value of identifiable assets acquired and liabilities assumed in the acquisition of Indura S.A. and the resulting goodwill as of the acquisition date.

Allocation of Purchase Price	
Trade receivables, net	\$ 131.2
Inventories	103.5
Other current assets and (liabilities) ^(A)	(67.5)
Plant and equipment	397.2
Intangible assets	382.1
Current portion of long-term debt and short-term borrowings	(70.8)
Long-term debt	(279.8)
Deferred income taxes	(131.3)
Other noncurrent assets and (liabilities)	(12.3)
Fair Value of Identifiable Net Assets Acquired	\$ 452.3
Goodwill	626.2
Noncontrolling interests (including redeemable noncontrolling interest)	(388.9)
Total	\$ 689.6

^(A) Includes cash and cash items, prepaid expenses, other current assets, payables and accrued liabilities, and other current liabilities.

The noncontrolling interests of Indura S.A., including redeemable noncontrolling interest, were recorded on the acquisition date at fair value. Refer to Note 14, Noncontrolling Interests, for additional information.

DA NanoMaterials LLC

On 2 April 2012, we acquired E.I. DuPont de Nemours and Co. Inc.'s 50% interest in our joint venture, DuPont Air Products NanoMaterials LLC (DA NanoMaterials) for \$158 (\$147 net of cash acquired of \$11). The transaction was accounted for as a business combination and beginning in the third quarter of 2012, the results of DA NanoMaterials were consolidated within our Electronics and Performance Materials business segment.

Prior to the acquisition, we accounted for our 50% interest in DA NanoMaterials as an equity-method investment. The three and nine months ended 30 June 2012 include a gain of \$85.9 (\$54.6 after-tax, or \$.25 per share) as a result of revaluing our previously held equity interest to fair value as of the acquisition date. This gain is reflected on the consolidated income statements as "Gain on previously held equity interest."

For additional information regarding the Indura S.A. and DA NanoMaterials acquisitions, refer to Note 5, Business Combinations, in our 2012 Form 10-K.

6. INVENTORIES

The components of inventories are as follows:

	30 June 2013	30 September 2012
Finished goods	\$530.8	\$617.9
Work in process	35.5	36.7
Raw materials, supplies and other	234.4	220.0
	800.7	874.6
Less: Excess of FIFO cost over LIFO cost	(94.8)	(88.0)
	\$705.9	\$786.6

FIFO cost approximates replacement cost. Our inventories have a high turnover, and as a result, there is little difference between the original cost of an item and its current replacement cost.

7. GOODWILL

Changes to the carrying amount of consolidated goodwill by segment for the nine months ended 30 June 2013 are as follows:

	30 September 2012	Acquisitions and Adjustments	Currency Translation and Other	30 June 2013
Merchant Gases	\$1,138.6	\$72.0	\$(46.7)	\$1,163.9
Tonnage Gases	14.7	—	(.5)	14.2
Electronics and Performance Materials	445.1	2.0	(10.1)	437.0
	\$1,598.4	\$74.0	\$(57.3)	\$1,615.1

The Merchant Gases segment goodwill increased primarily due to the acquisitions of EPCO and WCG during the third quarter of 2013. Refer to Note 5, Business Combinations, for further details on these acquisitions. Goodwill is subject to impairment testing at least annually. In addition, goodwill is tested more frequently if a change in circumstances or the occurrence of events indicates that potential impairment exists.

8. FINANCIAL INSTRUMENTS

Currency Price Risk Management

Our earnings, cash flows, and financial position are exposed to foreign currency risk from foreign currency denominated transactions and net investments in foreign operations. It is our policy to minimize our cash flow volatility from changes in currency exchange rates. This is accomplished by identifying and evaluating the risk that our cash flows will change in value due to changes in exchange rates and by executing the appropriate strategies necessary to manage such exposures. Our objective is to maintain economically balanced currency risk management strategies that provide adequate downside protection.

Forward Exchange Contracts

We enter into forward exchange contracts to reduce the cash flow exposure to foreign currency fluctuations associated with highly anticipated cash flows and certain firm commitments such as the purchase of plant and equipment. The maximum remaining term of any forward exchange contract currently outstanding and designated as a cash flow hedge at 30 June 2013 is 2.7 years. Forward exchange contracts are also used to hedge the value of investments in certain foreign subsidiaries and affiliates by creating a liability in a currency in which we have a net equity position. The primary currency pair in this portfolio of forward exchange contracts is the Euro/U.S. dollar.

In addition to the forward exchange contracts that are designated as hedges, we utilize forward exchange contracts that are not designated as hedges. These contracts are used to economically hedge foreign currency-denominated monetary assets and liabilities, primarily working capital. The primary objective of these forward exchange contracts is to protect the value of foreign currency-denominated monetary assets and liabilities from the effects of volatility in foreign exchange rates that might occur prior to their receipt or settlement. This portfolio of forward exchange contracts comprises many different foreign currency pairs, with a profile that changes from time to time depending on business activity and sourcing decisions.

The table below summarizes our outstanding currency price risk management instruments:

	30 June 2013		30 September 2012	
	US\$ Notional	Years Average Maturity	US\$ Notional	Years Average Maturity
Forward exchange contracts:				
Cash flow hedges	\$1,685.0	.5	\$1,348.8	.6
Net investment hedges	803.5	1.7	779.2	2.5
Not designated	325.7	.1	477.7	.1
Total Forward Exchange Contracts	\$2,814.2	.8	\$2,605.7	1.0

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In addition to the above, we use foreign currency-denominated debt to hedge the foreign currency exposures of our net investment in certain foreign subsidiaries. The designated foreign currency denominated debt at 30 June 2013 included €894.6 million (\$1,163.9) and 30 September 2012 included €888.2 million (\$1,142.2).

Debt Portfolio Management

It is our policy to identify on a continuing basis the need for debt capital and evaluate the financial risks inherent in funding the Company with debt capital. Reflecting the result of this ongoing review, the debt portfolio and hedging program are managed with the objectives and intent to (1) reduce funding risk with respect to borrowings made by us to preserve our access to debt capital and provide debt capital as required for funding and liquidity purposes, and (2) manage the aggregate interest rate risk and the debt portfolio in accordance with certain debt management parameters.

Interest Rate Management Contracts

We enter into interest rate swaps to change the fixed/variable interest rate mix of our debt portfolio in order to maintain the percentage of fixed- and variable-rate debt within the parameters set by management. In accordance with these parameters, the agreements are used to manage interest rate risks and costs inherent in our debt portfolio. Our interest rate management portfolio generally consists of fixed to floating interest rate swaps (which are designated as fair value hedges), pre-issuance interest rate swaps and treasury locks (which hedge the interest rate risk associated with anticipated fixed-rate debt issuances and are designated as cash flow hedges), and floating to fixed interest rate swaps (which are designated as cash flow hedges). At 30 June 2013, outstanding interest rate swaps were denominated in U.S. dollars, Euros, and Chilean Pesos. The maximum remaining term of any interest rate swap designated as a cash flow hedge is 1.6 years. The notional amount of the interest rate swap agreements are equal to or less than the designated debt being hedged. When interest rate swaps are used to hedge variable-rate debt, the indices of the swaps and the debt to which they are designated are the same. It is our policy not to enter into any interest rate management contracts which lever a move in interest rates on a greater than one-to-one basis.

Cross Currency Interest Rate Swap Contracts

We enter into cross currency interest rate swap contracts when our risk management function deems necessary. These contracts may entail both the exchange of fixed- and floating-rate interest payments periodically over the life of the agreement and the exchange of one currency for another currency at inception and at a specified future date. These contracts effectively convert the currency denomination of a debt instrument into another currency in which we have a net equity position while changing the interest rate characteristics of the instrument. The contracts are used to hedge either certain net investments in foreign operations or non-functional currency cash flows related to intercompany loans. The current cross currency interest rate swap portfolio consists of fixed-to-fixed swaps between U.S. dollars and Chilean Pesos, U.S. dollars and offshore Chinese Renminbi, as well as U.S. dollars and British Pound Sterling.

The following table summarizes our outstanding interest rate management contracts and cross currency interest rate swaps:

	30 June 2013				30 September 2012			
	US\$ Notional	Average Pay %	Average Receive %	Years Average Maturity	US\$ Notional	Average Pay %	Average Receive %	Years Average Maturity
Interest rate swaps (fair value hedge)	\$300.0	LIBOR	3.61%	6.2	\$450.0	LIBOR	3.23%	4.7
Cross currency interest rate swaps (net investment hedge)	\$243.5	3.95%	.96%	2.5	\$243.5	3.95%	.96%	3.2
Interest rate swaps (cash flow hedge)	\$443.1	1.87%	Various	.4	\$452.8	2.75%	Various	.6
Cross currency interest rate swaps (cash flow hedge)	\$144.7	3.54%	2.31%	4.7	\$ —	—	—	—

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The table below summarizes the fair value and balance sheet location of our outstanding derivatives:

	Balance Sheet Location	30 June 2013	30 September 2012	Balance Sheet Location	30 June 2013	30 September 2012
Derivatives Designated as Hedging Instruments:						
Forward exchange contracts	Other receivables	\$ 46.5	\$ 12.7	Accrued liabilities	\$14.1	\$17.0
Interest rate management contracts	Other receivables	12.8	1.1	Accrued liabilities	1.3	15.6
Forward exchange contracts	Other noncurrent assets	39.9	64.3	Other noncurrent liabilities	.9	2.5
Interest rate management contracts	Other noncurrent assets	32.2	48.6	Other noncurrent liabilities	3.4	9.5
Total Derivatives Designated as Hedging Instruments		\$131.4	\$126.7		\$19.7	\$44.6
Derivatives Not Designated as Hedging Instruments:						
Forward exchange contracts	Other receivables	\$.7	\$.9	Accrued liabilities	\$ 1.9	\$ 2.2
Total Derivatives		\$132.1	\$127.6		\$21.6	\$46.8

Refer to Note 9, Fair Value Measurements, which defines fair value, describes the method for measuring fair value, and provides additional disclosures regarding fair value measurements.

The table below summarizes the gain or loss related to our cash flow hedges, fair value hedges, net investment hedges, and derivatives not designated as hedging instruments:

	Three Months Ended 30 June							
	Forward Exchange Contracts		Foreign Currency Debt		Other ^(A)		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
Cash Flow Hedges, net of tax:								
Net gain (loss) recognized in OCI (effective portion)	\$ 5.9	\$ 4.7	\$ —	\$ —	\$ 6.1	\$(8.4)	\$ 12.0	\$(3.7)
Net (gain) loss reclassified from OCI to sales/cost of sales (effective portion)	—	.2	—	—	—	—	—	.2
Net (gain) loss reclassified from OCI to other income, net (effective portion)	(4.4)	(2.8)	—	—	1.9	—	(2.5)	(2.8)
Net (gain) loss reclassified from OCI to interest expense (effective portion)	.2	—	—	—	.2	.4	.4	.4
Net (gain) loss reclassified from OCI to other income, net (ineffective portion)	—	—	—	—	—	—	—	—
Fair Value Hedges:								
Net gain (loss) recognized in interest expense ^(B)	\$ —	\$ —	\$ —	\$ —	\$(13.0)	\$ 8.2	\$(13.0)	\$ 8.2
Net Investment Hedges, net of tax:								
Net gain (loss) recognized in OCI	\$ (4.9)	\$ 29.4	\$(8.6)	\$29.3	\$ 6.0	\$.4	\$(7.5)	\$ 59.1
Derivatives Not Designated as Hedging Instruments:								
Net gain (loss) recognized in other income, net ^(C)	\$ (2.1)	\$ (1.8)	\$ —	\$ —	\$ —	\$ —	\$(2.1)	\$(1.8)

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	Nine Months Ended 30 June							
	Forward		Foreign Currency		Other ^(A)		Total	
	Exchange Contracts		Debt					
	2013	2012	2013	2012	2013	2012	2013	2012
Cash Flow Hedges, net of tax:								
Net gain (loss) recognized in OCI (effective portion)	\$ 13.6	\$(10.6)	\$—	\$—	\$ 11.9	\$(3.5)	\$ 25.5	\$(14.1)
Net (gain) loss reclassified from OCI to sales/cost of sales (effective portion)	.7	.7	—	—	—	—	.7	.7
Net (gain) loss reclassified from OCI to other income, net (effective portion)	(12.7)	7.5	—	—	1.9	—	(10.8)	7.5
Net (gain) loss reclassified from OCI to interest expense (effective portion)	(.8)	.4	—	—	.8	1.0	—	1.4
Net (gain) loss reclassified from OCI to other income, net (ineffective portion)	.3	.2	—	—	—	—	.3	.2
Fair Value Hedges:								
Net gain (loss) recognized in interest expense ^(B)	\$ —	\$ —	\$—	\$—	\$(20.0)	\$ 3.3	\$(20.0)	\$ 3.3
Net Investment Hedges, net of tax:								
Net gain (loss) recognized in OCI	\$ (4.7)	\$ 22.4	\$(9.1)	\$32.3	\$ 3.7	\$ (.1)	\$(10.1)	\$ 54.6
Derivatives Not Designated as Hedging Instruments:								
Net gain (loss) recognized in other income, net ^(C)	\$ (2.9)	\$ (3.0)	\$—	\$—	\$—	\$—	\$ (2.9)	\$ (3.0)

^(A) Other includes the impact on other comprehensive income (OCI) and earnings primarily related to interest rate and cross currency interest rate swaps.

^(B) The impact of fair value hedges noted above was largely offset by gains and losses resulting from the impact of changes in related interest rates on recognized outstanding debt.

^(C) The impact of the non-designated hedges noted above was largely offset by gains and losses, respectively, resulting from the impact of changes in exchange rates on recognized assets and liabilities denominated in nonfunctional currencies.

The amount of cash flow hedges' unrealized gains and losses at 30 June 2013 that are expected to be reclassified to earnings in the next twelve months are not material.

The cash flows related to all derivative contracts are reported in the operating activities section of the consolidated statements of cash flows.

Credit Risk-Related Contingent Features

Certain derivative instruments are executed under agreements that require us to maintain a minimum credit rating with both Standard & Poor's and Moody's. If our credit rating falls below this threshold, the counterparty to the derivative instruments has the right to request full collateralization on the derivatives' net liability position. The net liability position of derivatives with credit risk-related contingent features was \$5.8 as of 30 June 2013 and \$13.8 as of 30 September 2012. Because our current credit rating is above the various pre-established thresholds, no collateral has been posted on these liability positions.

Counterparty Credit Risk Management

We execute all financial derivative transactions with counterparties that are highly rated financial institutions, all of which are investment grade at this time. Some of our underlying derivative agreements give us the right to require the institution to post collateral if its credit rating falls below the pre-established thresholds with Standard & Poor's or Moody's. These are the same agreements referenced in Credit Risk-Related Contingent Features above. The collateral that the counterparties would be required to post was \$89.2 as of 30 June 2013 and \$90.1 as of 30 September 2012. No financial institution is required to post collateral at this time, as all have credit ratings at or above the threshold.

9. FAIR VALUE MEASUREMENTS

Fair value is defined as an exit price (i.e., the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date). The methods and assumptions used to measure the fair value of financial instruments are as follows:

Derivatives

The fair value of our interest rate management contracts and forward exchange contracts are quantified using the income approach and are based on estimates using standard pricing models. These models take into account the value of future cash flows as of the balance sheet date, discounted to a present value using discount factors that match both the time to maturity and currency of the underlying instruments. The computation of the fair values of these instruments is generally performed by the Company. These standard pricing models utilize inputs which are derived from or corroborated by observable market data such as interest rate yield curves and currency spot and forward rates. In addition, on an ongoing basis, we randomly test a subset of our valuations against valuations received from the transaction's counterparty to validate the accuracy of our standard pricing models. Counterparties to these derivative contracts are highly rated financial institutions.

Refer to Note 8, Financial Instruments, for a description of derivative instruments, including details on the balance sheet line classifications.

Long-term Debt

The fair value of our debt is based on estimates using standard pricing models that take into account the value of future cash flows as of the balance sheet date, discounted to a present value using discount factors that match both the time to maturity and currency of the underlying instruments. These standard valuation models utilize observable market data such as interest rate yield curves and currency spot rates. Therefore, the fair value of our debt is classified as a level 2 measurement. We generally perform the computation of the fair value of these instruments.

The carrying values and fair values of financial instruments were as follows:

	30 June 2013		30 September 2012	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Assets				
Derivatives				
Forward exchange contracts	\$ 87.1	\$ 87.1	\$ 77.9	\$ 77.9
Interest rate management contracts	45.0	45.0	49.7	49.7
Liabilities				
Derivatives				
Forward exchange contracts	\$ 16.9	\$ 16.9	\$ 21.7	\$ 21.7
Interest rate management contracts	4.7	4.7	25.1	25.1
Long-term debt, including current portion	4,724.3	4,949.9	4,658.5	5,005.9

The carrying amounts reported in the balance sheet for cash and cash items, trade receivables, payables and accrued liabilities, accrued income taxes, and short-term borrowings approximate fair value due to the short-term nature of these instruments. Accordingly, these items have been excluded from the above table.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels as follows:

- Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the asset or liability.
- Level 3 — Inputs that are unobservable for the asset or liability based on our own assumptions (about the assumptions market participants would use in pricing the asset or liability).

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The following table summarizes assets and liabilities measured at fair value on a recurring basis in the consolidated balance sheets:

	30 June 2013				30 September 2012			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Assets at Fair Value								
Derivatives								
Forward exchange contracts	\$ 87.1	\$—	\$ 87.1	\$—	\$ 77.9	\$—	\$ 77.9	\$—
Interest rate management contracts	45.0	—	45.0	—	49.7	—	49.7	—
Total Assets at Fair Value	\$132.1	\$—	\$132.1	\$—	\$127.6	\$—	\$127.6	\$—
Liabilities at Fair Value								
Derivatives								
Forward exchange contracts	\$ 16.9	\$—	\$ 16.9	\$—	\$ 21.7	\$—	\$ 21.7	\$—
Interest rate management contracts	4.7	—	4.7	—	25.1	—	25.1	—
Total Liabilities at Fair Value	\$ 21.6	\$—	\$ 21.6	\$—	\$ 46.8	\$—	\$ 46.8	\$—

Refer to Note 1, Major Accounting Policies, in our 2012 Form 10-K and Note 8, Financial Instruments, in this quarterly filing for additional information on our accounting and reporting of the fair value of financial instruments.

10. RETIREMENT BENEFITS

The components of net periodic benefit cost for the defined benefit pension and other postretirement benefit plans for the three and nine months ended 30 June 2013 and 2012 were as follows:

	Pension Benefits				Other Benefits	
	2013		2012		2013	2012
	U.S.	International	U.S.	International		
Three Months Ended 30 June						
Service cost	\$ 13.0	\$ 8.0	\$ 11.3	\$ 6.0	\$ 1.1	\$ 1.1
Interest cost	29.3	14.1	31.1	15.6	.4	1.0
Expected return on plan assets	(46.4)	(17.6)	(44.6)	(16.7)	—	—
Prior service cost amortization	.7	.1	.6	.1	—	—
Actuarial loss amortization	29.1	6.7	19.7	3.8	.6	.7
Settlements	4.5	—	—	—	—	—
Special termination benefits	.1	.4	—	—	—	—
Other	—	.5	—	.6	—	—
Net periodic benefit cost	\$ 30.3	\$ 12.2	\$ 18.1	\$ 9.4	\$ 2.1	\$ 2.8

	Pension Benefits				Other Benefits	
	2013		2012		2013	2012
	U.S.	International	U.S.	International		
Nine Months Ended 30 June						
Service cost	\$ 39.0	\$ 24.3	\$ 33.8	\$ 18.1	\$ 3.2	\$ 3.3
Interest cost	87.7	43.1	93.2	46.8	1.4	3.0
Expected return on plan assets	(139.0)	(53.5)	(133.6)	(50.0)	—	—
Prior service cost amortization	2.1	.3	1.9	.3	—	—
Actuarial loss amortization	87.3	20.1	59.0	11.5	1.8	2.1
Settlements	4.5	—	—	—	—	—
Special termination benefits	.1	.4	4.6	2.2	—	—
Other	—	1.6	—	1.9	—	—
Net periodic benefit cost	\$ 81.7	\$ 36.3	\$ 58.9	\$ 30.8	\$ 6.4	\$ 8.4

Our U.S. supplemental pension plan provides for a lump sum benefit payment option at the time of retirement, or for corporate officers, six months after the participant's retirement date. Pension settlements are recognized when payments exceed the sum of the service and interest cost components of the plan's net periodic pension cost for the fiscal year.

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A settlement is recognized when the pension obligation is settled. During the three months ended 30 June 2013, we recognized settlement charges of \$4.5 in other income, net on the consolidated income statements. We anticipate additional pension settlements in the fourth quarter of 2013 as payments are made to additional retirees.

Special termination benefits for the nine months ended 30 June 2012 are related to the cost reduction plan initiated in the second quarter. For additional information regarding this plan, see Note 4, Business Restructuring and Cost Reduction Plans.

For the nine months ended 30 June 2013 and 2012, our cash contributions to funded pension plans and benefit payments under unfunded pension plans were \$258.6 and \$31.6, respectively. Total contributions for fiscal 2013 are expected to be approximately \$280 to \$290. During fiscal 2012, total contributions were \$76.4.

11. COMMITMENTS AND CONTINGENCIES

Litigation

We are involved in various legal proceedings, including competition, environmental, health, safety, product liability, and insurance matters. In September 2010, the Brazilian Administrative Council for Economic Defense (CADE) issued a decision against our Brazilian subsidiary, Air Products Brasil Ltda., and several other Brazilian industrial gas companies for alleged anticompetitive activities. CADE imposed a civil fine of R\$179.2 million (approximately \$80 at 30 June 2013) on Air Products Brasil Ltda. This fine was based on a recommendation by a unit of the Brazilian Ministry of Justice whose investigation began in 2003 alleging violation of competition laws with respect to the sale of industrial and medical gases. The fines are based on a percentage of our total revenue in Brazil in 2003.

We have denied the allegations made by the authorities and filed an appeal in October 2010 with the Brazilian courts. Certain of our defenses, if successful, could result in the matter being dismissed with no fine against us. We, with advice of our outside legal counsel, have assessed the status of this matter and have concluded that, although an adverse final judgment after exhausting all appeals is reasonably possible, such a judgment is not probable. As a result, no provision has been made in the consolidated financial statements. We estimate the maximum possible loss to be the full amount of the fine of R\$179.2 million (approximately \$80 at 30 June 2013) plus interest accrued thereon until final disposition of the proceedings.

We are required to provide security for the payment of the fine (and interest) in order to suspend execution of the judgment during the appeal process, during which time interest will accrue on the fine. The security is only collectible by the court in the event we are not successful in our appeal and do not timely pay the fine. The security could be in the form of a bank guarantee or in other forms which the courts deem acceptable. The form of security to be provided by us has not been finally determined.

While we do not expect that any sums we may have to pay in connection with this or any other legal proceeding would have a material adverse effect on our consolidated financial position or net cash flows, a future charge for regulatory fines or damage awards could have a significant impact on our net income in the period in which it is recorded.

Environmental

In the normal course of business, we are involved in legal proceedings under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA; the federal Superfund law), Resource Conservation and Recovery Act (RCRA), and similar state and foreign environmental laws relating to the designation of certain sites for investigation or remediation. Presently, there are approximately 34 sites on which a final settlement has not been reached where we, along with others, have been designated a potentially responsible party by the Environmental Protection Agency or are otherwise engaged in investigation or remediation, including cleanup activity at certain of our current and former manufacturing sites. We continually monitor these sites for which we have environmental exposure.

Accruals for environmental loss contingencies are recorded when it is probable that a liability has been incurred and the amount of loss can be reasonably estimated consistent with the policy set forth in Note 1, Major Accounting Policies, to the consolidated financial statements in our 2012 Form 10-K. The consolidated balance sheets at 30 June 2013 and 30 September 2012 included an accrual of \$87.9 and \$87.5, respectively, primarily as part of other noncurrent liabilities. The environmental liabilities will be paid over a period of up to 30 years. We estimate the exposure for environmental loss contingencies to range from \$87 to a reasonably possible upper exposure of \$101 as of 30 June 2013.

Actual costs to be incurred at identified sites in future periods may vary from the estimates, given inherent uncertainties in evaluating environmental exposures. Using reasonably possible alternative assumptions of the exposure level could result in an increase to the environmental accrual. Due to the inherent uncertainties related to environmental exposures, a significant increase to the reasonably possible upper exposure level could occur if a new site is designated, the scope of remediation is increased, a different remediation alternative is identified, or a significant increase in our proportionate share occurs. We do not expect that any sum we may have to pay in connection with environmental matters in excess of the amounts recorded or disclosed above would have a material adverse impact on our financial position or results of operations in any one year.

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PACE

At 30 June 2013, \$33.3 of the environmental accrual was related to the Pace facility.

In 2006, we sold our Amines business, which included operations at Pace, Florida and recognized a liability for retained environmental obligations associated with remediation activities at Pace. We are required by the Florida Department of Environmental Protection (FDEP) and the United States Environmental Protection Agency (USEPA) to continue our remediation efforts. We estimated that it would take about 20 years to complete the groundwater remediation, and the costs through completion were estimated to range from \$42 to \$52. As no amount within the range was a better estimate than another, we recognized a pretax expense in fiscal 2006 of \$42.0 as a component of income from discontinued operations and recorded an environmental accrual of \$42.0 in continuing operations on the consolidated balance sheets. There has been no change to the estimated exposure range related to the Pace facility.

We have implemented many of the remedial corrective measures at the Pace, Florida facility required under 1995 Consent Orders issued by the FDEP and the USEPA. Contaminated soils have been bioremediated, and the treated soils have been secured in a lined on-site disposal cell. Several groundwater recovery systems have been installed to contain and remove contamination from groundwater. We completed an extensive assessment of the site to determine how well existing measures are working, what additional corrective measures may be needed, and whether newer remediation technologies that were not available in the 1990s might be suitable to more quickly and effectively remove groundwater contaminants. Based on assessment results, we completed a focused feasibility study that appears to have identified new and alternative approaches that should more effectively remove contaminants and achieve the targeted remediation goals. We continue to review the new approaches with the FDEP.

PIEDMONT

At 30 June 2013, \$19.7 of the environmental accrual was related to the Piedmont site.

On 30 June 2008, we sold our Elkton, Maryland and Piedmont, South Carolina production facilities and the related North American atmospheric emulsions and global pressure sensitive adhesives businesses. In connection with the sale, we recognized a liability for retained environmental obligations associated with remediation activities at the Piedmont site. This site is under active remediation for contamination caused by an insolvent prior owner. The sale of the site triggered expense recognition. Prior to the sale, remediation costs had been capitalized since they improved the property as compared to its condition when originally acquired. We are required by the South Carolina Department of Health and Environmental Control to address both contaminated soil and groundwater. Numerous areas of soil contamination have been addressed, and contaminated groundwater is being recovered and treated. We estimate that it will take until 2017 to complete source area remediation and another 15 years thereafter to complete groundwater recovery, with costs through completion estimated to be \$24. We recognized a pretax expense in 2008 of \$24.0 as a component of income from discontinued operations and recorded an environmental liability of \$24.0 in continuing operations on the consolidated balance sheets. There has been no change to the estimated exposure.

PAULSBORO

At 30 June 2013, \$6.2 of the environmental accrual was related to the Paulsboro site.

During the first quarter of 2009, management committed to a plan to sell the production facility in Paulsboro, New Jersey and recognized a \$16.0 environmental liability associated with this site. The change in the liability balance since it was established is a result of spending and changes in the estimated exposure. In December 2009, we completed the sale of this facility. We are required by the New Jersey state law to investigate and, if contaminated, remediate a site upon its sale. We estimate that it will take several years to complete the investigation/remediation efforts at this site.

PASADENA

At 30 June 2013, \$12.7 of the environmental accrual was related to the Pasadena site.

During the fourth quarter of 2012, management committed to permanently shutting down our PUI production facility in Pasadena, Texas. In shutting down and dismantling the facility, we will undertake certain remediation obligations related to soil and groundwater contaminants. We have been pumping and treating the groundwater to control off-site migration of contaminated groundwater in compliance with regulatory requirements and under the approval of the Texas Commission on Environmental Quality (TCEQ). We estimate that we will continue this program for 30 years subsequent to the shutdown of the PUI production facility. In addition, we will perform additional work to address other environmental obligations at the site. This additional work includes addressing the RCRA permitted hazardous waste management units, investigating other

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potential solid waste management units, performing post closure care for two closed RCRA surface impoundment units and establishing engineering controls. In 2012, we estimated the total exposure at this site to be \$13.0. There has been no change to the estimated exposure.

12. SHARE-BASED COMPENSATION

We have various share-based compensation programs, which include stock options, deferred stock units, and restricted stock. Under all programs, the terms of the awards are fixed at the grant date. We issue shares from treasury stock upon the exercise of stock options, the payout of deferred stock units, and the issuance of restricted stock awards. As of 30 June 2013, there were 6,615,390 shares available for future grant under our Long-Term Incentive Plan, which is shareholder approved.

During the nine months ended 30 June 2013, we granted 1,131,315 stock options at a weighted-average exercise price of \$81.58 and an estimated fair value of \$19.85 per option. The fair value of these options was estimated using a Black Scholes option valuation model that used the following assumptions:

Expected volatility	28.6%–30.4%
Expected dividend yield	2.4%
Expected life (in years)	7.3–9.1
Risk-free interest rate	1.2%–1.5%

In addition, we granted 263,354 deferred stock units at a weighted-average grant-date fair value of \$82.33 and 33,632 restricted shares at a weighted-average grant-date fair value of \$81.57.

Refer to Note 18, Share-Based Compensation, in our 2012 Form 10-K for information on the valuation and accounting for our share-based compensation programs.

Share-based compensation cost recognized in the consolidated income statement is summarized below:

	Three Months Ended 30 June		Nine Months Ended 30 June	
	2013	2012	2013	2012
Before-Tax Share-Based Compensation Cost	\$10.6	\$ 8.8	\$ 33.0	\$ 36.2
Income tax benefit	(3.8)	(3.1)	(11.9)	(13.0)
After-Tax Share-Based Compensation Cost	\$ 6.8	\$ 5.7	\$ 21.1	\$ 23.2

Before-tax share-based compensation cost is primarily included in selling and administrative expense on our consolidated income statements. The amount of share-based compensation cost capitalized in 2013 and 2012 was not material.

13. EQUITY

The following is a summary of the changes in total equity for the three and nine months ended 30 June:

	Three Months Ended 30 June					
	2013			2012		
	Air Products	Non-controlling Interests	Total Equity	Air Products	Non-controlling Interests	Total Equity
Balance at 31 March	\$6,365.5	\$151.9	\$6,517.4	\$6,262.7	\$144.7	\$6,407.4
Net Income ^(A)	288.4	7.4	295.8	484.5	8.0	492.5
Other comprehensive income (loss)	(56.2)	(1.4)	(57.6)	(125.7)	(1.4)	(127.1)
Dividends on common stock (per share \$.71, \$.64)	(148.8)	—	(148.8)	(135.5)	—	(135.5)
Dividends to noncontrolling interests	—	(7.2)	(7.2)	—	(3.1)	(3.1)
Share-based compensation expense	10.6	—	10.6	8.8	—	8.8
Issuance of treasury shares for stock option and award plans	69.0	—	69.0	15.1	—	15.1
Tax benefit of stock option and award plans	14.5	—	14.5	2.6	—	2.6
Purchase of noncontrolling interests	(1.3)	—	(1.3)	—	—	—
Other equity transactions	(.9)	(.1)	(1.0)	1.1	(14.4)	(13.3)
Balance at 30 June	\$6,540.8	\$150.6	\$6,691.4	\$6,513.6	\$133.8	\$6,647.4

	Nine Months Ended 30 June					
	2013			2012		
	Air Products	Non-controlling Interests	Total Equity	Air Products	Non-controlling Interests	Total Equity
Balance at 30 September	\$6,477.2	\$146.1	\$6,623.3	\$5,795.8	\$142.9	\$5,938.7
Net income ^(A)	857.1	21.3	878.4	1,028.6	22.4	1,051.0
Other comprehensive income (loss)	(84.5)	(3.1)	(87.6)	(.4)	2.7	2.3
Dividends on common stock (per share \$2.06, \$1.86)	(429.6)	—	(429.6)	(393.0)	—	(393.0)
Dividends to noncontrolling interests	—	(13.6)	(13.6)	—	(16.1)	(16.1)
Share-based compensation expense	33.0	—	33.0	35.8	—	35.8
Purchase of treasury shares	(461.6)	—	(461.6)	(53.1)	—	(53.1)
Issuance of treasury shares for stock option and award plans	118.5	—	118.5	76.9	—	76.9
Tax benefits of stock option and award plans	34.2	—	34.2	28.0	—	28.0
Purchase of noncontrolling interests	(1.6)	—	(1.6)	(4.4)	(1.9)	(6.3)
Other equity transactions	(1.9)	(.1)	(2.0)	(.6)	(16.2)	(16.8)
Balance at 30 June	\$6,540.8	\$150.6	\$6,691.4	\$6,513.6	\$133.8	\$6,647.4

^(A) Net income attributable to noncontrolling interests for the three and nine months ended 30 June 2013 excludes net income of \$2.6 and \$6.8, respectively, related to redeemable noncontrolling interests, which are not part of total equity. There were no redeemable noncontrolling interests recorded at 30 June 2012. Refer to Note 14, Noncontrolling Interests, for additional information.

14. NONCONTROLLING INTERESTS

INDURA S.A.

Redeemable Noncontrolling Interest

The largest minority shareholder in Indura S.A. has the right to exercise a put option to require us to purchase up to a 30.5% equity interest during the two-year period beginning on 1 July 2015, at a redemption value equal to fair market value (subject to a minimum price based upon the acquisition date value escalated by an inflation factor). We determined that the put option is embedded within the minority interest shares that are subject to the put option. The redemption feature requires classification of the minority shareholder's interest in the consolidated balance sheet outside of equity under the caption "Redeemable Noncontrolling Interest."

The redeemable noncontrolling interest of Indura S.A. was recorded on the acquisition date based on the estimated fair value of the shares including the embedded put option. As Indura S.A. shares are not publicly traded, the fair value of the shares was estimated based on trading multiples for similar companies in the Chilean stock market and recent transactions. The fair value of the put option was estimated using standard equity option pricing techniques, expected dividend payouts, and assumptions that market participants would use regarding equity volatility and the risk free rate of return. Subsequent adjustments to the value of the redeemable noncontrolling interest due to the redemption feature, if any, will be recognized as they occur and recorded within capital in excess of par value. Refer to Note 5, Business Combinations, for additional information on the Indura S.A. transaction.

The following is a rollforward of the redeemable noncontrolling interest:

Balance at 30 September 2011	\$ —
Indura acquisition	374.1
Net loss	(2.4)
Currency translation adjustment	20.8
Balance at 30 September 2012	\$392.5
Net income	6.8
Dividends	(1.1)
Currency translation adjustment	(26.4)
Balance at 30 June 2013	\$371.8

15. EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted earnings per share (EPS):

	Three Months Ended 30 June		Nine Months Ended 30 June	
	2013	2012	2013	2012
NUMERATOR				
Income from continuing operations	\$287.8	\$357.2	\$854.0	\$ 862.1
Income from discontinued operations	.6	127.3	3.1	166.5
Net Income Attributable to Air Products	\$288.4	\$484.5	\$857.1	\$1,028.6
DENOMINATOR (in millions)				
Weighted average common shares – Basic	209.4	211.5	209.3	211.0
Effect of dilutive securities				
Employee stock option and other award plans	2.5	3.2	2.6	3.6
Weighted average common shares – Diluted	211.9	214.7	211.9	214.6
BASIC EPS ATTRIBUTABLE TO AIR PRODUCTS				
Income from continuing operations	\$ 1.38	\$ 1.69	\$ 4.08	\$ 4.08
Income from discontinued operations	—	.60	.02	.79
Net Income Attributable to Air Products	\$ 1.38	\$ 2.29	\$ 4.10	\$ 4.87
DILUTED EPS ATTRIBUTABLE TO AIR PRODUCTS				
Income from continuing operations	\$ 1.36	\$ 1.66	\$ 4.03	\$ 4.02
Income from discontinued operations	—	.60	.01	.77
Net Income Attributable to Air Products	\$ 1.36	\$ 2.26	\$ 4.04	\$ 4.79

Options on 1.1 million and 2.8 million shares were antidilutive and therefore excluded from the computation of diluted earnings per share for the three and nine months ended 30 June 2013, respectively. Options on 4.0 million and 3.5 million shares were antidilutive and therefore excluded from the computation of diluted earnings per share for the three and nine months ended 30 June 2012, respectively.

16. INCOME TAXES

During the first quarter of 2012, we reached a settlement with the Spanish tax authorities for €41.3 million (\$56) in resolution of tax deductions claimed by certain of our Spanish subsidiaries during fiscal years 2005-2011. Of this settlement, \$43.8 (\$.20 per share) increased our income tax expense and had a 3.8% impact on our effective tax rate for the nine months ended 30 June 2012. The cash payment for the settlement was principally paid in the second quarter of 2012.

During the second quarter of 2012, we received a favorable ruling by the Spanish Supreme Court over tax benefits related to certain transactions of a Spanish subsidiary for years 1991 and 1992, a period before we controlled this subsidiary. As a result, we recorded a reduction in income tax expense of \$58.3 (\$.27 per share), including interest and penalties. This reduction in income tax expense had an 5.1% impact on our effective tax rate for the nine months ended 30 June 2012.

During the third quarter of 2012, our unrecognized tax benefits increased \$33.3 as a result of certain tax positions taken in conjunction with the disposition of our Homecare business. For additional information, see Note 3, Discontinued Operations.

During the second quarter of 2013, the American Taxpayer Relief Act of 2012 (Act) was signed into law which included retroactive extensions of certain business tax provisions that had expired. This Act did not have a material impact on our consolidated financial statements.

17. SUPPLEMENTAL INFORMATION

Credit Agreement

On 30 April 2013, we entered into a five-year \$2,500.0 revolving credit agreement with a syndicate of banks (the “2013 Credit Agreement”), under which senior unsecured debt is available to us and certain of our subsidiaries. The 2013 Credit Agreement provides us with a source of liquidity and supports our commercial paper program. We entered into this agreement to increase the previously existing facility by \$330.0, extend the maturity date to 30 April 2018, and modify the financial covenant, which is now a maximum ratio of total debt to total capitalization of 70%. No borrowings were outstanding under the 2013 Credit Agreement as of 30 June 2013.

The 2013 Credit Agreement terminates and replaces our previous \$2,170.0 revolving credit agreement which was to mature 30 June 2015 and had a financial covenant of long-term debt divided by the sum of long-term debt plus equity of no greater than 60%. No borrowings were outstanding under the previous agreement at the time of its termination and no early termination penalties were incurred.

Debt

We have classified a 3.75% Eurobond for €300 (\$390) maturing in November 2013 as long-term debt because we have the ability to refinance the debt under our \$2,500.0 committed credit facility maturing 30 April 2018. Our current intent is to refinance this debt via the U.S. or European public or private placement markets.

On 4 February 2013, we issued a \$400.0 senior fixed-rate 2.75% note that matures on 3 February 2023.

Share Repurchase Program

On 15 September 2011, the Board of Directors authorized the repurchase of up to \$1,000 of our outstanding common stock. We repurchase shares pursuant to Rules 10b5-1 and 10b-18 under the Securities Exchange Act of 1934, as amended, through repurchase agreements established with several brokers. During the first nine months of fiscal year 2013, we purchased 5.7 million of our outstanding shares at a cost of \$461.6. At 30 June 2013, \$485.3 in share repurchase authorization remains.

Purchase of Interest in Equity Affiliate

On 29 May 2012, we purchased 25% of the outstanding shares of Abdullah Hashim Industrial Gases & Equipment Co. Ltd. (AHG) for SAR581.3 million (\$155). The transaction was recorded as an investment in net assets of and advances to equity affiliates in the Merchant Gases segment.

18. BUSINESS SEGMENT AND GEOGRAPHIC INFORMATION

Our segments are organized based on differences in product and/or type of customer. We have four business segments consisting of Merchant Gases, Tonnage Gases, Electronics and Performance Materials, and Equipment and Energy.

Business Segment Information

	Three Months Ended 30 June		Nine Months Ended 30 June	
	2013	2012	2013	2012
Sales to External Customers				
Merchant Gases	\$1,032.5	\$ 874.1	\$3,044.8	\$2,645.4
Tonnage Gases	845.5	767.4	2,552.4	2,360.7
Electronics and Performance Materials	565.7	603.8	1,663.5	1,706.0
Equipment and Energy	103.6	94.8	333.2	293.8
Segment and Consolidated Totals	\$2,547.3	\$2,340.1	\$7,593.9	\$7,005.9
Operating Income				
Merchant Gases	\$ 164.9	\$ 164.6	\$ 504.0	\$ 483.4
Tonnage Gases	119.9	134.3	381.2	371.1
Electronics and Performance Materials ^(A)	86.8	176.7	225.6	340.3
Equipment and Energy	16.0	9.8	45.0	26.9
Segment Total	\$ 387.6	\$ 485.4	\$1,155.8	\$1,221.7
Business restructuring and cost reduction plans	—	—	—	(86.8)
Other	(4.5)	(2.6)	(10.6)	(10.4)
Consolidated Total	\$ 383.1	\$ 482.8	\$1,145.2	\$1,124.5

^(A) The gain on remeasuring our previously held equity interest in DA NanoMaterials is reflected in 2012. For additional information, see Note 5, Business Combinations.

	30 June 2013	30 September 2012
Identifiable Assets ^(A)		
Merchant Gases	\$ 6,598.5	\$ 6,428.5
Tonnage Gases	5,241.7	5,059.8
Electronics and Performance Materials	2,874.9	2,930.3
Equipment and Energy	575.6	379.3
Segment total	\$15,290.7	\$14,797.9
Other	969.5	925.4
Discontinued operations	27.8	42.8
Consolidated Total	\$16,288.0	\$15,766.1

^(A) Identifiable assets are equal to total assets less investment in net assets of and advances to equity affiliates.

Geographic Information

	Three Months Ended 30 June		Nine Months Ended 30 June	
	2013	2012	2013	2012
Sales to External Customers				
U.S./Canada	\$1,132.4	\$1,082.0	\$3,353.7	\$3,232.0
Europe	654.6	635.3	1,951.2	1,931.9
Asia	578.8	579.5	1,744.8	1,697.6
Latin America	181.5	43.3	544.2	144.4
Consolidated Total	\$2,547.3	\$2,340.1	\$7,593.9	\$7,005.9

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Geographic information is based on country of origin. The Europe region operates principally in France, Germany, the Netherlands, Poland, Spain, and the U.K. The Asia region operates principally in China, Japan, Malaysia, Singapore, South Korea, and Taiwan. The Latin America region operates principally in Brazil and Chile.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

(Millions of dollars, except for share data)

The disclosures in this quarterly report are complementary to those made in our 2012 Form 10-K. An analysis of results for the third quarter and first nine months of 2013 is provided in the Management's Discussion and Analysis to follow.

All comparisons in the discussion are to the corresponding prior year unless otherwise stated. All amounts presented are in accordance with U.S. generally accepted accounting principles (GAAP), except as noted.

Captions such as income from continuing operations attributable to Air Products, net income attributable to Air Products, and diluted earnings per share attributable to Air Products are simply referred to as "income from continuing operations," "net income," and "diluted earnings per share" throughout this Management's Discussion and Analysis, unless otherwise stated.

The discussion of third quarter and year to date results that follows includes comparisons to non-GAAP financial measures. These non-GAAP measures exclude the gain on the previously held equity interest in DA NanoMaterials, the cost reduction plan charge, the Spanish tax settlement, and the Spanish tax ruling, all which occurred in 2012. The presentation of non-GAAP measures is intended to enhance the usefulness of financial information by providing measures that our management uses internally to evaluate our baseline performance on a comparable basis. The reconciliation of reported GAAP results to non-GAAP measures is presented on page 39.

THIRD QUARTER 2013 VS. THIRD QUARTER 2012

THIRD QUARTER 2013 IN SUMMARY

- Sales of \$2,547.3 increased 9%, or \$207.2. Underlying sales decreased 2%, with volumes down 2% and pricing flat. Sales decreased as a result of our previous decision to exit the PUI business and lower Electronics volumes partially offset by higher volumes in the Merchant Gases, Performance Materials, and Equipment businesses. The acquisition of Indura S.A. (Indura) increased sales by 6%. Higher energy contractual cost pass-through to customers increased sales by 5%.
- Operating income of \$383.1 decreased 21%, or \$99.7, and operating margin of 15.0% decreased 560 basis points (bp) as the prior year included a gain on the previously held equity interest in DA NanoMaterials of \$85.9. On a non-GAAP basis, operating income decreased 3%, or \$13.8, and operating margin decreased 200 bp, primarily from higher pensions costs, higher energy pass-through, higher power costs not recovered by pricing, and the impact of acquisitions.
- Income from continuing operations of \$287.8 decreased 19%, or \$69.4, and diluted earnings per share from continuing operations of \$1.36 decreased 18%, or \$.30. On a non-GAAP basis, income from continuing operations decreased 5%, or \$14.8, and diluted earnings per share from continuing operations decreased 4%, or \$.05. A summary table of changes in diluted earnings per share is presented below.
- We acquired EPCO Carbon dioxide Products, Inc. (EPCO) and Wuxi Chem-Gas Company Ltd. (WCG) for consideration of \$134.

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Changes in Diluted Earnings per Share Attributable to Air Products

	Three Months Ended 30 June		Increase (Decrease)
	2013	2012	
Diluted Earnings per Share			
Net Income	\$1.36	\$2.26	\$(.90)
Income from Discontinued Operations	—	.60	(.60)
Income from Continuing Operations – GAAP Basis	\$1.36	\$1.66	\$(.30)
Gain on previously held equity interest	—	(.25)	.25
Income from Continuing Operations – Non-GAAP Basis	\$1.36	\$1.41	\$(.05)
Operating Income (after-tax) – Non-GAAP Basis			
Underlying business			
Volume/Acquisitions			\$.06
Price/raw materials			(.05)
Costs			(.06)
Operating Income			(.05)
Other (after-tax)			
Equity affiliates' income			.01
Interest expense			(.03)
Income tax rate			.01
Noncontrolling interests			(.01)
Weighted average diluted shares			.02
Other			—
Total Change in Diluted Earnings per Share from Continuing Operations– Non-GAAP Basis			\$(.05)

RESULTS OF OPERATIONS
Discussion of Consolidated Results

	Three Months Ended 30 June		\$ Change	Change
	2013	2012		
Sales	\$2,547.3	\$2,340.1	\$207.2	9%
Operating income – GAAP Basis	383.1	482.8	(99.7)	(21)%
Operating margin – GAAP Basis	15.0%	20.6%	—	(560bp)
Equity affiliates' income	44.2	41.7	2.5	6%
Operating income – Non-GAAP Basis	383.1	396.9	(13.8)	(3)%
Operating margin – Non-GAAP Basis	15.0%	17.0%	—	(200bp)

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Sales

	% Change from Prior Year
Underlying business	
Volume	(2)%
Price	— %
Acquisitions	6%
Currency	— %
Energy and raw material cost pass-through	5%
Total Consolidated Change	9%

Underlying sales decreased 2% with volumes down 2% and pricing flat. Sales decreased as a result of our previous decision to exit the PUI business and lower Electronics volumes partially offset by higher volumes in the Merchant Gases, Performance Materials, and Equipment businesses. The Indura acquisition increased sales by 6%. Higher energy and raw material contractual cost pass-through to customers increased sales by 5%.

Operating Income

Operating income of \$383.1 decreased 21%, or \$99.7. The prior year included a gain on the previously held equity interest in DA NanoMaterials of \$85.9. On a non-GAAP basis, operating income decreased 3%, or \$13.8. The decrease was primarily due to higher operating costs, including the impact from pensions, of \$18 and lower recovery of raw material costs in pricing of \$13, partially offset by acquisitions of \$18.

Equity Affiliates' Income

Income from equity affiliates of \$44.2 increased \$2.5.

Selling and Administrative Expense (S&A)

S&A expense of \$271.3 increased \$40.9, primarily due to the acquisition of Indura. S&A, as a percent of sales, increased from 9.8% to 10.7%.

Research and Development (R&D)

R&D expense of \$33.5 increased \$1.0, primarily due to inflation. R&D, as a percent of sales, decreased from 1.4% to 1.3%.

Gain on Previously Held Equity Interest in DA NanoMaterials

On 2 April 2012, we acquired E.I. DuPont de Nemours and Co., Inc.'s 50% interest in our joint venture DA NanoMaterials. Beginning in the third quarter of 2012, the results of DA NanoMaterials were consolidated within our Electronics and Performance Materials business segment.

Prior to the acquisition date, we accounted for our 50% interest in DA NanoMaterials as an equity-method investment. The three months ended 30 June 2012 included a gain of \$85.9 (\$54.6 after-tax, or \$.25 per share) as a result of revaluing our previously held equity interest to fair market value as of the acquisition date. Refer to Note 5, Business Combinations, to the consolidated financial statements for additional details on this transaction.

Other Income, Net

Other income of \$16.1 increased \$5.6, primarily due to a commercial contract settlement and the sale of assets, partially offset by a pension settlement in the current year. Otherwise, no individual items were significant in comparison to the prior year.

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Interest Expense

	Three Months Ended 30 June	
	2013	2012
Interest incurred	\$42.2	\$33.0
Less: capitalized interest	6.8	7.0
Interest expense	\$35.4	\$26.0

Interest incurred increased \$9.2. The increase was driven primarily by a higher average debt balance, partially offset by a lower average interest rate on the debt portfolio.

Effective Tax Rate

The effective tax rate equals the income tax provision divided by income from continuing operations before taxes. On a GAAP basis, the effective tax rate was 24.0% and 26.7% in the third quarter of 2013 and 2012, respectively. The prior year effective tax rate included an increase in income tax expense of \$31.3 related to the gain on the previously held equity interest in DA NanoMaterials. Refer to Note 5, Business Combinations, to the consolidated financial statements for details on this transaction. On a non-GAAP basis, the effective tax rate was 24.0% and 24.7% in the third quarter of 2013 and 2012, respectively. The decrease in the effective tax rate was primarily due to changes in geographic earnings mix.

Discontinued Operations

In the third quarter of 2012, we sold the majority of our Homecare business to The Linde Group for total sale proceeds of €590 million (\$777) and recognized a gain of \$207.4 (\$150.3 after-tax, or \$.70 per share). We are actively marketing the remaining portion of the Homecare business, which is primarily in the United Kingdom and Ireland. We expect to close on the sale of this business by the end of fiscal year 2013. In the third quarter of 2012, an impairment charge of \$33.5 (\$29.5 after-tax, or \$.14 per share) was recorded to write down the remaining business to its estimated net realizable value. Additional charges may be recorded in future periods dependent upon the timing and method of ultimate disposition.

The Homecare business, which had been previously reported as part of the Merchant Gases business segment, has been accounted for as a discontinued operation. The results of operations and cash flows of this business have been reclassified from the results of continuing operations for all periods presented.

Business Combinations

On 31 May 2013, we acquired EPCO, the largest independent U.S. producer of liquid carbon dioxide (CO₂). This acquisition expands our North American offerings of bulk industrial process gases. In addition, we acquired WCG on 1 April 2013. This acquisition provides us with additional gases presence in the Jiangsu Province of China. The acquisitions were accounted for as business combinations, and their results of operations were consolidated within the Merchant Gases business segment after the acquisition dates. The aggregate purchase price, net of cash acquired, for these acquisitions was \$134, and resulted in recognition of \$67 of goodwill.

Segment Analysis

Merchant Gases

	Three Months Ended 30 June		\$ Change	Change
	2013	2012		
Sales	\$1,032.5	\$874.1	\$158.4	18%
Operating income	164.9	164.6	.3	— %
Operating margin	16.0%	18.8%	—	(280bp)
Equity affiliates' income	36.6	36.8	(.2)	(1)%

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Merchant Gases Sales

	% Change from Prior Year
Underlying business	
Volume	2%
Price	— %
Acquisitions	16%
Currency	— %
Total Merchant Gases Sales Change	18%

Underlying sales increased 2% from the impact of higher volumes of 2%. The acquisition of Indura increased sales by 16%.

In the U.S./Canada, sales increased 6%, with increased volumes of 2% and higher pricing of 4%. Higher liquid oxygen, nitrogen, and argon volumes were partially offset by lower helium volumes due to supply limitations. Pricing was higher primarily due to recovery of higher natural gas costs in liquid hydrogen and strength in helium.

In Europe, sales decreased 2%, with volumes down 2% and lower price of 1%, partially offset by a favorable currency impact of 1%. Volumes were down due to helium supply limitations and lower cylinder volumes. Liquid oxygen and liquid nitrogen volumes were slightly positive as higher wholesale volumes were mostly offset by weaker demand across most end markets. Pricing was lower as higher helium pricing was more than offset by pricing pressure and unfavorable mix in liquid oxygen and liquid nitrogen.

In Asia, sales decreased 1%, with reduced pricing of 2% and a favorable currency impact of 1%. Volumes were flat as higher liquid oxygen, nitrogen, and argon volumes and improved micro-bulk volumes were offset by lower helium volumes due to supply limitations. Pricing decreased as pricing pressure in liquid oxygen, nitrogen and argon, particularly in China, was partially offset by higher pricing in helium.

Merchant Gases Operating Income and Margin

Operating income was higher by \$.3 as the impact of the Indura acquisition of \$18 and higher volumes of \$4 were mostly offset by lower price recovery of power costs of \$13 and higher operating costs, including the impact from pensions, of \$8. Operating margin decreased 280 bp from prior year, primarily due to the impact of the Indura acquisition and higher costs.

Merchant Gases Equity Affiliates' Income

Merchant Gases equity affiliates' income of \$36.6 decreased \$.2.

Tonnage Gases

	Three Months Ended 30 June		\$ Change	Change
	2013	2012		
Sales	\$845.5	\$767.4	\$ 78.1	10%
Operating income	119.9	134.3	(14.4)	(11)%
Operating margin	14.2%	17.5%	—	(330bp)

Tonnage Gases Sales

	% Change from Prior Year
Underlying business	
Volume	(7)%
Energy and raw material cost pass-through	16%
Currency	1%
Total Tonnage Gases Sales Change	10%

Sales increased 10%, or \$78.1. Volumes decreased 7% primarily due to the impact of our previous decision to exit our PUI business. Base business volumes were relatively flat, as U.S. Gulf Coast customer maintenance outages were offset by fewer customer outages in Europe. Higher energy contractual cost pass-through to customers increased sales by 16% and favorable currency impacts increased sales by 1%.

[Table of Contents](#)**Tonnage Gases Operating Income and Margin**

Operating income was lower by 11% primarily from higher operating costs, including maintenance and pension, of \$10 and lower volumes of \$6. Operating margin decreased 330 bp from the prior year, primarily due to higher energy cost pass-through and the higher costs.

Electronics and Performance Materials

	Three Months Ended 30 June		\$ Change	Change
	2013	2012		
Sales	\$565.7	\$603.8	\$(38.1)	(6)%
Operating income – GAAP Basis	86.8	176.7	(89.9)	(51)%
Operating margin – GAAP Basis	15.3%	29.3%	—	(1,400bp)
Operating income – Non-GAAP Basis	86.8	90.8	(4.0)	(4)%
Operating margin – Non-GAAP Basis	15.3%	15.0%	—	30bp

Electronics and Performance Materials Sales

	% Change from Prior Year
Underlying business	
Volume	(5)%
Price	(1)%
Acquisitions	— %
Currency	— %
Total Electronics and Performance Materials Sales Change	(6)%

Sales decreased 6% from lower volumes and business mix of 5% and lower pricing of 1%. Electronics sales were down 11% due to weaker process materials volumes and equipment sales from lower fab utilization and lower new fab investment. Performance Materials sales decreased 1% as lower pricing was partially offset by higher volumes. The increase in volumes was primarily to the automobile and U.S. housing markets while we continued to see weakness in select construction markets and marine coatings.

Electronics and Performance Materials Operating Income and Margin

Operating income of \$86.8 decreased 51%, or \$89.9, primarily due to the prior year gain on the previously held equity interest in DA NanoMaterials of \$85.9. On a non-GAAP basis, operating income of \$86.8 decreased by \$4.0 primarily due to the lower Electronics volumes and lower prices and product mix in Performance Materials. Operating margin of 15.3% increased 30 bp primarily due to volume mix in the Electronics equipment business.

Equipment and Energy

	Three Months Ended 30 June		\$ Change	Change
	2013	2012		
Sales	\$103.6	\$94.8	\$8.8	9%
Operating income	16.0	9.8	6.2	63%

Equipment and Energy Sales and Operating Income

Sales of \$103.6 increased primarily from higher LNG project activity. Operating income of \$16.0 increased from the higher LNG activity and lower development spending.

The sales backlog for the Equipment business at 30 June 2013 was \$327 compared to \$450 at 30 September 2012.

Other

Other operating income (loss) primarily includes other expense and income that cannot be directly associated with the business segments, including foreign exchange gains and losses. Also included are LIFO inventory adjustments, as the business segments use FIFO, and the LIFO pool adjustments are not allocated to the business segments. Other also included stranded costs resulting from discontinued operations, as these costs were not reallocated to the businesses in 2012.

Other operating loss was \$(4.5) versus \$(2.6) in the prior year. The current year includes a pension settlement of \$4.5. No other individual items were significant in comparison to the prior year.

FIRST NINE MONTHS 2013 VS. FIRST NINE MONTHS 2012

FIRST NINE MONTHS 2013 IN SUMMARY

- Sales of \$7,593.9 increased 8%, or \$588.0. Volumes were flat as higher volumes in the Tonnage Gases, Performance Materials and Equipment businesses were offset by lower volumes in our European Merchant Gases and Electronics businesses and our previous decision to exit the PUI business. Pricing was flat as higher pricing in Merchant Gases was offset by lower pricing in Performance Materials. The acquisitions of Indura and DA NanoMaterials increased sales by 6%. Higher energy contractual cost pass-through to customers increased sales by 2%.
- Operating income of \$1,145.2 increased 2%, or \$20.7, and operating margin of 15.1% decreased 100 bp as the prior year included a charge of \$86.8 for the cost reduction plan and a gain on the previously held equity interest in DA NanoMaterials of \$85.9. On a non-GAAP basis, operating income increased 2%, or \$19.8, and operating margin decreased 100 bp, primarily due to higher pension, energy, and distribution costs and the impacts of the Indura acquisition.
- Income from continuing operations of \$854.0 decreased 1%, or \$8.1, and diluted earnings per share from continuing operations of \$4.03 increased \$.01. On a non-GAAP basis, income from continuing operations increased \$.4, and diluted earnings per share from continuing operations increased 1%, or \$.05. A summary table of changes in diluted earnings per share is presented below.
- We acquired EPCO Carbondioxide Products, Inc. (EPCO) and Wuxi Chem-Gas Company Ltd. (WCG) for consideration of \$134.
- We purchased 5.7 million of our outstanding shares at a cost of \$461.6 under the \$1,000 share repurchase program announced in the fourth quarter of 2011. At 30 June 2013, \$485.3 in share repurchase authorization remains.
- We increased our quarterly dividend by 11% from \$.64 to \$.71 per share. This represents the 31st consecutive year that we have increased our dividend payment.

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Changes in Diluted Earnings per Share Attributable to Air Products

	Nine Months Ended 30 June		Increase (Decrease)
	2013	2012	
Diluted Earnings per Share			
Net Income	\$4.04	\$4.79	\$(.75)
Income from Discontinued Operations	.01	.77	(.76)
Income from Continuing Operations – GAAP Basis	\$4.03	\$4.02	\$.01
Gain on previously held equity interest	—	(.25)	.25
Cost reduction plan	—	.28	(.28)
Spanish tax settlement	—	.20	(.20)
Spanish tax ruling	—	(.27)	.27
Income from Continuing Operations – Non-GAAP Basis	\$4.03	\$3.98	\$.05
Operating Income (after-tax) – Non-GAAP Basis			
Underlying business			
Volume/Acquisitions			\$.21
Price/raw materials			(.11)
Costs			(.03)
Operating Income			.07
Other (after-tax)			
Equity affiliates' income			.04
Interest expense			(.08)
Income tax rate			(.01)
Noncontrolling interests			(.02)
Weighted average diluted shares			.05
Other			(.02)
Total Change in Diluted Earnings per Share from Continuing Operations – Non-GAAP Basis			\$.05

RESULTS OF OPERATIONS
Discussion of Consolidated Results

	Nine Months Ended 30 June			
	2013	2012	\$ Change	Change
Sales	\$7,593.9	\$7,005.9	\$588.0	8%
Operating income – GAAP Basis	1,145.2	1,124.5	20.7	2%
Operating margin – GAAP Basis	15.1%	16.1%	—	(100bp)
Equity affiliates' income	125.4	114.3	11.1	10%
Operating income – Non-GAAP Basis	1,145.2	1,125.4	19.8	2%
Operating margin – Non-GAAP Basis	15.1%	16.1%	—	(100bp)

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Sales

	% Change from Prior Year
Underlying business	
Volume	— %
Price	— %
Acquisitions	6%
Currency	— %
Energy and raw material cost pass-through	2%
Total Consolidated Change	8%

Volumes were flat as higher volumes in the Tonnage Gases, Performance Materials, and Equipment businesses were offset by lower volumes in Merchant Gases and Electronics and our previous decision to exit the PUI business. Pricing was flat as higher pricing in Merchant Gases was offset by lower pricing in Performance Materials. The acquisitions of Indura and DA NanoMaterials increased sales by 6%. Higher energy contractual cost pass-through to customers increased sales by 2%.

Operating Income

Operating income of \$1,145.2 increased 2%, or \$20.7. On a GAAP basis, prior year operating income included a charge of \$86.8 for the cost reduction plan and a gain on the previously held equity interest in DA NanoMaterials of \$85.9. On a non-GAAP basis, operating income of \$1,145.2 increased 2%, or \$19.8. The increase was primarily due to acquisitions of \$55 and higher volumes of \$2, partially offset by lower recovery of raw material costs in pricing of \$29 from higher energy and distribution costs, and higher operating costs, including the impact from pensions, of \$13. Current year operating income includes the gain on a sale of our investment in an equity affiliate of \$5.

Equity Affiliates' Income

Income from equity affiliates of \$125.4 increased \$11.1, primarily due to better performance in our Mexican equity.

Selling and Administrative Expense (S&A)

S&A expense of \$806.1 increased \$107.3 primarily due to the acquisition of Indura. S&A, as a percent of sales, increased to 10.6% from 10.0%.

Research and Development (R&D)

R&D expense of \$99.1 increased \$8.8 primarily due to inflation and the acquisition of DA NanoMaterials. R&D, as a percent of sales, was 1.3% in 2013 and 2012.

Business Restructuring and Cost Reduction Plans

During fiscal year 2012, we recorded an expense of \$327.4 (\$222.4 after-tax, or \$1.03 per share) for business restructuring and cost reduction plans in our Polyurethane Intermediates, Electronics and European Merchant businesses. Refer to Note 4, Business Restructuring and Cost Reduction Plans, in our notes to the consolidated financial statements for additional information regarding these actions.

Included in the expense was a second quarter charge of \$86.8 (\$60.6 after-tax, or \$.28 per share) for actions to remove stranded costs resulting from our decision to exit the Homecare business, reorganize the Merchant business, and right-size our European cost structure in light of the challenging economic outlook. The planned actions are substantially complete.

As a response to global economic conditions, we continue to evaluate a number of cost saving initiatives. While any such actions would be taken to improve our long term profitability, the actions could materially reduce operating profit in the period in which they are recorded.

Gain on Previously Held Equity Interest in DA NanoMaterials

On 2 April 2012, we acquired E.I. DuPont de Nemours and Co., Inc.'s 50% interest in our joint venture DA NanoMaterials. Beginning in the third quarter of 2012, the results of DA NanoMaterials were consolidated within our Electronics and Performance Materials business segment.

Prior to the acquisition date, we accounted for our 50% interest in DA NanoMaterials as an equity-method investment. The nine months ended 30 June 2012 includes a gain of \$85.9 (\$54.6 after-tax, or \$.25 per share) as a result of revaluing our previously held equity interest to fair market value as of the acquisition date. Refer to Note 5, Business Combinations, to the consolidated financial statements for additional details on this transaction.

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Other Income, Net

Other income of \$45.7 increased \$8.2, primarily due to the sale of our investment in an equity affiliate in the current year and a favorable commercial contract settlement, partially offset by a pension settlement. Otherwise, no individual items were significant in comparison to the prior year.

Interest Expense

	Nine Months Ended 30 June	
	2013	2012
Interest incurred	\$124.8	\$107.1
Less: capitalized interest	18.4	22.3
Interest expense	\$106.4	\$ 84.8

Interest incurred increased \$17.7. The increase was driven primarily by a higher average debt balance, partially offset by a lower average interest rate on the debt portfolio. The change in capitalized interest was driven by a decrease in project spending.

Effective Tax Rate

The effective tax rate equals the income tax provision divided by income from continuing operations before taxes. On a GAAP basis, the effective tax rate was 24.2% and 23.4% in 2013 and 2012, respectively. The prior year effective tax rate included reductions in income tax expense of \$58.3 related to the Spanish tax ruling and \$26.2 related to the cost reduction plan, offset by an increase to income tax expense of \$43.8 related to the Spanish tax settlement and \$31.3 related to the gain on the previously held equity interest in DA NanoMaterials. Refer to Note 4, Business Restructuring and Cost Reduction Plans, Note 5, Business Combinations, and Note 16, Income Taxes, to the consolidated financial statements for details on these items. On a non-GAAP basis, the effective tax rate was 24.2% and 24.1% in 2013 and 2012, respectively.

During the second quarter of 2013, the American Taxpayer Relief Act of 2012 (Act) was signed into law which included retroactive extensions of certain business tax provisions that had expired. This Act did not have a material impact on our consolidated financial statements.

Discontinued Operations

In the third quarter of 2012, we sold the majority of our Homecare business to The Linde Group for total sale proceeds of €590 million (\$777) and recognized a gain of \$207.4 (\$150.3 after-tax, or \$.70 per share). We are actively marketing the remaining portion of the Homecare business, which is primarily in the United Kingdom and Ireland. We expect to close on the sale of this business by the end of fiscal year 2013. In the third quarter of 2012, an impairment charge of \$33.5 (\$29.5 after-tax, or \$.14 per share) was recorded to write down the remaining business to its estimated net realizable value. Additional charges may be recorded in future periods dependent upon the timing and method of ultimate disposition.

The Homecare business, which had been previously reported as part of the Merchant Gases business segment, has been accounted for as a discontinued operation. The results of operations and cash flows of this business have been reclassified from the results of continuing operations for all periods presented.

Business Combinations

On 31 May 2013, we acquired EPCO, the largest independent U.S. producer of liquid carbon dioxide (CO₂). This acquisition expands our North American offerings of bulk industrial process gases. In addition, we acquired WCG on 1 April 2013. This acquisition provides us with additional gases presence in the Jiangsu Province of China. The acquisitions were accounted for as business combinations, and their results of operations were consolidated within the Merchant Gases business segment after the acquisition dates. The aggregate purchase price, net of cash acquired, for these acquisitions was \$134, and resulted in recognition of \$67 of goodwill.

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Segment Analysis

Merchant Gases

	Nine Months Ended 30 June		\$ Change	Change
	2013	2012		
Sales	\$3,044.8	\$2,645.4	\$399.4	15%
Operating income	504.0	483.4	20.6	4%
Operating margin	16.6%	18.3%	—	(170bp)
Equity affiliates' income	106.5	100.1	6.4	6%

Merchant Gases Sales

	% Change from Prior Year
Underlying business	
Volume	(1)%
Price	1%
Acquisitions	15%
Total Merchant Gases Sales Change	15%

Underlying sales were flat due to lower volumes of 1% and higher pricing of 1%. The acquisition of Indura increased sales by 15%.

In the U.S./Canada, sales increased 2%, with price up 2% and volumes flat. Volumes were flat as higher liquid oxygen and liquid nitrogen volumes to the metals processing and primary materials end markets were offset by helium supply limitations. Pricing was higher primarily due to helium. In Europe, sales decreased 4%, with volumes down 4%. Volumes were down primarily due to overall economic weakness in the region. In Asia, sales increased 3%, due to higher volumes of 1% and a favorable currency impact of 2%.

Merchant Gases Operating Income and Margin

Operating income of \$504.0 was higher by \$20.6, or 4%, as the impact of the Indura acquisition of \$49 and lower operating costs, including the effects of our cost reduction plan in Europe, of \$8 were partially offset by lower price recovery of power and fuel costs of \$22 and lower volumes of \$17. The current year also includes the gain on a sale of our investment in an equity affiliate of \$5. Operating margin decreased 170 bp from prior year, primarily due to the Indura acquisition and higher power and fuel costs.

Merchant Gases Equity Affiliates' Income

Merchant Gases equity affiliates' income of \$106.5 increased \$6.4, primarily as a result of improved performance in our Mexican equity affiliate.

Tonnage Gases

	Nine Months Ended 30 June		\$ Change	Change
	2013	2012		
Sales	\$2,552.4	\$2,360.7	\$191.7	8%
Operating income	381.2	371.1	10.1	3%
Operating margin	14.9%	15.7%	—	(80bp)

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Tonnage Gases Sales

	% Change from Prior Year
Underlying business	
Volume	1%
Energy and raw material cost pass-through	7%
Total Tonnage Gases Sales Change	8%

Volumes increased 1% as the impact of new plants was partially offset by our previous decision to exit the PUI business. Higher energy contractual cost pass-through to customers increased sales by 7%.

Tonnage Gases Operating Income and Margin

Operating income increased primarily due to higher volumes of \$14, partially offset by higher costs of \$6. Operating margin decreased 80 bp from prior year, primarily due to higher energy cost pass-through.

Electronics and Performance Materials

	Nine Months Ended 30 June		\$ Change	Change
	2013	2012		
Sales	\$1,663.5	\$1,706.0	\$ (42.5)	(2)%
Operating income – GAAP Basis	225.6	340.3	(114.7)	(34)%
Operating margin – GAAP Basis	13.6%	19.9%	—	(630bp)
Operating income – Non-GAAP basis	225.6	254.4	(28.8)	(11)%
Operating margin – Non-GAAP basis	13.6%	14.9%	—	(130bp)

Electronics and Performance Materials Sales

	% Change from Prior Year
Underlying business	
Volume	(3)%
Price	(1)%
Acquisitions	2%
Total Electronics and Performance Materials Sales Change	(2)%

Sales decreased 2% as lower volumes of 3% and lower pricing of 1% were partially offset by acquisitions of 2%. Electronics sales decreased 5% as weaker materials volumes and equipment sales were partially offset by the acquisition of DA NanoMaterials. Performance Materials sales were flat as higher volumes of 3% were offset by lower pricing of 2% and unfavorable currency of 1%. The increase in volumes was primarily due to strength in the automobile and U.S. housing markets partially offset by weaker volumes to certain construction markets and marine coatings. The lower pricing was primarily due to unfavorable mix impacts.

Electronics and Performance Materials Operating Income and Margin

Operating income of \$225.6 decreased 34%, or \$114.7, as the prior year includes the gain on the previously held equity interest in DA NanoMaterials of \$85.9. On a non-GAAP basis, operating income of \$225.6 decreased \$28.8, or 11%, from higher operating costs of \$22, lower volumes of \$10, and unfavorable price and mix impacts of \$6, partially offset by acquisitions of \$6 and favorable currency of \$3. The higher operating costs primarily include an unfavorable impact associated with inventory revaluation resulting from lower raw material costs. Operating margin of 13.6% decreased 130 bp primarily due to the inventory adjustment and lower volumes.

Equipment and Energy

	Nine Months Ended 30 June		\$ Change	Change
	2013	2012		
Sales	\$333.2	\$293.8	\$39.4	13%
Operating income	45.0	26.9	18.1	67%

Equipment and Energy Sales and Operating Income

Sales of \$333.2 increased primarily from higher LNG project activity. Operating income of \$45.0 increased from the higher LNG activity and lower development spending.

The sales backlog for the Equipment business at 30 June 2013 was \$327, compared to \$450 at 30 September 2012.

Other

Other operating loss was \$(10.6) compared to \$(10.4) in the prior year. The current year loss includes a pension settlement and an unfavorable LIFO pool adjustment versus the prior year. The prior year loss included stranded costs from discontinued operations. No other individual items were significant in comparison to the prior year.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

The discussion of second quarter and year to date results includes comparisons to non-GAAP financial measures. The presentation of non-GAAP measures is intended to enhance the usefulness of financial information by removing certain items which management does not believe to be indicative of on-going business trends and allow evaluation of our baseline performance on a comparable basis. Definitions of these non-GAAP measures may not be comparable to similar definitions used by other companies and are not a substitute for similar GAAP measures. Presented below are reconciliations of the reported GAAP results to the non-GAAP measures.

CONSOLIDATED RESULTS

	Q3	Q3	Q3	Q3	YTD	YTD	YTD	YTD
	Continuing Operations							
	Operating Income	Operating Margin ^(A)	Income	Diluted EPS	Operating Income	Operating Margin ^(A)	Income	Diluted EPS
2013 GAAP	\$383.1	15.0%	\$287.8	\$1.36	\$1,145.2	15.1%	\$854.0	\$4.03
2012 GAAP	482.8	20.6%	357.2	1.66	1,124.5	16.1%	862.1	4.02
Change GAAP	\$ (99.7)	(560bp)	\$ (69.4)	\$ (.30)	\$ 20.7	(100bp)	\$ (8.1)	\$.01
% Change GAAP	(21)%		(19)%	(18)%	2%		(1)%	— %
2013 GAAP	\$383.1	15.0%	\$287.8	\$1.36	\$1,145.2	15.1%	\$854.0	\$4.03
2013 Non-GAAP Measure	\$383.1	15.0%	\$287.8	\$1.36	\$1,145.2	15.1%	\$854.0	\$4.03
2012 GAAP	\$482.8	20.6%	\$357.2	\$1.66	\$1,124.5	16.1%	\$862.1	\$4.02
Gain on previously held equity interest (tax impact \$31.3)	(85.9)	(3.6)%	(54.6)	(.25)	(85.9)	(1.2)%	(54.6)	(.25)
Cost reduction plan (tax impact \$26.2)	—	—	—	—	86.8	1.2%	60.6	.28
Spanish tax settlement	—	—	—	—	—	—	43.8	.20
Spanish tax ruling	—	—	—	—	—	—	(58.3)	(.27)
2012 Non-GAAP Measure	\$396.9	17.0%	\$302.6	\$1.41	\$1,125.4	16.1%	\$853.6	\$3.98
Change Non-GAAP Measure	\$ (13.8)	(200bp)	\$ (14.8)	\$ (.05)	\$ 19.8	(100bp)	\$.4	\$.05
% Change Non-GAAP Measure	(3)%		(5)%	(4)%	2%		— %	1%

^(A) Operating Margin is calculated by dividing operating income by sales.

ELECTRONICS AND PERFORMANCE MATERIALS

	Q3	Q3	YTD	YTD
	Operating Income	Operating Margin ^(A)	Operating Income	Operating Margin ^(A)
2013 GAAP	\$ 86.8	15.3%	\$ 225.6	13.6%
2012 GAAP	176.7	29.3%	340.3	19.9%
Change GAAP	\$ (89.9)	(1400bp)	\$ (114.7)	(630bp)
% Change GAAP	(51)%		(34)%	
2013 GAAP	\$ 86.8	15.3%	\$ 225.6	13.6%
2013 Non-GAAP Measure	\$ 86.8	15.3%	\$ 225.6	13.6%
2012 GAAP	\$176.7	29.3%	\$ 340.3	19.9%
Gain on previously held equity interest	(85.9)	(14.3)%	(85.9)	(5.0)%
2012 Non-GAAP Measure	\$ 90.8	15.0%	\$ 254.4	14.9%
Change Non-GAAP Measure	\$ (4.0)	30bp	\$ (28.8)	(130bp)
% Change Non-GAAP Measure	(4)%		(11)%	

^(A) Operating Margin is calculated by dividing operating income by sales.

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	Effective Tax Rate			
	Q3	Q3	YTD	YTD
	2013	2012	2013	2012
Income Tax Provision — GAAP	\$ 94.1	\$133.3	\$ 282.1	\$ 269.5
Income from continuing operations before taxes — GAAP	\$391.9	\$498.5	\$1,164.2	\$1,154.0
Effective Tax Rate — GAAP	24.0%	26.7%	24.2%	23.4%
Income Tax Provision — GAAP	\$ 94.1	\$133.3	\$ 282.1	\$ 269.5
Gain on previously held equity interest	—	(31.3)	—	(31.3)
Cost reduction plan tax impact	—	—	—	26.2
Spanish tax settlement	—	—	—	(43.8)
Spanish tax ruling	—	—	—	58.3
Income Tax Provision — Non-GAAP Measure	\$ 94.1	\$102.0	\$ 282.1	\$ 278.9
Income from continuing operations before taxes — GAAP	\$391.9	\$498.5	\$1,164.2	\$1,154.0
Gain on previously held equity interest	—	(85.9)	—	(85.9)
Cost reduction plan	—	—	—	86.8
Income from continuing operations before taxes — Non- GAAP Measure	\$391.9	\$412.6	\$1,164.2	\$1,154.9
Effective Tax Rate — Non-GAAP Measure	24.0%	24.7%	24.2%	24.1%

PENSION BENEFITS

Refer to Note 10, Retirement Benefits, to the consolidated financial statements for details on pension cost and cash contributions. For additional information on our pension benefits and associated accounting policies, refer to the Pension Benefits section of Management's Discussion and Analysis and Note 15, Retirement Benefits, to the consolidated financial statements in our 2012 Form 10-K.

LIQUIDITY AND CAPITAL RESOURCES

We have maintained a strong financial position through the first nine months of 2013. We continue to have consistent access to commercial paper markets and cash flows from operations and financing activities are expected to meet liquidity needs for the foreseeable future.

As of 30 June 2013, we had \$404.4 of foreign cash and cash items compared to total cash and cash items of \$418.8. If the foreign cash and cash items are needed for operations in the U.S. or we otherwise elect to repatriate the funds, we may be required to accrue and pay U.S. taxes on a significant portion of these amounts. However, since we have significant current investment plans outside the U.S., it is our intent to permanently reinvest the majority of our foreign cash and cash items outside the U.S. Current financing alternatives do not require the repatriation of foreign funds.

The narrative below refers to the consolidated statements of cash flows included on page 6.

Operating Activities

For the first nine months of 2013, cash provided by operating activities was \$1,051.2, primarily driven by income from continuing operations of \$854.0. Income from continuing operations is adjusted for non-cash items that include depreciation and amortization, undistributed earnings of equity affiliates, share-based compensation expense, and noncurrent capital lease receivables. The working capital accounts were a use of cash of \$249.9, including trade receivables of \$88.9 and a decrease in accounts payable and accrued liabilities which included payments related to the business restructuring and cost reduction plans of \$54.4.

We contributed \$258.6 to our pension plans, primarily for plans in the U.S. Management considers various factors when making pension funding decisions, including tax, cash flow, and regulatory implications.

For the first nine months of 2012, cash provided by operating activities was \$1,244.6, primarily driven by income from continuing operations of \$862.1. Income from continuing operations reflected a non-cash gain on the previously held equity interest in DA NanoMaterials of \$85.9 and a non-cash tax benefit of \$58.3 recognized as a result of the second quarter Spanish tax ruling. The working capital accounts were a use of cash of \$39.0, including trade receivables of \$71.9. The provision for the cost reduction plan resulted in an increase to accrued liabilities of \$80.8, partially offset by a use of cash of \$21.2 for payments made in relation to the cost reduction plan.

Investing Activities

For the first nine months of 2013, cash used for investing activities was \$1,218.2, primarily driven by capital expenditures for plant and equipment of \$1,115.4. During the third quarter of 2013, we had acquisitions for \$125.6, net of cash acquired, which included EPCO and WCG. See Note 5, Business Combinations, for additional details regarding these transactions.

For the first nine months of 2012, cash used for investing activities was \$1,441.3, primarily driven by capital expenditures for plant and equipment of \$1,166.5. During the third quarter of 2012, we acquired E.I. DuPont de Nemours and Co., Inc.'s 50% interest in our joint venture, DA NanoMaterials, for \$147. See Note 5, Business Combinations, for additional details regarding this transaction. We also purchased a 25% equity interest in Abdullah Hashim Industrial Gases & Equipment Co. Ltd. (AHG), an unconsolidated affiliate, for \$155 in the third quarter of 2012.

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Capital expenditures are detailed in the table below:

	Nine Months Ended 30 June	
	2013	2012
Additions to plant and equipment	\$1,115.4	\$1,166.5
Acquisitions, less cash acquired	125.6	173.8
Investment in and advances to unconsolidated affiliates	(.2)	175.4
Capital expenditures on a GAAP basis	\$1,240.8	\$1,515.7
Capital lease expenditures ^(A)	179.1	139.9
Purchase of noncontrolling interests ^(A)	12.6	6.3
Capital expenditures on a Non-GAAP basis	\$1,432.5	\$1,661.9

^(A) We utilize a non-GAAP measure in the computation of capital expenditures and include spending associated with facilities accounted for as capital leases and purchases of noncontrolling interests. Certain contracts associated with facilities that are built to provide product to a specific customer are required to be accounted for as leases, and such spending is reflected as a use of cash within cash provided by operating activities, if the arrangements qualifies as a capital lease. Additionally, the purchase of noncontrolling interests in a subsidiary is accounted for as an equity transaction and will be reflected as a financing activity in the statement of cash flows. The presentation of this non-GAAP measure is intended to enhance the usefulness of information by providing a measure which our management uses internally to evaluate and manage our expenditures.

Financing Activities

For the first nine months of 2013, cash provided by financing activities was \$125.1. Our borrowings (short- and long-term proceeds, net of repayments) were a net source of cash of \$887.2, driven primarily by an increase in commercial paper and short-term borrowings of \$780.8 and the issuance of a \$400.0 senior fixed-rate 2.75% note on 4 February 2013 which was partially offset by the repayment of a \$300.0 senior fixed-rate 4.15% note on 1 February 2013. Proceeds from stock option exercises were \$133.1. The primary uses of cash were to purchase 5.7 million shares of treasury stock for \$461.6 and to pay dividends of \$416.8.

For the first nine months of 2012, cash used for financing activities was \$637.6. Our borrowings (short- and long-term proceeds, net of repayments) were a net use of cash of \$239.5 and included the issuance of a \$400.0 senior fixed-rate 3.0% note on 3 November 2011, the repayment of a 4.25% Eurobond of \$400.3 in April 2012, and a decrease in commercial paper and other short-term debt repayments of \$171.5. Dividends paid to shareholders were a use of cash of \$379.4.

Financing and Capital Structure

Total debt at 30 June 2013 and 30 September 2012, expressed as a percentage of the sum of total debt and total equity, was 47.8% and 44.4%, respectively. Total debt increased from \$5,291.9 at 30 September 2012 to \$6,130.3 at 30 June 2013.

On 30 April 2013, we entered into a five-year \$2,500.0 revolving credit agreement with a syndicate of banks (the "2013 Credit Agreement"), under which senior unsecured debt is available to both the Company and certain of its subsidiaries. The 2013 Credit Agreement provides a source of liquidity for the Company and supports its commercial paper program. We entered into this agreement to increase the previously existing facility by \$330.0, extend the maturity date to 30 April 2018, and modify the financial covenant. No borrowings were outstanding under the 2013 Credit Agreement as of 30 June 2013. The Company's only financial covenant is a maximum ratio of total debt to total capitalization of 70%.

The 2013 Credit Agreement terminates and replaces the Company's \$2,170.0 revolving credit agreement dated 8 July 2010, as subsequently amended, which was to mature 30 June 2015 and had a financial covenant of long-term debt divided by the sum of long-term debt plus equity of no greater than 60%. No borrowings were outstanding under the previous agreement at the time of its termination and no early termination penalties were incurred.

Effective 11 June 2012, we entered into an offshore Chinese Renminbi (RMB) syndicated credit facility of RMB1,000.0 million (\$162.9), maturing in June 2015. There are RMB250.0 million (\$40.7) in outstanding borrowings under this commitment at 30 June 2013. Additional commitments totaling \$381.8 are maintained by our foreign subsidiaries, of which \$308.1 was borrowed and outstanding at 30 June 2013.

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As of 30 June 2013, we are in compliance with all of the financial and other covenants under our debt agreements.

We have classified a 3.75% Eurobond for €300 (\$390.3) maturing in November 2013 as long-term debt because we have the ability to refinance the debt under our \$2,500.0 committed credit facility maturing in 2018. Our current intent is to refinance this debt via the U.S. or European public or private placement markets.

On 15 September 2011, the Board of Directors authorized the repurchase of up to \$1,000 of our outstanding common stock. During the first nine months of fiscal year 2013, 5.7 million of our outstanding shares were purchased at a cost of \$461.6. At 30 June 2013, \$485.3 in share repurchase authorization remains.

CONTRACTUAL OBLIGATIONS

We are obligated to make future payments under various contracts such as debt agreements, lease agreements, unconditional purchase obligations, and other long-term obligations. Other than the \$400.0 senior fixed-rate 2.75% note issued on 4 February 2013, there have been no material changes to contractual obligations as reflected in the Management's Discussion and Analysis in our 2012 Form 10-K.

COMMITMENTS AND CONTINGENCIES

Refer to Note 16, Commitments and Contingencies, to the consolidated financial statements in our 2012 Form 10-K and for current updates on Litigation and Environmental matters refer to Note 11, Commitments and Contingencies, in this quarterly filing.

OFF-BALANCE SHEET ARRANGEMENTS

Other than the 2013 Credit Agreement, there have been no material changes to off-balance sheet arrangements as reflected in the Management's Discussion and Analysis in our 2012 Form 10-K. Refer to Note 17, Supplemental Information, to the consolidated financial statements for additional information on this agreement. We are not a primary beneficiary in any material variable interest entity. Our off-balance sheet arrangements are not reasonably likely to have a material impact on financial condition, changes in financial condition, and results of operations or liquidity.

RELATED PARTY TRANSACTIONS

Our principal related parties are equity affiliates operating in the industrial gas business. We did not engage in any material transactions involving related parties that included terms or other aspects that differ from those which would be negotiated at arm's length with clearly independent parties.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Management's Discussion and Analysis of our financial condition and results of operations is based on the consolidated financial statements and accompanying notes that have been prepared in accordance with U.S. generally accepted accounting principles. The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Our significant accounting policies are described in Note 1, Major Accounting Policies, to the consolidated financial statements and the critical accounting policies and estimates are described in the Management's Discussion and Analysis included in our 2012 Form 10-K. Information concerning our implementation and impact of new accounting standards issued by the FASB is included in Note 2, New Accounting Guidance, to the consolidated financial statements. There have been no changes in accounting policy in the current period that had a material impact on our financial condition, change in financial condition, liquidity, or results of operations.

NEW ACCOUNTING GUIDANCE

See Note 2, New Accounting Guidance, to the consolidated financial statements for information concerning our implementation and impact of new accounting guidance.

FORWARD-LOOKING STATEMENTS

This report contains “forward-looking statements” within the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including statements about management’s expectations. These forward-looking statements are based on management’s reasonable expectations and assumptions as of the date this report is filed. Actual performance and financial results may differ materially from projections and estimates expressed in the forward-looking statements because of many factors not anticipated by management, including, without limitation, deterioration in global or regional economic and business conditions; weakening demand for the Company’s products and services; future financial and operating performance of major customers; unanticipated contract terminations or customer cancellations or postponement of projects and sales; the success of commercial negotiations; asset impairments or losses due to a decline in profitability of or demand for certain of the Company’s products or businesses, or specific product or customer events; the impact of competitive products and pricing; interruption in ordinary sources of supply of raw materials; the ability to recover unanticipated increased energy and raw material costs from customers; costs and outcomes of litigation or regulatory activities; successful development and market acceptance of new products and applications; the ability to attract, hire and retain qualified personnel in all regions of the world where the Company operates; the success of productivity programs; the success and impact of restructuring and cost reduction initiatives; achieving anticipated acquisition synergies; the timing, impact, and other uncertainties of future acquisitions or divestitures; significant fluctuations in interest rates and foreign currencies from that currently anticipated; the continued availability of capital funding sources for all of the Company’s foreign operations; the impact of environmental, healthcare, tax or other legislation and regulations in jurisdictions in which the Company and its affiliates operate; the impact of new or changed financial accounting guidance; the impact on the effective tax rate of changes in the mix of earnings among our U.S. and international operations; and other risk factors described in the Company’s Form 10-K for its fiscal year ended 30 September 2012. The Company disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in this document to reflect any change in the Company’s assumptions, beliefs or expectations or any change in events, conditions, or circumstances upon which any such forward-looking statements are based.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Information on our utilization of financial instruments and an analysis of the sensitivity of these instruments to selected changes in market rates and prices is included in our 2012 Form 10-K.

There were no material changes to the sensitivity analysis related to interest rate risk on the fixed portion of our debt portfolio since 30 September 2012.

There were no material changes to the sensitivity analysis related to the variable portion of our debt portfolio since 30 September 2012.

There were no material changes to market risk sensitivities for foreign exchange rate risk since 30 September 2012.

The net financial instrument position decreased from a liability of \$4,925.1 at 30 September 2012 to a liability of \$4,839.4 at 30 June 2013. The decrease is primarily due to the impact of higher interest rates on the market value of long-term debt.

Item 4. Controls and Procedures

We maintain a comprehensive set of disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). As of 30 June 2013 (the Evaluation Date), an evaluation of the effectiveness of our disclosure controls and procedures was carried out under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of the end of the period covered by this report these disclosure controls and procedures were effective.

The Company acquired a controlling equity interest in the outstanding shares of Indura S.A. on 1 July 2012. Management is in the process of incorporating the acquired entity into its evaluation of internal control over financial reporting for the fiscal year ending 30 September 2013.

During the quarter ended on the Evaluation Date, other than the above, there has been no change in internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

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Item 6. Exhibits.

Exhibits required by Item 601 of Regulation S-K

10.1	Revolving Credit Agreement dated as of 30 April 2013 for \$2,500,000,000.
10.2	Amendment No. 6 to the Air Products and Chemicals, Inc. Retirement Savings Plan.
10.3	Amendment No. 7 to the Air Products and Chemicals, Inc. Retirement Savings Plan.
10.4	Amendment No. 8 to the Air Products and Chemicals, Inc. Retirement Savings Plan.
12.	Computation of Ratios of Earnings to Fixed Charges.
31.1.	Certification by the Principal Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2.	Certification by the Principal Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.	Certification by the Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. †
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase

† The certification attached as Exhibit 32 that accompanies this Quarterly Report on Form 10-Q, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Air Products and Chemicals, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Form 10-Q, irrespective of any general incorporation language contained in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Air Products and Chemicals, Inc.

(Registrant)

Date: 24 July 2013

By:

/s/ M. Scott Crocco

M. Scott Crocco
Senior Vice President and Chief Financial Officer

EXHIBIT INDEX

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\$2,500,000,000

REVOLVING CREDIT AGREEMENT

by and among

AIR PRODUCTS AND CHEMICALS, INC.,

The Other Borrowers parties hereto from time to time,

The Lenders parties hereto from time to time,

and

THE ROYAL BANK OF SCOTLAND PLC,

as Administrative Agent

Dated as of

April 30, 2013

BNP PARIBAS SECURITIES CORP., HSBC SECURITIES (USA) INC.

and RBS SECURITIES INC.,

as Joint Lead Arrangers and Book Runners

BNP PARIBAS

and

HSBC BANK USA, N.A.,

as Co-Syndication Agents

and

BANK OF AMERICA, N.A., THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.,
BARCLAYS BANK PLC, DEUTSCHE BANK SECURITIES INC.,
INTESA SANPAOLO S.P.A. NEW YORK BRANCH, JPMORGAN CHASE BANK N.A.,
MIZUHO CORPORATE BANK, LTD. and WELLS FARGO BANK, N.A.,

as Co-Documentation Agents

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Exhibit F	Form of Borrower Accession Instrument
Exhibit G	Form of Other Borrower Removal Notice
Exhibit H	Form of Amendment for an Increased or New Commitment
Exhibit I	Form of Standard Notice

REVOLVING CREDIT AGREEMENT, dated as of April 30, 2013, by and among AIR PRODUCTS AND CHEMICALS, INC., a Delaware corporation (the "Parent"), the other borrowers parties hereto from time to time (the "Other Borrowers", as defined further below), the lenders parties hereto from time to time (the "Lenders", as defined further below) and THE ROYAL BANK OF SCOTLAND PLC, as Administrative Agent for the Lenders hereunder.

R E C I T A L S:

A. The Parent has requested the Lenders to make financial accommodations to it and certain of its Subsidiaries in the aggregate Dollar Equivalent Amount of \$2,500,000,000, the proceeds of which will be used for the general corporate purposes of the Parent and its Subsidiaries.

B. The Lenders are willing to extend such financial accommodations on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

Definitions: Construction

SECTION 1.01 Certain Definitions. In addition to other words and terms defined elsewhere in this Agreement, as used herein the following words and terms shall have the following meanings, respectively, unless the context hereof otherwise clearly requires:

"Absolute Rate" shall have the meaning set forth in Section 3.02(c)(ii)(D) hereof.

"Absolute Rate Auction" shall mean a solicitation of Competitive Bid Loan Quotes setting forth Absolute Rates pursuant to Article III hereof.

"Absolute Rate Loan" or "Absolute Rate Loans" shall mean any or all Competitive Bid Loans the interest rates of which are determined on the basis of Absolute Rates pursuant to an Absolute Rate Auction.

"Administrative Agent" shall mean RBS and any successor Administrative Agent hereunder appointed in accordance with Section 11.10.

"Administrative Agent's Office" or "Office" shall mean as set forth in Schedule III.

"Affected Lender" shall have the meaning set forth in Section 2.05(d)(ii) hereof.

"Affiliate" of a specified Person shall mean any Person which directly or indirectly controls, or is controlled by, or is under common control with, such specified Person. For purposes of the preceding sentence, "control" of a Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

“Agent Parties” shall have the meaning set forth in Section 12.19 hereof.

“Agents” shall mean the Administrative Agent and the Co-Syndication Agents.

“Agreement” means this credit agreement, as it may be amended or modified and in effect from time to time.

“Anti-Terrorism Laws” shall mean (i) the requirements of the Trading With the Enemy Act (50 U.S.C. §1 et seq., as amended), (ii) the foreign asset control regulations of OFAC, (iii) the directives set forth in any Executive Order, (iv) the requirements of Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Public Law 107-56) and (v) any similar rules, laws, regulations or governmental directives.

“Applicable Margin” shall mean (a) for Base Rate Loans, the amount designated as the “Applicable Margin for Base Rate Loans” on the Applicable Pricing Grid set forth on Schedule I hereto and (b) for Euro Rate Loans and CDOR Loans, the amount designated as the “Applicable Margin for Euro Rate Loans and CDOR Loans” on the Applicable Pricing Grid set forth on Schedule I hereto.

“Approved Fund” shall mean any Fund that is administered or managed by (i) a Lender, (ii) an Affiliate of a Lender or (iii) an entity or an Affiliate of an entity that administers or manages a Lender; provided, however, that no Fund shall be an “Approved Fund” with respect to any proposed assignment hereunder unless at the time of such assignment either (a) its senior unsecured long-term debt securities without third-party credit enhancement are rated at least BBB by S&P or Baa2 by Moody’s or (b) its senior unsecured short-term debt securities without third-party credit enhancement are rated at least A-2 by S&P or P-2 by Moody’s.

“Assignee Lender” shall have the meaning set forth in Section 12.14(c) hereof.

“Assignment Agreement” shall have the meaning set forth in Section 12.14(c) hereof.

“Assignor Lender” shall have the meaning set forth in Section 12.14(c) hereof.

“Bankruptcy Event” shall mean, with respect to any Person, such Person becomes the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business appointed for it, or, in the good faith determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment, provided that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof, provided, further, that such ownership interest does not result in or provide such Person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements (such as this Agreement) made by such Person.

“Base Rate” shall mean for any day the greatest of (i) the Prime Rate in effect on such day, (ii) 0.50% plus the Federal Funds Effective Rate in effect on such day and (iii) the Euro-Rate for a one month Funding Period commencing on such day plus 1.0% per annum, provided that, for the avoidance of doubt, the Euro-Rate used in determining the Base Rate for any day shall be as of 11:00 a.m. (London time) on such day (or if such day is not a Business Day, the immediately preceding Business Day). If for any reason the Administrative Agent shall have determined (which determination shall be conclusive absent manifest error) that it is unable after due inquiry to ascertain the Federal Funds Effective Rate or the Euro-Rate for any reason, including the inability of the Administrative Agent to obtain sufficient quotations in accordance with the terms hereof, the Base Rate shall be determined without regard to clause (ii) or (iii), as the case may be, of the first sentence of this definition until the circumstances giving rise to such inability no longer exist. Any change in the Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the Euro-Rate shall be effective on the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or the Euro-Rate, respectively.

“Base Rate Loan” shall mean any Loan, which bears interest at a rate based on the Base Rate Option.

“Base Rate Option” shall have the meaning set forth in Section 2.05(a)(i) hereof.

“Base Rate Portion” of any Loan or Loans shall mean at any time the portion, including the whole, of such Loan or Loans bearing interest at such time (i) under the Base Rate Option or (ii) in accordance with 4.05(b)(ii)(A) hereof. If no Loan or Loans is specified, “Base Rate Portion” shall refer to the Base Rate Portion of all Loans outstanding at such time.

“Borrower Accession Instrument” shall mean a Borrower Accession Instrument in the form of Exhibit F hereto, as amended, modified or supplemented from time to time.

“Borrowers” shall mean the Parent and the Other Borrowers and “Borrower” shall mean one of them.

“Borrowing” shall mean, on any day, the making of a Loan or Loans which are either all Base Rate Loans or all of the same Funding Period or Interest Period, as applicable.

“Business Day” shall mean a day of the year on which banks are not required or authorized to close in New York, New York, and, in the case of matters relating to the Euro-Rate Portion of Revolving Credit Loans, to LIBOR-based Loans or to Absolute Rate Loans denominated in a currency other than Dollars, “Business Day” shall also include days on which dealings are carried on in the London interbank market (or, with respect to any Revolving Credit Loans which are denominated in Euro, a day upon which such clearing system as is determined by the Administrative Agent to be suitable for clearing or settlement of the Euro is open for business) and banks are open for business in London and in the country of issue of the relevant currency, provided, however, when used with respect to the CDOR Option or a CDOR Loan, Business Day shall also exclude any day of the year on which banks are required or authorized to close in Toronto, Canada.

“Capital Lease Obligations” of any Person shall mean the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be

classified and accounted for as capital leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

“Change of Control” shall mean the occurrence of either of the following:

(a) any “person” (as such term is used in Sections 13(d) and 14(d)(2) of the Securities and Exchange Act of 1934, as in effect on the date hereof) or group of persons (as so used), other than the Parent, any company a majority of whose outstanding stock entitled to vote is owned directly or indirectly by the Parent (a “Controlled Subsidiary”), or a trustee of an employee benefit plan sponsored solely by the Parent and/or a Controlled Subsidiary, is or becomes the “beneficial owner” (as determined pursuant to Rule 13d-3 under the Securities and Exchange Act of 1934), directly or indirectly, of equity interests of the Parent representing more than 40% of the aggregate ordinary voting power of the Parent’s then-outstanding voting equity interests; or

(b) during any period of two consecutive years, the occupation of a majority of the seats (other than vacant seats) on the board of directors of the Parent by directors who were not (i) directors of the Parent at the beginning of such period, (ii) appointed by directors who were directors at the beginning of such period or by directors so appointed or (iii) nominated or approved for election to the board of directors of the Parent by directors described in the preceding clause (i) or (ii).

“CDOR” means, for the relevant CDOR Funding Period, the Canadian deposit offered rate which, in turn means on any day, the sum of (a) the annual rate of interest determined with reference to the arithmetic average of the discount rate quotations of all institutions listed in respect of the relevant CDOR Funding Period for Canadian Dollar-denominated bankers’ acceptances displayed and identified as such on the “Reuters Screen CDOR Page” as defined in the International Swap Dealer Association, Inc. definitions, as modified and amended from time to time, as of 10:00 a.m. Toronto local time on such day and, if such day is not a Business Day, then on the immediately preceding Business Day (as adjusted by the Administrative Agent after 10:00 a.m. Toronto local time to reflect any error in the posted rate of interest or in the posted average annual rate of interest) plus (b) 0.10% per annum; provided that if such rates are not available on the Reuters Screen CDOR Page on any particular day, then the Canadian deposit offered rate component of such rate on that day shall be calculated as the cost of funds quoted by the Administrative Agent to raise Canadian Dollars for the applicable CDOR Funding Period as of 10:00 a.m. Toronto local time on such day for commercial loans or other extensions of credit to businesses of comparable credit risk; or if such day is not a Business Day, then as quoted by the Administrative Agent on the immediately preceding Business Day.

“CDOR Funding Period” shall have the meaning set forth in Section 2.05(b) hereof.

“CDOR Loan” shall mean any Loan, which bears interest at a rate based on the CDOR Option.

“CDOR Option” shall have the meaning set forth in Section 2.05(a)(iii) hereof.

“CDOR Portion” of any Loan or Loans shall mean at any time the portion, including the whole, of such Loan or Loans bearing interest under the CDOR Option or at a rate calculated by reference to the CDOR under Section 4.05(b)(i) hereof. If no Loan or Loans is specified, “CDOR Portion” shall refer to the CDOR Portion of all Loans outstanding at such time.

“Closing Date” shall mean the date on which the last of the conditions set forth in Section 6.01 hereof has been satisfied.

“Commitment” of a Lender shall mean the Revolving Credit Commitment of such Lender.

“Commitment Fee” shall have the meaning set forth in Section 2.04(a) hereof.

“Commitment Percentage” shall mean, with respect to any Lender, the percentage of the Total Revolving Credit Commitment represented by such Lender’s Revolving Credit Committed Amount; provided that for purposes of Section 4.12 when a Defaulting Lender shall exist, “Commitment Percentage” shall mean the percentage of the Total Revolving Credit Commitment (disregarding any Defaulting Lender’s Revolving Credit Commitment) represented by such Lender’s Revolving Credit Committed Amount. If the Revolving Credit Commitments have terminated or expired, the Commitment Percentage of any Lender shall be the percentage of the Total Revolving Credit Exposure (disregarding any Defaulting Lender’s Revolving Credit Exposure, for purposes of Section 4.12) represented by such Lender’s Revolving Credit Exposure.

“Communications” shall have the meaning set forth in Section 12.19 hereof.

“Competitive Bid Borrowing” shall have the meaning set forth in Section 3.02(a) hereof.

“Competitive Bid Expiration Date” shall mean April 30, 2018, or such later date as may be established as the Competitive Bid Expiration Date pursuant to Section 4.01 hereof.

“Competitive Bid Loan” or “Competitive Bid Loans” shall mean any or all loans provided for by Article III hereof.

“Competitive Bid Loan Maturity Date” shall have the meaning set forth in 3.03 hereof.

“Competitive Bid Loan Quote” shall mean an offer in accordance with 3.02(c) hereof by a Lender to make a Competitive Bid Loan.

“Competitive Bid Loan Quote Request” shall have the meaning set forth in Section 3.02(a) hereof.

“Competitive Bid Notes” shall mean the promissory notes of each Borrower executed and delivered pursuant to Section 2.02 and any promissory note issued in substitution therefor pursuant to Sections 4.10(b) or 12.14(c) hereof, together with all extensions, renewals, refinancings or refundings thereof in whole or part.

“Competitive Bid Register” shall have the meaning set forth in Section 3.06 hereof.

“Consolidated Book Net Worth” means at any date the sum of (a) Parent’s total equity (including total Parent’s shareholders’ equity and noncontrolling interests) as reported on the Parent’s most recently published consolidated balance sheet, plus (b) redeemable noncontrolling interest identified as Commitments and Contingencies on the Parent’s most recently published consolidated balance sheet.

“Consolidated Total Debt” shall mean, at any date, the aggregate principal amount of all Indebtedness that would be reflected at such date as short-term borrowings, current portion of long-term debt or long-term debt on a consolidated balance sheet of the Parent and its Subsidiaries prepared in accordance with GAAP, excluding Limited Recourse Debt of any Project Finance Subsidiary.

“Contractual Currency” shall have the meaning set forth in Section 12.15(a) hereof.

“Co-Syndication Agents” means BNP Paribas and HSBC Bank USA, N.A. each in its capacity as syndication agent for the credit facility provided for in this Agreement.

“Credit Event” shall mean and include each of the making of a Loan, the issuance of a Letter of Credit and the Modification of a Letter of Credit.

“Defaulting Lender” shall mean any Lender that has (a) failed, within three Business Days of the date required to be funded or paid, to (i) fund any portion of its Loans or (ii) fund any portion of its participations in Letters of Credit, unless, in the case of clause (i) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender’s reasonable determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied, (b) notified the Parent, the Administrative Agent or any Lender in writing that it does not intend to comply with any of its funding obligations under this Agreement or has made a public statement to the effect that it does not intend to comply with its funding obligations under this Agreement or generally under other agreements in which it commits to extend credit, (c) failed, within three Business Days after request by the Administrative Agent (which request has been made based on the Administrative Agent’s reasonable belief that such Lender may not fulfill its funding obligation and a copy of which request has been sent to the Parent), to confirm that it will comply with the terms of this Agreement relating to its obligations to fund prospective Loans and participations in then outstanding Letters of Credit, provided that any such Lender shall cease to be a Defaulting Lender under this clause (c) upon receipt of such confirmation by the Administrative Agent, (d) otherwise failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within three Business Days of the date when due, unless the subject of a good faith dispute, or (e) (i) been adjudicated as, or has been determined by any Governmental Authority having regulatory authority over such Person or its assets to be, insolvent or has a parent company that has been adjudicated as, or has been determined by any Governmental Authority having regulatory authority over such Person or its assets to be, insolvent or (ii) become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee or custodian appointed for it, or has taken any action in furtherance

of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment or has a parent company that has become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee or custodian appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment (unless in the case of any Lender referred to in this clause (e), the Parent and the Administrative Agent shall be satisfied that such Lender intends, and has all approvals required to enable it, to continue to perform its obligations as a Lender hereunder). Notwithstanding the foregoing, no Lender shall be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in such Lender or a parent company thereof by a Governmental Authority or an instrumentality thereof or the exercise of control over such lender or person controlling such lender by a governmental authority or instrumentality thereof. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under clauses (a) through (e) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 4.12(g)) upon delivery of written notice of such determination to the Parent, each Issuing Bank and each Lender.

“Designated Currencies” shall mean Dollars, Canadian dollars, United Kingdom pounds sterling, Euros and any other available and freely tradable eurocurrency which has been proposed as a Designated Currency by the Parent and is approved in writing as a Designated Currency by all of the Lenders from time to time.

“Dollar”, “Dollars” and the symbol “\$” shall mean lawful money of the United States of America.

“Dollar Equivalent Amount” of any Loan, Letter of Credit (or the undrawn face amount thereof) or LC Disbursement shall mean (i) with respect to a Loan, Letter of Credit or LC Disbursement denominated in a currency other than Dollars, the equivalent in Dollars of the principal amount of such Loan or LC Disbursement or the undrawn face amount of such Letter of Credit in such currency based upon the arithmetic mean of the buy and sell spot rates of exchange of the Administrative Agent for such currency at 11:00 a.m., local time, on the date of determination and (ii) with respect to a Loan, Letter of Credit or LC Disbursement denominated in Dollars, the principal amount of such Loan or LC Disbursement or the undrawn face amount of such Letter of Credit.

“Employee Benefit Plan” shall mean an employee benefit plan as defined in Section 3 of ERISA.

“Environmental Laws” shall mean all laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, binding notices or binding agreements issued, promulgated or entered into by any Governmental Authority, relating in any way to the environment, preservation or reclamation of natural resources, the management, release or threatened release of any Hazardous Material or to health and safety matters as they relate to exposure to Hazardous Materials.

“ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and any successor statute.

“ERISA Affiliate” shall mean any trade or business (whether or not incorporated) that, together with the Parent, is treated as a single employer under Section 414(b) or (c) of the Internal Revenue Code, or, solely for purposes of Section 302 of ERISA and Section 412 of the Internal Revenue Code, is treated as a single employer under Section 414 of the Internal Revenue Code.

“ERISA Event” shall mean (a) any “reportable event”, as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30-day notice period referred to in Section 4043(c) of ERISA is waived); (b) any failure by any Plan to satisfy the minimum funding standards (within the meaning of Sections 412 or 430 of the Internal Revenue Code or Section 302 of ERISA) applicable to such Plan, whether or not waived; (c) the filing pursuant to Section 412(c) of the Internal Revenue Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan, the failure to make by its due date a required installment under Section 430(j) of the Internal Revenue Code with respect to any Plan or the failure by the Parent or any of its ERISA Affiliates to make any required contribution to a Multiemployer Plan; (d) the incurrence by the Parent or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan, including but not limited to the imposition of any Lien in favor of the PBGC or any Plan; (e) a determination that any Plan is, or is expected to be, in “at risk” status (within the meaning of Section 430 of the Internal Revenue Code or Section 303 of ERISA); (f) the receipt by the Parent or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan under Section 4042 of ERISA; (g) the incurrence by the Parent or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; or (h) the receipt by the Parent or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from the Parent or any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent (within the meaning of Section 4245 of ERISA) or in reorganization (within the meaning of Section 4241 of ERISA) or in endangered or critical status (within the meaning of Section 432 of the Internal Revenue Code or Section 305 or Title IV of ERISA).

“Euro” shall mean the euro referred to in Council Regulation (EC) No. 1103/97 dated June 17, 1997 passed by the Council of the European Union, or, if different, then the lawful currency of the member states of the European Union that participate in the third stage of Economic and Monetary Union.

“Eurocurrency Liabilities” shall have the meaning set forth in the definition of Euro-Rate Reserve Percentage set forth in Section 1.01 hereof.

“Euro-Rate” shall mean, for any day for each Funding Segment of the Euro-Rate Portion corresponding to a proposed or existing Euro-Rate Funding Period, the applicable British Bankers’ Association Interest Settlement Rate for deposits in the applicable Designated Currency appearing on an internationally recognized service selected by the Administrative Agent, such as Reuters, for such Designated Currency as of 11:00 a.m. (London time) two Business Days prior to the first day of such Euro-Rate Funding Period, and having a maturity equal to such Euro-Rate Funding Period, provided that, (i) if no such service or for such Designated Currency is available to the Administrative Agent for any reason, the applicable Euro-Rate for the relevant Euro-Rate

Funding Period shall instead be the rate determined by the Administrative Agent to be the rate at which RBS offers to place deposits in the applicable Designated Currency with first-class banks in the London interbank market at approximately 11:00 a.m. (London time) two Business Days prior to the first day of such Euro-Rate Funding Period, in the approximate amount of RBS's relevant Euro-Rate Portion and having a maturity equal to such Euro-Rate Funding Period.

"Euro-Rate Funding Period" shall have the meaning set forth in Section 2.05(b) hereof.

"Euro Rate Loan" shall mean any Loan, which bears interest at a rate based on the Euro Rate Option.

"Euro-Rate Option" shall have the meaning set forth in Section 2.05(a)(ii) hereof.

"Euro-Rate Portion" of any Loan or Loans shall mean at any time the portion, including the whole, of such Loan or Loans bearing interest at any time under the Euro-Rate Option or at a rate calculated by reference to the Euro-Rate under Section 4.05(b)(i) hereof. If no Loan or Loans is specified, "Euro-Rate Portion" shall refer to the Euro-Rate Portion of all Loans outstanding at such time.

"Euro-Rate Reserve Percentage" shall mean for any day the percentage (expressed as a decimal fraction, rounded upward to the nearest 1/100 of 1%), as determined in good faith by the Administrative Agent (which determination shall be conclusive absent manifest error), which is in effect on such day as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirements (including, without limitation, supplemental, marginal and emergency reserve requirements) with respect to liabilities or assets consisting of or including Eurocurrency funding (currently referred to as "Eurocurrency Liabilities") of a member bank in such System. The Euro-Rate shall be adjusted automatically with respect to any Revolving Credit Loans bearing interest with reference to the Euro-Rate Option outstanding on the effective date of any change in the Euro-Rate Reserve Percentage, as of such effective date.

"Event of Default" shall mean any of the Events of Default described in Section 9.01 hereof.

"Executive Order" shall mean Executive Order 13224 of September 21, 2001 Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit or Support Terrorism (66 Fed. Reg. 49079 (2001)), as amended from time to time and any replacements thereof and supplements thereto.

"Existing Agreement" shall mean the Parent's existing Revolving Credit Agreement dated as of July 8, 2010, as amended by the Amendment dated as of March 31, 2011 and Amendment No. 2 dated as of June 30, 2011.

"Extension Request" shall have the meaning set forth in Section 4.01(a) hereof.

"FATCA" means (i) Sections 1471 through 1474 of the Code, as in effect at the time a Lender (other than a Lender that became a Lender as a result of an assignment made or other action taken at the request of the Parent) (1) becomes a Lender with respect to its applicable ownership interest in a Commitment or Loan or (2) designates a new lending office, and (ii) any current or future regulations or official interpretations thereof.

“Federal Funds Effective Rate” for any day shall mean the rate per annum (rounded upward to the nearest 1/100 of 1%) determined by the Administrative Agent (which determination shall be conclusive absent manifest error) to be the rate per annum announced by the Federal Reserve Bank of New York (or any successor) on such day as being the weighted average of the rates on overnight Federal funds transactions arranged by Federal funds brokers on the previous trading day, as computed and announced by such Federal Reserve Bank (or any successor); provided, that if such Federal Reserve Bank (or its successor) does not announce such rate on any day, the “Federal Funds Effective Rate” for such day shall be the weighted average of the quotations received on such day for such transactions by the Administrative Agent from three Federal Funds brokers of recognized standing selected by the Administrative Agent.

“Fee Letter” shall mean the Fee Letter dated April 2, 2013 among the Parent, BNP Paribas Securities Corp., BNP Paribas, HSBC Securities (USA) Inc., HSBC Bank USA, N.A., RBS Securities Inc. and RBS.

“Fund” means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

“Funding Periods” shall have the meaning set forth in Section 2.05(b) hereof.

“Funding Segment” shall mean:

(a) with respect to the Euro-Rate Portion of the Revolving Credit Loans, at any time, the entire principal amount of such Portion to which at the time in question there is applicable a particular Funding Period beginning on a particular day and ending on a particular day. (By definition, each such Portion is at all times composed of an integral number of discrete Funding Segments and the sum of the principal amounts of all Funding Segments of any such Portion at any time equals the principal amount of such Portion at such time); and

(b) with respect to the CDOR Portion of the Revolving Credit Loans, at any time, the entire principal amount of such Portion to which at the time in question there is applicable a particular Funding Period beginning on a particular day and ending on a particular day. (By definition, each such Portion is at all times composed of an integral number of discrete Funding Segments and the sum of the principal amounts of all Funding Segments of any such Portion at any time equals the principal amount of such Portion at such time.)

“GAAP” shall mean generally accepted accounting principles in the United States as in effect from time to time (including principles of consolidation where appropriate), applied on a basis consistent with the principles used in preparing the Parent’s financial statements referred to in Section 7.01(c) (ii) hereof.

“Governmental Authority” shall mean the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supranational bodies such as the European Union or the European Central Bank).

“Guarantee” of or by any Person (the “guarantor”) shall mean any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness of any other Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness; provided, that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business.

“Guaranteed Obligations” shall mean all Obligations from time to time of the Other Borrowers to the Administrative Agent and the Lenders.

“Hazardous Materials” shall mean all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature that in relevant form or concentration are regulated pursuant to any Environmental Law.

“Indebtedness” of any Person shall mean, without duplication, (a) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind, other than deposits or advances in the ordinary course of business, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person (other than current accounts payable and trade accounts and accrued expenses incurred in the ordinary course of business and other than customary reservations or retentions of title under agreements with suppliers entered in the ordinary course of business), (d) all obligations of such Person in respect of the deferred purchase price of property or services having the effect of a borrowing (other than (i) current accounts payable and trade accounts and accrued expenses incurred in the ordinary course of business and (ii) any noncompete agreement, purchase price adjustment, earnout or deferred payment of a similar nature), (e) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, but limited to the book value of such property when recourse is limited to such property, (f) all Guarantees by such Person in respect of Indebtedness of others, (g) all Capital Lease Obligations of such Person, (h) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty and (i) all obligations, contingent or otherwise, of such Person in respect of bankers’ acceptances. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person’s ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor.

“Indemnified Parties” shall mean the Agents, the Issuers, the Lenders, their respective Affiliates, and the directors, officers, employees, attorneys and agents of each of the foregoing.

“Indenture” shall mean the Indenture dated as of January 10, 1995, as the same may heretofore and may hereafter be amended or supplemented, between the Parent and Wachovia Bank, National Association (formerly known as First Fidelity Bank, National Association), whether or not the same shall be discharged or remains in full force and effect.

“Initial Other Borrowers” shall mean the Subsidiaries of the Parent listed on Schedule II hereto.

“Initial Revolving Credit Committed Amount” shall have the meaning set forth in Section 2.01(a) hereof.

“Interest Period” shall mean with respect to any Competitive Bid Loan, the period commencing on the date such Competitive Bid Loan is made and ending on a date not less than seven days thereafter (with respect to any Absolute Rate Loan) or one, two, three or six months thereafter (with respect to any LIBO-Rate Loan), as the Parent may specify in the related Standard Notice or Competitive Bid Loan Quote Request as provided in Section 3.02(a) hereof, provided:

(i) (No Interest Period may end after the Revolving Credit Maturity Date or Competitive Bid Expiration Date;

(ii) (Each Interest Period that would otherwise end on a day that is not a Business Day shall end on the next succeeding Business Day or, in the case of an Interest Period for a LIBOR-based Loan, the term “month” shall be construed in accordance with prevailing practices in the interbank eurocurrency market at the commencement of such Interest Period; and

(iii) Notwithstanding clauses (i) and (ii) above, no Interest Period for any Competitive Bid Loan shall have a duration of less than seven days and, if the Interest Period for any Competitive Bid Loan would otherwise be a shorter period, such Competitive Bid Loan shall not be available hereunder.

“Issuer” shall mean each of RBS, HSBC Bank USA, N.A. and BNP Paribas and any replacement issuer of Letters of Credit named hereunder pursuant to Section 2.10(h). With respect to any Letter of Credit or requested Letter of Credit or any amounts payable relating thereto, “Issuer” means the issuer thereof. An Issuer may, in its discretion, arrange for one or more Letters of Credit to be issued by its Affiliates (so long as the applicable Affiliate has been approved by the Parent, which approval will not be unreasonably withheld), in which case the term “Issuer” shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate.

“Issuer Commitment” shall mean, with respect to each Issuer, \$333,333,333, or such other amount as is separately agreed between the Parent and such Issuer, of which amount notice has been given to the Administrative Agent by the Parent and such Issuer.

“Issuer Exposure” shall mean, at any time with respect to any Issuer, the sum of (i) the aggregate undrawn amount at such time of all outstanding Letters of Credit issued by such Issuer plus (ii) the aggregate amount at such time of all LC Disbursements relating to Letters of Credit issued by such Issuer that have not yet been reimbursed by or on behalf of the Parent or the Relevant Borrower.

“Judgment Currency” shall have the meaning set forth in Section 12.15(a) hereof.

“Law” shall mean any law (including common law), constitution, statute, treaty, convention, regulation, rule, ordinance, order, injunction, writ, decree or award of any Governmental Authority.

“LC Disbursement” shall mean a payment made by any Issuer pursuant to a Letter of Credit.

“LC Exposure” shall mean, at any time, the sum of (i) the aggregate undrawn amount of all outstanding Letters of Credit at such time plus (ii) the aggregate amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the Parent or Relevant Borrower at such time. The LC Exposure of any Lender at any time shall be its Commitment Percentage of the total LC Exposure at such time.

“Lender” shall mean any of the Lenders listed on the signature pages hereof, subject to the provisions of Sections 4.10 and 12.14 hereof pertaining to Persons becoming or ceasing to be Lenders.

“Letter of Credit” shall mean a standby letter of credit issued pursuant to Section 2.10 hereof.

“Letter of Credit Fee” shall have the meaning set forth in Section 2.04(b) hereof.

“Letter of Credit Maturity Date” shall mean as defined in Section 2.10.

“Leverage Ratio” shall mean, at any time, the ratio of (a) the Consolidated Total Debt at such time to (b) the sum of (i) the Consolidated Total Debt at such time plus (ii) the Consolidated Book Net Worth at such time.

“LIBO-Rate” for any day, as used herein, shall mean with respect to each proposed LIBOR-based Loan a rate per annum determined by the Administrative Agent with reference to an internationally recognized service selected by it, such as Telerate page 3750, to be the rate of interest to be the average of the rates per annum for deposits in the relevant currency offered to the leading banks in the London interbank market at approximately 11:00 a.m., London time, two Business Days prior to the day such Loan is to be made for delivery on the day such Loan is to be made for maturities comparable to such Loan. If no such service is available to the Administrative Agent or if no such service for such Designated Currency is available to the Administrative Agent for any reason, then the applicable Euro-Rate for the relevant Euro-Rate

Funding Period shall instead be the rate determined by the Administrative Agent to be the rate at which RBS offers to place deposits in the applicable Designated Currency with first-class banks in the London interbank market at approximately 11:00 a.m. (London time) two Business Days prior to the first day of such Euro-Rate Funding Period, in the approximate amount of RBS's relevant Euro-Rate Portion and having a maturity equal to such Euro-Rate Funding Period.

"LIBOR Auction" shall mean a solicitation of Competitive Bid Loan Quotes setting forth LIBOR-based Margins based on the LIBO-Rate pursuant to Article III hereof.

"LIBOR-based Loans" shall mean Competitive Bid Loans the interest rates of which are determined on the basis of the LIBO-Rate pursuant to a LIBOR Auction.

"LIBOR-based Margin" shall have the meaning set forth in Section 3.02(c)(ii)(C).

"Lien" shall mean, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

"Limited Recourse Debt" means indebtedness of a Project Finance Subsidiary as to which, at the time a determination is being made, the holder of such indebtedness has recourse, with respect to such indebtedness, solely against the assets it has financed or the cash flows therefrom and does not have direct or indirect recourse (through a guarantee, keepwell or otherwise) against the Parent, any other Subsidiary or any of their assets other than the stock (or similar equity interest) of such Project Finance Subsidiary.

"Liquidation Currency" shall have the meaning set forth in Section 12.15(b)(i) hereof.

"Loan" shall mean any loan by a Lender under this Agreement, whether a Revolving Credit Loan or a Competitive Bid Loan and "Loans" shall mean all Revolving Credit Loans and Competitive Bid Loans made by Lenders under this Agreement.

"Loan Documents" shall mean this Agreement, the Notes, the Borrower Accession Instruments, the Assignment Agreements, Notices of Assignment, and all other agreements and instruments evidencing, extending or renewing any indebtedness, obligation or liability arising under any of the foregoing, and any certificate or instrument delivered by any Borrower in connection herewith or therewith, in each case as the same may be amended, modified or supplemented from time to time hereafter.

"Material Adverse Effect" shall mean a material adverse effect on (a) the business, property, operations or financial condition of the Parent and its Subsidiaries, taken as a whole, (b) the ability of the Parent to perform its payment obligations under this Agreement and the other Loan Documents or (c) the validity or enforceability of this Agreement or any of the other Loan Documents or the rights and remedies of the Administrative Agent or the Lenders hereunder or thereunder.

“Modify” and “Modification” shall have the meaning set forth in Section 2.10(a).

“Moody’s” shall have the meaning set forth in Schedule I hereto.

“Multiemployer Plan” shall mean a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

“National Currency Unit” means the unit of currency (other than a Euro unit) of each member of the European Union that participates in the third stage of Economic and Monetary Union.

“Nonextending Lender” shall have the meaning set forth in Section 4.01(b) hereof.

“Note” or “Notes” shall mean the Revolving Credit Note(s) or the Competitive Bid Note(s), as the case may be.

“Notional Funding Office” shall have the meaning given to that term in Section 4.10(a) hereof.

“Obligations” shall mean all indebtedness, obligations and liabilities of each of the Borrowers to any Lender or the Administrative Agent from time to time arising under or in connection with or related to or evidenced by or secured by this Agreement or any other Loan Document, and all extensions or renewals thereof, whether such indebtedness, obligations or liabilities are direct or indirect, joint or several, absolute or contingent, due or to become due, now existing or hereafter arising. Without limitation of the foregoing, such indebtedness, obligations and liabilities include the principal amount of Loans, reimbursement obligations with respect to Letters of Credit, interest, fees, indemnities or expenses under or in connection with this Agreement or any other Loan Document, and all extensions or renewals thereof, whether or not such Loans were made in compliance with the terms and conditions of this Agreement or in excess of the obligation of the Lenders to lend. Obligations shall remain Obligations notwithstanding any assignment or transfer or any subsequent assignment or transfer of any of the Obligations or any interest therein.

“OFAC” shall mean the U.S. Department of the Treasury Office of Foreign Assets Control or any successor thereto.

“Option” shall mean the Base Rate Option, the Euro-Rate Option or the CDOR Option as the case may be.

“Other Borrower Removal Notice” shall mean an Other Borrower Removal Notice in the form of Exhibit G hereto, as amended, modified or supplemented from time to time.

“Other Borrowers” shall mean the Initial Other Borrowers and each other wholly-owned Subsidiary of the Parent which becomes a party to this Agreement by the execution and delivery by such Subsidiary and the Parent to the Administrative Agent of a Borrower Accession Instrument and the other documentation referred to in such Borrower Accession Instrument, but shall not include any Subsidiary of the Parent that (a) the Administrative Agent reasonably

determines would violate any law, regulation or order of any Governmental Authority (to include, without limitation, the USA PATRIOT Act) or any internal regulation or policy of the Administrative Agent or (b) ceases to be a party to this Agreement upon (i) the execution and delivery by such Subsidiary and the Parent to the Administrative Agent of an Other Borrower Removal Notice, (ii) the repayment in full of all Obligations owed by such Subsidiary and (iii) the expiry or cancellation of all Letters of Credit issued for its account.

“Other Taxes” shall have the meaning set forth in Section 4.09(b).

“Parent” shall mean Air Products and Chemicals, Inc., a Delaware corporation.

“Participant Register” shall have the meaning set forth in Section 12.14(b) hereof.

“Participants” shall have the meaning set forth in Section 12.14(b) hereof.

“PBG” shall mean the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

“Pension Plan” shall mean a pension plan as defined in Section 3 of ERISA.

“Person” shall mean an individual, corporation, partnership, limited liability company, trust, unincorporated association, joint venture, joint-stock company, Governmental Authority or any other entity.

“Plan” shall mean any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Internal Revenue Code or Section 302 of ERISA, and in respect of which the Parent or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“Platform” shall have the meaning set forth in Section 12.19 hereof.

“Portion” shall mean the Base Rate Portion, the Euro-Rate Portion or the CDOR Portion, as the case may be.

“Potential Event of Default” shall mean any event or circumstance which with giving of notice or lapse of time, or any combination of the foregoing, would constitute an Event of Default.

“Prime Rate” shall mean a rate per annum equal to the prime rate of interest announced from time to time by RBS at its offices in Stamford, Connecticut (which is not necessarily the lowest rate charged to any customer), changing when and as such prime rate changes.

“Project Finance Subsidiary” means any Subsidiary of the Parent formed or utilized for the primary purpose of owning or operating specific assets, the acquisition of which, to the extent financed, is financed solely by Limited Recourse Debt.

“Pro Rata” means, with respect to each Lender: (i) in the case of payments of Commitment Fees, participation fees with respect to Letters of Credit, participations in Letters of

Credit and unreimbursed LC Disbursements, reductions pursuant to Section 2.04(c) hereof of the Revolving Credit Committed Amounts and indemnification payments under Section 11.07 hereof, ratably in accordance with such Lender's Commitment Percentage and (ii) in the case of payments and prepayments of principal of and interest on, and conversions and renewals of interest rate Options with respect to, any particular Revolving Credit Loans, ratably in accordance with such Lender's percentage share of such Revolving Credit Loans.

"RBS" shall mean The Royal Bank of Scotland plc, in its individual capacity, and its successors.

"Register" shall have the meaning set forth in Section 12.14(d) hereof.

"Regular Payment Date" shall mean the last Business Day of each March, June, September and December.

"Related Litigation" shall have the meaning set forth in Section 12.16(b) hereof.

"Relevant Borrower" shall mean (i) with respect to a Loan or a proposed Loan, the Borrower to which such Loan was made or is proposed to be made, as the case may be and (ii) with respect to a Letter of Credit or a requested Letter of Credit, the Borrower which has requested the issuance of such Letter of Credit and for whose account such Letter of Credit is issued or requested to be issued, as the case may be.

"Replacement Lender" shall have the meaning set forth in Section 4.01(b) hereof.

"Required Lenders" shall mean, at any time prior to the termination or expiration of the Commitments, Lenders which have Revolving Credit Committed Amounts constituting, in the aggregate, at least 51% of the Total Revolving Credit Commitment at such time and shall mean, at any time thereafter, Lenders which have outstanding Loans and LC Exposure constituting, in the aggregate, at least 51% of all Loans and LC Exposure outstanding at such time.

"Requisite Extending Lenders" shall mean at any time Lenders having Revolving Credit Committed Amounts constituting at least 80% of the Revolving Credit Committed Amounts of all Lenders at such time.

"Revolving Credit Committed Amount" shall have the meaning set forth in Section 2.01(a) hereof.

"Revolving Credit Commitment" shall mean the commitment of such Lender to make Revolving Credit Loans and to acquire participations in Letters of Credit in accordance with the terms hereof.

"Revolving Credit Exposure" shall mean, with respect to any Lender at any time, the sum of the outstanding principal amount of such Lender's Revolving Credit Loans and its LC Exposure at such time.

"Revolving Credit Loans" shall have the meaning set forth in Section 2.01(a) hereof.

“Revolving Credit Maturity Date” shall mean April 30, 2018, as such date may be extended (solely with respect to Lenders consenting thereto) pursuant to Section 4.01 hereof.

“Revolving Credit Notes” shall mean the promissory notes of each Borrower executed and delivered pursuant to Section 4.10(b), the promissory notes of each Borrower executed and delivered pursuant to Section 2.02, and any promissory note issued in substitution therefor pursuant to Sections 4.10(b) or 12.14(c) hereof, together with all extensions or renewals thereof in whole or part.

“S&P” shall have the meaning set forth in Schedule I hereto.

“Standard Notice” shall mean an irrevocable notice in the form of Exhibit I hereto, provided to the Administrative Agent on a Business Day which is:

(i) At least three Business Days in advance in the case of selection of, conversion to or renewal of the Euro-Rate Option or prepayment of any Euro-Rate Portion that is denominated in Dollars;

(ii) At least four Business Days in advance in the case of selection of, conversion to or renewal of the Euro-Rate Option or prepayment of any Euro-Rate Portion that is denominated in a currency other than Dollars;

(iii) At least three Business Days in advance in the case of selection of, conversion to or renewal of the CDOR Option or prepayment of any CDOR Portion that is denominated in Canadian Dollars; and

(iv) On the same Business Day in the case of selection of, conversion to or renewal of the Base Rate Option or prepayment of Base Rate Portion.

Standard Notice must be provided no later than 11:00 a.m., New York time, on the last day permitted for such notice in the case of notices delivered pursuant to clauses (i), (ii) and (iii) above and no later than 10:00 a.m., New York time, on the last day permitted for such notice in the case of notices delivered pursuant to clause (iv) above.

“Subsidiary” of a Person means (i) any corporation more than 50% of the outstanding securities having ordinary voting power of which shall at the time be owned or controlled, directly or indirectly, by such Person or by one or more of its Subsidiaries or by such Person and one or more of its Subsidiaries, or (ii) any partnership, limited liability company, association, joint venture or similar business organization more than 50% of the ownership interests having ordinary voting power of which shall at the time be so owned or controlled. Unless otherwise expressly provided, all references herein to a “Subsidiary” shall mean a Subsidiary of the Parent.

“Taxes” shall have the meaning set forth in Section 4.09(a) hereof.

“Total Revolving Credit Commitment” shall mean, at any time, the aggregate Revolving Credit Committed Amounts of all Lenders at such time.

“Total Revolving Credit Exposure” shall mean, at any time, the aggregate Revolving Credit Exposure of all Lenders at such time.

“Withdrawal Liability” shall mean liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Title IV of ERISA.

SECTION 1.02 Construction. Unless the context of this Agreement otherwise clearly requires, references to the plural include the singular, the singular the plural and the part the whole; “or” has the inclusive meaning represented by the phrase “and/or”; and “property” includes all properties and assets of any kind or nature, tangible or intangible, real, personal or mixed. References in this Agreement to “determination” (and similar terms) by the Administrative Agent or by any Lender include reasonable and good faith estimates by the Administrative Agent or by such Lender (in the case of quantitative determinations) and good faith beliefs by the Administrative Agent or by such Lender (in the case of qualitative determinations). The words “hereof,” “herein,” “hereunder” and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. The section and other headings contained in this Agreement and the Table of Contents preceding this Agreement are for reference purposes only and shall not control or affect the construction of this Agreement or the interpretation thereof in any respect. Section, subsection and exhibit references are to this Agreement unless otherwise specified.

SECTION 1.03 Accounting Principles. All computations and determinations as to accounting or financial matters shall be made, and all financial statements to be delivered pursuant to this Agreement shall be prepared, in accordance with, and all accounting or financial terms shall have the meanings ascribed to such terms by, GAAP as in effect from time to time; provided that if the Parent notifies the Administrative Agent that the Parent requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Parent that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Notwithstanding any other provision contained herein, all computations of amounts and ratios referred to in this Agreement shall be made without giving effect to any election under FASB ASC Topic 825 “Financial Instruments” (or any other financial accounting standard having a similar result or effect) to value any Indebtedness of the Parent at “fair value” as defined therein.

ARTICLE II The Revolving Credit Loans

SECTION 2.01 Revolving Credit Commitments.

(a) Revolving Credit Commitments. Subject to the terms and conditions and relying upon the representations and warranties herein set forth, each Lender, severally and not jointly, agrees to make loans in Designated Currencies (the “Revolving Credit Loans”) to the Parent or to an Other Borrower from time to time on or after the date hereof and to but not including the Revolving Credit Maturity Date; provided,

(i) A Lender shall have no obligation to make any Revolving Credit Loan to the extent that, upon the making of such Loan, the aggregate Dollar Equivalent Amount of such Lender’s Revolving Credit Exposure would exceed such Lender’s Revolving Credit Committed Amount; and

(ii) No Revolving Credit Loans shall be made hereunder to the extent that such Revolving Credit Loans would cause the Dollar Equivalent Amount of the Total Revolving Credit Exposure and Competitive Bid Loans then outstanding to exceed the Total Revolving Credit Commitment.

Each Lender's "Revolving Credit Committed Amount" at any time shall be equal to the amount set forth as its "Initial Revolving Credit Committed Amount" on Schedule IV, as such amount may have been reduced pursuant to Section 2.04(c) or increased pursuant to Section 2.09 hereof at such time, and subject to transfer to or from another Lender as provided in Section 12.14 hereof.

(b) Nature of Credit. Within the limits of time and amount set forth in this Section 2.01, and subject to the provisions of this Agreement, the Borrowers may borrow, repay and reborrow Revolving Credit Loans hereunder. Each Revolving Credit Loan shall be made to a single Borrower and shall be made in one of the Designated Currencies selected by the Parent in accordance with this Article II.

(c) Maturity. To the extent not due and payable earlier, the applicable Borrower shall repay the Revolving Credit Loans on the Revolving Credit Maturity Date.

SECTION 2.02 Noteless Agreement; Evidence of Indebtedness.

(a) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of each Borrower to such Lender resulting from each Revolving Loan and Competitive Bid Loan made by such Lender from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(b) The Administrative Agent shall also maintain accounts in which it will record (i) the amount of each Loan made hereunder, and the Funding Period or Interest Period with respect thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from each Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder from any Borrower and each Lender's share thereof.

(c) The entries maintained in the accounts maintained pursuant to paragraphs (a) and (b) above shall be prima facie evidence of the existence and amounts of the Obligations therein recorded (absent manifest error); provided, however, that the failure of the Administrative Agent or any Lender to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrowers to repay the Obligations in accordance with their terms. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

(d) Any Lender may request that its Revolving Credit Loans be evidenced by a promissory note in substantially the form of Exhibit A and that its Competitive Bid Loans be evidenced by a promissory note in substantially the form set forth in Exhibit B. In such event, the Borrowers shall prepare, execute and deliver to such Lender such Notes payable to the order of such Lender. Thereafter, the Loans evidenced by such Notes and interest thereon shall at all times (including after any assignment pursuant to Section 12.14) be represented by one or more Notes payable to the order of the payee named therein or any assignee pursuant to Section 12.14, except to the extent that any such Lender or assignee subsequently returns any such Note for cancellation and requests that such Loans once again be evidenced as described in paragraphs (a) and (b) above.

SECTION 2.03 Making of Revolving Credit Loans.

(a) Procedures. Whenever the Parent desires that the Lenders make Revolving Credit Loans, the Parent shall provide Standard Notice to the Administrative Agent setting forth the following information:

(i) the identity of the Relevant Borrower;

(ii) the date, which shall be a Business Day, on which such proposed Loans are to be made;

(iii) the Designated Currency in which such proposed Loans are to be made and the aggregate principal amount of such proposed Loans, which shall be the sum of the principal amounts selected pursuant to clause (iv) of this Section 2.03(a) and which (A) in the case of Loans denominated in Dollars shall be an integral multiple of \$1,000,000 and not less than \$5,000,000 and (B) in the case of Loans denominated in a Designated Currency shall have an aggregate Dollar Equivalent Amount not less than \$5,000,000 and shall be an integral multiple of the amount determined by the Administrative Agent from time to time to be the basic unit in which such currency is traded in the eurocurrency market; provided that in the case of Loans made to refinance the reimbursement of an LC Disbursement as contemplated by Section 2.10(d), such Loans may be in the amount of such LC Disbursement;

(iv) the interest rate Option or Options selected in accordance with Section 2.05(a) hereof and the principal amounts selected in accordance with Section 2.05(c) hereof of the Base Rate Portion and each Funding Segment of the Euro-Rate Portion and CDOR Portion of such proposed Loans; and

(v) with respect to each such Funding Segment of such proposed Loans, the Funding Period to apply to such Funding Segment, selected in accordance with Section 2.05(b) hereof.

Standard Notice having been so provided, the Administrative Agent shall promptly notify each Lender of the information contained therein and of the amount of such Lender's Loan, calculated in accordance with Section 2.03(b). Unless any applicable condition specified in Article VI hereof has not been satisfied, on the date specified in such Standard Notice each Lender shall make the proceeds of its Loan available to the Administrative Agent at the Administrative Agent's Office, no later than 12:00 o'clock Noon, New York time, in funds immediately

available. The Administrative Agent will make the funds so received available to the Relevant Borrower in funds immediately available; provided that the Administrative Agent shall pay the proceeds of Loans made to finance the reimbursement of an LC Disbursement as contemplated by Section 2.10(d) directly to the applicable Issuer.

(b) Making of Revolving Credit Loans Ratably. Revolving Credit Loans shall be made by the Lenders ratably in accordance with their respective Commitment Percentages.

(c) Revolving Loans to be Made in Euro. If any Revolving Credit Loan would, but for the provisions of this Section 2.03(c), be capable of being made in either the Euro or in a National Currency Unit, such Revolving Credit Loan shall be made in the Euro.

SECTION 2.04 Fees; Reduction of the Revolving Credit Committed Amounts.

(a) Commitment Fee. The Parent shall pay to the Administrative Agent for the account of each Lender a fee (the "Commitment Fee") for each day from and including the Closing Date and to but not including the date that such Lender's Commitment is terminated. Such fee shall be payable on the unused amount of such Lender's Revolving Credit Committed Amount on such day and shall accrue at the applicable rate per annum for such day set forth on Schedule I under the caption "Commitment Fee Rate". Commitment Fees shall be due and payable for the preceding period for which such fees have not been paid on each Regular Payment Date and on the date on which the Commitments terminate. All Commitment Fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed.

(b) Letter of Credit Fees. The Parent agrees to pay (i) to the Administrative Agent for the account of each Lender a participation fee with respect to its participations in each Letter of Credit, which shall accrue at a rate per annum equal to the Applicable Margin for Euro Rate Loans on the daily amount of such Lender's LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) in respect of such Letter of Credit during the period from and including the Closing Date to but excluding the later of the date on which such Lender's Commitment terminates and the date on which such Lender ceases to have any LC Exposure, and (ii) to each Issuer a fronting fee, which shall accrue at a rate per annum separately agreed between the Parent and such Issuer (or such Issuer's Affiliate, if applicable) on the average daily amount of the LC Exposure associated with Letters of Credit issued by such Issuer (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Closing Date to but excluding the later of the date of termination of the Commitments and the date on which there ceases to be any LC Exposure, as well as such Issuer's standard fees with respect to the issuance, amendment, renewal or extension of any Letter of Credit or processing of drawings thereunder. Participation fees and fronting fees (together, "Letter of Credit Fees") shall be payable in arrears on each Regular Payment Date, the date on which the Commitments terminate and thereafter on demand. Any other fees payable to the Issuer pursuant to this paragraph shall be payable within 10 days after demand. All Letter of Credit Fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed.

(c) Optional Reduction of the Revolving Credit Committed Amounts. The Parent may at any time or from time to time reduce Pro Rata the Revolving Credit Committed

Amounts of the Lenders to an aggregate amount (which may be zero) not less than the sum of the aggregate Dollar Equivalent Amounts of the Revolving Credit Exposures and Competitive Bid Loans then outstanding plus the aggregate Dollar Equivalent Amount of all Revolving Credit Loans, Letters of Credit and Competitive Bid Loans not yet made as to which notice has been given by the Parent under Section 2.03, 2.10(b) or 3.02 hereof, as the case may be. Any reduction of the Revolving Credit Committed Amounts shall be in an aggregate amount which is an integral multiple of \$20,000,000 or the Total Revolving Credit Commitment. Reduction of the Revolving Credit Committed Amounts shall be made by providing not less than five Business Days' notice to such effect to the Administrative Agent. Such notice of reduction shall be irrevocable; provided that such a notice delivered by the Parent may state that such notice is conditioned upon the effectiveness of other credit facilities, in which case such notice may be revoked by the Parent (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. After the date specified in such notice which is not so revoked the Commitment Fee shall be calculated upon the Revolving Credit Committed Amounts as so reduced. The Administrative Agent will promptly send copies of such notice to the Lenders.

SECTION 2.05 Interest Rates.

(a) Optional Bases of Borrowing. The unpaid principal amount of the Revolving Credit Loans shall bear interest for each day from and including the date on which funds are made available to the Relevant Borrower by the Administrative Agent and to but excluding the date of repayment on one or more bases selected by the Parent from among the interest rate Options set forth below; provided, however, that the Base Rate Option may not be selected to apply to Revolving Credit Loans which are denominated in a currency other than Dollars and the Euro-Rate Option may not be selected to apply to Revolving Credit Loans which are denominated in Canadian Dollars. A CDOR Option shall apply to all Revolving Credit Loans denominated in Canadian Dollars. Subject to the provisions of this Agreement the Parent may select different Options to apply simultaneously to different Portions of the Revolving Credit Loans and may select different Funding Segments to apply simultaneously to different parts of each of the Euro-Rate Portion and the CDOR Portion of the Revolving Credit Loans. The aggregate number of Funding Segments applicable to all of the Euro-Rate Portions and CDOR Portions of the Revolving Credit Loans at any time shall not exceed six unless otherwise permitted by the Administrative Agent.

(i) Base Rate Option: A rate per annum (computed on the basis of a year of 360 days and actual days elapsed) for each day equal to (x) the Base Rate for such day plus (y) the Applicable Margin for such day.

(ii) Euro-Rate Option: A rate per annum (computed on the basis of a year of 360 days and actual days elapsed or, in the case of Loans denominated in U.K. pounds sterling, computed on the basis of a year of 365 or 366 days, as the case may be) for each day equal to (x) the rate per annum determined in good faith by the Administrative Agent in accordance with its usual procedures (which determination shall be conclusive absent manifest error) by dividing (the resulting quotient to be rounded upward to the nearest 1/100 of 1%) (1) the Euro-Rate for such day by (2) a number equal to 1.00 minus the Euro-Rate Reserve Percentage, if any, for such day plus (y) the Applicable Margin for such day.

(iii) CDOR Option: A rate per annum (computed on the basis of a year of 365 or 366 days, as the case may be) for each day equal to (x) the rate per annum determined in good faith by the Administrative Agent in accordance with its usual procedures (which determination shall be conclusive absent manifest error) as the CDOR plus (y) the Applicable Margin for such day.

The Administrative Agent shall give prompt notice to the Parent and to the Lenders of the Euro-Rate or CDOR rate so determined.

(b) Funding Periods. At any time when the Parent shall select, convert to or renew the Euro-Rate Option to apply to any part of the Revolving Credit Loans, the Parent shall specify one or more periods (the "Euro-Rate Funding Periods") during which each such Option shall apply, such Euro-Rate Funding Periods being one, two, three or six months; provided, that (i) each Euro-Rate Funding Period shall begin on a Business Day, and the term "month", when used in connection with a Euro-Rate Funding Period, shall be construed in accordance with prevailing practices in the interbank eurocurrency market at the commencement of such Euro-Rate Funding Period, as determined in good faith by the Administrative Agent (which determination shall be conclusive); and (ii) the Parent may not select a Euro-Rate Funding Period that would end after the Revolving Credit Maturity Date. At any time when the Parent shall select, convert to or renew the CDOR Option to apply to any part of the Revolving Credit Loans, the Parent shall specify one or more periods (the "CDOR Funding Periods") during which each such Option shall apply, such CDOR Funding Periods being one, two, three or six months; provided, that (i) each CDOR Funding Period shall begin on a Business Day, and the term "month", when used in connection with a CDOR Funding Period, shall be construed in accordance with prevailing practices in the relevant market at the commencement of such CDOR Funding Period, as determined in good faith by the Administrative Agent (which determination shall be conclusive); and (ii) the Parent may not select a CDOR Funding Period that would end after the Revolving Credit Maturity Date. The term "Funding Period" shall mean a CDOR Funding Period or a Euro-Rate Funding Period, as applicable.

(c) Transactional Amounts. Every selection of, conversion from, conversion to or renewal of an interest rate Option and every payment or prepayment of any Revolving Credit Loans shall be either

(i) in a principal amount such that after giving effect thereto the aggregate principal amount of the Base Rate Portion of the Revolving Credit Loans, or the aggregate principal amount of each Funding Segment of the Euro-Rate Portion of the Revolving Credit Loans, shall be (A) in the case of Revolving Credit Loans denominated in Dollars, \$5,000,000 or a higher integral multiple of \$1,000,000 and (B) in the case of Revolving Credit Loans denominated in a currency other than Dollars, an amount the Dollar Equivalent Amount of which is greater than \$5,000,000 and which is an integral multiple of the amount determined by the Administrative Agent from time to time to be the basic unit in which such currency is funded in the eurocurrency market; or

(ii) in the case of a prepayment by any Borrower, if the principal amount of the Base Rate Portion of the Revolving Credit Loans or the aggregate principal amount of a Funding Segment of the Euro-Rate Portion or CDOR Portion of the Revolving Credit Loans is a Dollar Equivalent Amount of less than \$5,000,000, in a principal amount equal to such principal amount.

(d) Euro-Rate or CDOR Unascertainable; Impracticability.

(i) If (A) on any date on which a Euro-Rate or CDOR would otherwise be set the Administrative Agent shall have determined in good faith (which determination shall be conclusive absent manifest error) that:

- (1) adequate and reasonable means do not exist for ascertaining such Euro-Rate or CDOR, as applicable, or
- (2) a contingency has occurred which materially and adversely affects the interbank eurocurrency market for the relevant currency, or
- (3) the effective cost to the Required Lenders of funding a proposed Funding Segment of the Euro-Rate Portion or CDOR Portion, as applicable, shall exceed the Euro-Rate or CDOR applicable to such Funding Segment, or

(B) at any time any Lender shall have determined in good faith (which determination shall be conclusive absent manifest error) that the making, maintenance or funding of any part of the Euro-Rate Portion or CDOR Portion has been made impracticable or unlawful by compliance by such Lender or a Notional Funding Office in good faith with any Law or guideline or interpretation or administration thereof by any Governmental Authority charged with the interpretation or administration thereof or with any request or directive of any such Governmental Authority (whether or not having the force of law); then, and in any such event, the Administrative Agent or such Lender, as the case may be, may notify the Parent of such determination (and any Lender giving such notice shall notify the Administrative Agent). Upon such date as shall be specified in such notice (which shall not be earlier than the date such notice is given), the obligation of each of the Lenders to allow the Parent to select, convert to or renew the Euro-Rate Option or CDOR Option, as applicable, with respect to the relevant currency or currencies shall be suspended until the Administrative Agent or such Lender, as the case may be, shall have later notified the Parent (and any Lender giving such notice shall notify the Administrative Agent) of the Administrative Agent's or such Lender's determination in good faith (which determination shall be conclusive absent manifest error) that the circumstance giving rise to such previous determination no longer exist.

(ii) If any Lender notifies the Parent of a determination under subsection (B) of Section 2.05(d)(i), the Euro-Rate Portion or CDOR Portion of the Loans of such Lender (the "Affected Lender") shall, subject to Section 4.08(c) hereof, (i) be automatically converted to the Base Rate Option, in the case of Revolving Credit Loans denominated in Dollars, or (ii) be repaid by the Relevant Borrower, in the case of Revolving Credit Loans denominated in a currency other than Dollars, on the last day of the then current Funding Period with respect to such Loans (in the case of a determination that the making, maintenance or funding of any Euro-Rate Portion or CDOR Portion of such Loans is impracticable) and the last day on which the making, maintenance or funding of any Euro-Rate Portion or CDOR Portion of such Loans is not unlawful (in the case of a determination that the making, maintenance or funding of any Euro-Rate Portion or CDOR Portion, as applicable, of such Loans is unlawful) and accrued interest thereon shall be due and payable on such date.

(iii) If at the time the Administrative Agent or a Lender makes a determination under subsection (A) or (B) of Section 2.05(d)(i) the Parent previously has notified the Administrative Agent that it wishes to select, convert to or renew the Euro-Rate Option or CDOR Portion with respect to any proposed Revolving Credit Loans but such Loans have not yet been made, (A) such notification shall be deemed to provide for selection of, conversion to or renewal of the Base Rate Option instead of the Euro-Rate Option with respect to any such Loans denominated in Dollars or, in the case of a determination by a Lender, any such Loans denominated in Dollars of such Lender or (B) subject to Section 4.08(c), such notification shall be deemed to be revoked in the case of a selection of the Euro-Rate Option or CDOR Portion or shall be deemed to be a notice of prepayment in the case of a conversion or renewal, with respect to any such Loans denominated in a currency other than Dollars or, in the case of a determination by a Lender, any such Loans denominated in a currency other than Dollars of such Lender.

(iv) An Affected Lender shall take actions of the type referred to in Section 4.10, if such actions would avoid the application of clause (B) of Section 2.05(d)(i) and would not, in the good faith judgment of such Lender, be disadvantageous in any way to such Lender or its Affiliates at such time or in the future.

SECTION 2.06 Conversion or Renewal of Interest Rate Options.

(a) Conversion or Renewal. Subject to the provisions of Section 2.07 hereof, the Parent may convert any part of the Revolving Credit Loans denominated in any Designated Currency from any interest rate Option or Options to one or more different interest rate Options available for such Designated Currency and may renew the Euro-Rate Option or CDOR Option as to any Funding Segment of the Euro-Rate Portion or CDOR Portion, as applicable:

(i) at any time with respect to conversion from the Base Rate Option; or

(ii) at the expiration of any Funding Period with respect to conversions from or renewals of the Euro-Rate Option or CDOR Option as to the Funding Segment corresponding to such expiring Funding Period;

provided, that at any time when an Event of Default has occurred and is continuing or exists, (w) the Parent may not select, convert to or renew the Euro-Rate Option with respect to any Revolving Credit Loans denominated in Dollars, (x) the Parent may not select, convert to or renew the CDOR Option with respect to any Revolving Credit Loans, (y) the Parent may not renew or convert any Revolving Credit Loans to any Designated Currency other than Dollars, and (z) the Parent may not select a Funding Period longer than one month with respect to Revolving Credit Loans denominated in a currency other than Dollars.

Whenever the Parent desires to convert or renew any interest rate Option or Options, the Parent shall provide to the Administrative Agent Standard Notice setting forth the following information:

- (i) the date, which shall be a Business Day, on which the proposed conversion or renewal is to be made;
- (ii) the principal amounts selected in accordance with Section 2.05(c) hereof of the Base Rate Portion and each Funding Segment of the Euro-Rate Portion or CDOR Portion to be converted from or renewed;
- (iii) the interest rate Option or Options selected in accordance with Section 2.05(a) hereof and the principal amounts selected in accordance with Section 2.05(c) hereof of the Base Rate Portion and each Funding Segment of the Euro-Rate Portion or CDOR Portion to be converted to; and
- (iv) with respect to each Funding Segment to be converted to or renewed, the Funding Period selected in accordance with Section 2.05(b) hereof to apply to such Funding Segment.

Standard Notice having been so provided, after the date specified in such Standard Notice, interest shall be calculated upon the principal amount of the Loans as so converted or renewed.

(b) Failure to Convert or Renew. Absent due notice from the Parent of conversion or renewal in the circumstances described in Section 2.06(a)(ii) hereof, any part of the Euro-Rate Portion for which such notice is not received (i) shall be converted automatically to the Base Rate Option, in the case of Revolving Credit Loans denominated in Dollars or (ii) the Euro-Rate Option or CDOR Option, as applicable, shall be automatically renewed for a Funding Period of one month for the Euro-Rate Option or CDOR Option, as applicable, in the case of Revolving Credit Loans denominated in a currency other than Dollars, on the last day of the expiring Funding Period.

SECTION 2.07 Optional Prepayments. The Relevant Borrower shall have the right at its option at any time and from time to time to prepay its Revolving Credit Loans in whole or part without premium or penalty (subject, however, to Sections 2.05(c), 4.04 and 4.08(c) hereof).

SECTION 2.08 Interest Payment Dates. The applicable Borrower shall pay interest on the Base Rate Portion of the Revolving Credit Loans on the date of any conversion of all or part of the Base Rate Portion to a different interest rate Option on the amount converted, any prepayment of any part of the Base Rate Portion on the amount prepaid, and on each Regular Payment Date. The applicable Borrower shall pay interest on each Funding Segment of the Euro-Rate Portion or CDOR Portion of the Revolving Credit Loans on the last day of the corresponding Funding Period and, if such Funding Period is longer than three months, also on the last day of every third month during such Funding Period. After maturity of any part of the Loans (by acceleration or otherwise), the applicable Borrower shall pay interest on such part of the Loans on demand.

SECTION 2.09 Increase in Total Revolving Credit Commitment. The Parent may, at its option, on one or more occasions, seek to increase the Total Revolving Credit Commitment by up to \$500,000,000 in the aggregate for all such occasions (i.e., the maximum Total Revolving Credit Commitment is \$3,000,000,000) upon at least three (3) Business Days' prior notice to the Administrative Agent, which notice shall specify the amount of any such requested increase and shall state that, and be delivered at a time when, no Event of Default or Potential Event of Default has occurred and is continuing or exists. The Parent may, after giving such notice, offer the increase in the Total Revolving Credit Commitment to any of the existing Lenders and/or to other banks, financial institutions or other entities on a non-pro rata basis in such amounts as determined by the Parent; provided, however, all amounts, Lenders and/or other banks, financial institutions or other entities shall be approved by the Administrative Agent and the Issuing Banks. The Parent may elect to accept on any such occasion an increase in the Total Revolving Credit Commitment in an amount up to the aggregate increased commitments offered to the Parent. No increase in the Total Revolving Credit Commitment shall become effective until the existing or new Lender extending such incremental commitment amount and the Parent shall have executed and delivered to the Administrative Agent an agreement in writing in the form of Exhibit H attached hereto pursuant to which such Lender states its Revolving Credit Committed Amount and agrees to assume and accept the obligations and rights of a Lender hereunder. No Lender shall have any obligation to increase its Commitment hereunder. The Lenders (new or existing) shall accept an assignment from the existing Lenders, and the existing Lenders shall make an assignment to the new or existing Lender accepting a new or increased Revolving Credit Committed Amount, of an interest in all then outstanding Revolving Credit Loans and a participation interest in all then outstanding Letters of Credit and LC Disbursements such that, after giving effect thereto, all Revolving Credit Exposure is held ratably by the Lenders in proportion to their respective Revolving Credit Committed Amounts. Assignments pursuant to the preceding sentence shall be made in exchange for the principal amount assigned plus accrued and unpaid interest and Commitment Fees. The Parent shall make any payments under Section 4.08(c) resulting from such assignments. Any such increase in the Total Revolving Credit Commitment shall be in a minimum amount of \$10,000,000 or a higher integral multiple of \$5,000,000 and shall be subject to receipt by the Administrative Agent from the Parent of such supplemental opinions, resolutions, certificates and other documents as the Administrative Agent may reasonably request.

SECTION 2.10 Letters of Credit.

(a) Issuance. Each Issuer hereby agrees, on the terms and conditions set forth in this Agreement, to issue Letters of Credit and to renew, extend, increase, decrease or otherwise modify Letters of Credit (“Modify,” and each such action a “Modification”), from time to time from and including the date of this Agreement and prior to the Letter of Credit Maturity Date upon the request of the Parent and for the account of any Borrower; provided that a Letter of Credit shall be issued or Modified only if (and upon each issuance or Modification the Relevant Borrower shall be deemed to represent and warrant that) after giving effect to such issuance or Modification (i) the LC Exposure shall not exceed \$1,000,000,000, (ii) the Dollar Equivalent Amount of the Total Revolving Credit Exposure and Competitive Bid Loans then outstanding shall not exceed the Total Revolving Credit Commitment (either as in effect on the date of such issuance or Modification or, if the Revolving Credit Maturity Date has been extended pursuant to Section 4.01 and the expiration of such Letter of Credit (as Modified, if applicable) would occur after the Revolving Credit Maturity Date without giving effect to such extension, as the Total Revolving Credit Commitment is scheduled to be in effect immediately following the expiry of the Commitment of any Lender which is a Nonextending Lender relative to such extension) and (iii) the Issuer Exposure of the applicable Issuer shall not exceed its Issuer Commitment. Each Letter of Credit shall be denominated in a Designated Currency and shall be in a form satisfactory to the Issuer. No Letter of Credit shall have an expiry date later than the fifth Business Day prior to the Revolving Credit Maturity Date (such day, “the Letter of Credit Maturity Date”). Notwithstanding the foregoing, no Issuer shall be under any obligation to issue any Letter of Credit if any order, judgment or decree of any governmental authority or other regulatory body with jurisdiction over such Issuer shall purport by its terms to enjoin or restrain such Issuer from issuing such Letter of Credit, or any law or governmental rule, regulation, policy, guideline or directive (whether or not having the force of law) from any governmental authority or other regulatory body with jurisdiction over such Issuer shall prohibit, or request that such Issuer refrain from, the issuance of such Letter of Credit in particular or shall impose upon such Issuer with respect to any Letter of Credit any restriction or reserve or capital requirement (for which such Issuer is not otherwise compensated) or any unreimbursed loss, cost or expense which was not applicable, in effect and known to such Issuer as of the date of this Agreement and which such Issuer in good faith deems material to it.

(b) Notice of Issuance or Modification; Certain Conditions. The Parent shall give the Issuer and the Administrative Agent notice prior to 10:00 a.m., New York time, at least five Business Days (or such shorter period agreed to by the Issuer) prior to the proposed date of issuance or Modification of each Letter of Credit, specifying the beneficiary, the proposed date of issuance (or Modification), the expiry date of such Letter of Credit, the amount and currency of such Letter of Credit and such other information as the Issuer may reasonably request to facilitate the requested issuance or Modification. Such notice shall be by hand delivery, facsimile or, if arrangements for doing so have been agreed upon by the Parent, the Issuer and the Administrative Agent, by electronic communication. Upon request of a Lender, the Administrative Agent agrees to provide the information contained in such notice to such Lender. If requested by the Issuer, the Relevant Borrower also shall submit a letter of credit application on the Issuer’s standard form in connection with any request for a Letter of Credit. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the Relevant Borrower to, or entered into by the Relevant Borrower with, the Issuer relating to any Letter of Credit, the terms and conditions of this Agreement shall control.

(c) Participations. By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of the Issuer or the Lenders, the Issuer hereby grants to each Lender, and each Lender hereby acquires from the Issuer, a participation in such Letter of Credit equal to such Lender's Commitment Percentage of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of the Issuer, such Lender's Commitment Percentage of each LC Disbursement made by the Issuer and not reimbursed by the Relevant Borrower on the date due as provided in paragraph (d) of this Section, or of any reimbursement payment required to be refunded to the Relevant Borrower for any reason. Each Lender acknowledges and agrees that its obligation to acquire participations pursuant to this paragraph in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of an Event of Default or Potential Event of Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

(d) Reimbursement. If the Issuer shall make any LC Disbursement in respect of a Letter of Credit, the Relevant Borrower shall reimburse such LC Disbursement by paying to the Administrative Agent at its Office an amount in the applicable Designated Currency equal to such LC Disbursement not later than 12:00 o'clock Noon, New York time, on the date that such LC Disbursement is made, if the Parent or Relevant Borrower shall have received notice of such LC Disbursement prior to 10:00 a.m., New York time, on such date, or, if such notice has not been received by the Parent or Relevant Borrower prior to such time on such date, then not later than 12:00 o'clock Noon, New York time, on (i) the Business Day that the Parent or Relevant Borrower receives such notice, if such notice is received prior to 10:00 a.m., New York time, on the day of receipt, or (ii) the Business Day immediately following the day that the Parent or Relevant Borrower receives such notice, if such notice is not received prior to such time on the day of receipt; provided that if the amount to be reimbursed is denominated in Dollars, the Parent or Relevant Borrower may, subject to the conditions to borrowing set forth herein, request in accordance with Section 2.03 that such payment be financed with Base Rate Option Revolving Credit Loans in an equivalent amount and, to the extent so financed, the Relevant Borrower's obligation to make such payment shall be discharged and replaced by the resulting Revolving Credit Loans. If the Relevant Borrower fails to make such payment when due, the Administrative Agent shall notify each Lender of the applicable LC Disbursement, the payment then due from the Relevant Borrower in respect thereof and such Lender's Commitment Percentage thereof. Promptly (and in any event within one Business Day) following receipt of such notice, each Lender shall pay to the Administrative Agent its Commitment Percentage of the payment then due from the Relevant Borrower in the same manner as provided in Section 2.03(a) with respect to Revolving Credit Loans made by such Lender, and the Administrative Agent shall promptly pay to the Issuer the amounts so received by it from the Lenders. Any amount due from a Lender pursuant to the preceding sentence but not timely paid shall accrue interest for the account of the Issuer at a rate per annum equal to the Federal Funds Effective Rate for the first three days and thereafter at a rate of interest equal to the rate

applicable to the Base Rate Portion. Promptly following receipt by the Administrative Agent of any payment from the Relevant Borrower pursuant to this paragraph, the Administrative Agent shall distribute such payment to the Issuer or, to the extent that Lenders have made payments pursuant to this paragraph to reimburse the Issuer, then to such Lenders and the Issuer as their interests may appear. Any payment made by a Lender pursuant to this paragraph to reimburse the Issuer for any LC Disbursement (other than the funding of Revolving Credit Loans as contemplated above) shall not constitute a Revolving Credit Loan and shall not relieve the Relevant Borrower of its obligation to reimburse such LC Disbursement.

(e) Obligations Absolute. The Relevant Borrower's obligation to reimburse LC Disbursements as provided in paragraph (d) of this Section shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit or this Agreement, or any term or provision therein, (ii) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) payment by the Issuer under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit, or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of, or provide a right of setoff against, the Relevant Borrower's obligations hereunder. Neither the Administrative Agent, the Lenders nor the Issuer, nor any of their respective Affiliates, directors, officers, employees, attorneys or agents, shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of the Issuer; provided that the foregoing shall not be construed to excuse the Issuer from liability to the Relevant Borrower to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the Relevant Borrower to the extent permitted by applicable law) suffered by the Relevant Borrower that are caused by the Issuer's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of gross negligence or willful misconduct (including willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of documents strictly complying with the terms and conditions of the Letter of Credit and payment in bad faith of a drawing under a Letter of Credit after the presentation to it by the beneficiary of documents not substantially or reasonably complying with the terms and conditions of the Letter of Credit) on the part of the Issuer (as determined by a non appealable judgment of a court of competent jurisdiction), the Issuer shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, the Issuer may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

(f) Disbursement Procedures. The Issuer shall, promptly following its receipt thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit. The Issuer shall promptly notify the Administrative Agent and the Parent or Relevant Borrower by telephone (confirmed by electronic or facsimile transmission) of such demand for payment and whether the Issuer has made or will make an LC Disbursement thereunder; provided that any failure to give or delay in giving such notice shall not relieve the Relevant Borrower of its obligation to reimburse the Issuer and the Lenders with respect to any such LC Disbursement.

(g) Interim Interest. If the Issuer shall make any LC Disbursement, then, unless the Relevant Borrower shall reimburse such LC Disbursement in full on the date such LC Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such LC Disbursement is made to but excluding the date that the Relevant Borrower reimburses such LC Disbursement, at the rate per annum set forth in Section 4.05(b) (except that interest on amounts timely paid pursuant to Section 2.10(d) shall bear interest at such rate minus two percent (2%) per annum). Interest accrued pursuant to this paragraph shall be for the account of the Issuer, except that interest accrued on and after the date of payment by any Lender pursuant to paragraph (e) of this Section to reimburse the Issuer shall be for the account of such Lender to the extent of such payment.

(h) Replacement of the Issuer. Any Issuer may be replaced at any time by written agreement among the Parent, the Administrative Agent and the successor Issuer. The Administrative Agent shall notify the Lenders of any such replacement of an Issuer. At the time any such replacement shall become effective, the Parent shall pay all unpaid fees accrued for the account of the replaced Issuer pursuant to Section 2.04(b). From and after the effective date of any such replacement, (i) the successor Issuer shall have all the rights and obligations of the Issuer under this Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term "Issuer" shall be deemed to refer to such successor or to any previous Issuer, or to such successor and all previous Issuers, as the context shall require. After the replacement of an Issuer hereunder, the replaced Issuer shall remain a party hereto and shall continue to have all the rights and obligations of an Issuer under this Agreement with respect to Letters of Credit issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit.

(i) Cash Collateralization. If any Event of Default which requires cash collateralization as specified in Section 9.02 shall occur and be continuing, on the Business Day that the Parent receives notice from the Administrative Agent or the Required Lenders demanding the deposit of cash collateral pursuant to this paragraph, the Parent shall deposit in an account with the Administrative Agent, in the name of the Administrative Agent and for the benefit of the Lenders and Issuers, an amount in cash equal to the LC Exposure as of such date plus any accrued and unpaid interest thereon; provided that the obligation to deposit such cash collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to the Parent or Relevant Borrower described in clause (i) or (j) of Section 9.01. Such deposit shall be held by the Administrative Agent as collateral for the

payment and performance of the Obligations. Subject to the express provisions of this Section 2.10(i), the Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. Other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Administrative Agent and at the Parent's risk and expense, such deposits shall not bear interest; provided, however, that any deposits so invested shall be invested only in certificates of deposit of the Administrative Agent, direct obligations of, or obligations unconditionally guaranteed by, the United States of America, money market funds rated AAA by S&P or similar investments, in each case having a maturity of no more than thirty (30) days. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Administrative Agent to reimburse the Issuer for LC Disbursements for which it has not been reimbursed and, to the extent not so applied, shall be held first for the satisfaction of the reimbursement obligations of the Parent and Relevant Borrower for the LC Exposure at such time or, if the maturity of the Loans has been accelerated, shall be held for application to other Obligations held ratably (relative to Commitment Percentage) by the Lenders and thereafter, if the LC Exposure is zero, shall be applied to satisfy other Obligations. If the Parent has provided an amount of cash collateral hereunder as a result of the occurrence of an Event of Default, such amount (to the extent not applied as aforesaid) shall be returned to the Parent within three Business Days after all Events of Default have been cured or waived.

ARTICLE III
The Competitive Bid Loans

SECTION 3.01 Competitive Bid Loans. In addition to Revolving Credit Loans, the Parent may, as set forth in this Article III request the Lenders to make offers to make one or more Competitive Bid Loans to the Parent or to an Other Borrower. Each Lender may, but shall have no obligation to, make one or more such offers and, subject to the terms and provisions hereof, the Parent may, but shall have no obligation to, accept any such offers in the manner set forth in this Article III; provided, that no Competitive Bid Loan shall be made or requested if the making of such Loan would cause the aggregate Dollar Equivalent Amount of all Loans and LC Exposure outstanding hereunder to exceed the Total Revolving Credit Commitment. Competitive Bid Loans may be Absolute Rate Loans or LIBOR-based Loans (each a "type" of Competitive Bid Loan) and, subject to Section 4.07 hereof, may be in any Designated Currency. Competitive Bid Loans shall be due and payable on the earlier of the Competitive Bid Expiration Date and the applicable Competitive Bid Loan Maturity Date.

SECTION 3.02 Competitive Bid Loan Procedures.

(a) Competitive Bid Loan Quote Requests. When the Parent wishes to request offers to make Competitive Bid Loans under this Article III, it shall transmit to the Administrative Agent by facsimile transmission, at its Office, a notice (a "Competitive Bid Loan Quote Request") so as to be received no later than 11:00 a.m. New York time on (x) the fourth Business Day prior to the date of borrowing proposed therein, in the case of a LIBOR Auction or (y) the Business Day next preceding the date of borrowing proposed therein, in the case of an Absolute Rate Auction (or, in any case, such other time as the Parent and Administrative Agent may agree). The Parent may request offers to make Competitive Bid Loans for different Interest Periods in a single notice; provided, the request for each separate Interest Period shall be deemed to be a separate Competitive Bid Loan Quote Request for a separate Competitive Bid Loan (all

Competitive Bid Loans proposed to be made at one time herein collectively referred to as a “Competitive Bid Borrowing”). Each such notice shall be substantially in the form of Exhibit C hereto and in any case shall specify as to each Competitive Bid Borrowing:

- (i) the identity of the Relevant Borrower for such Competitive Bid Borrowing;
- (ii) the proposed date of such Competitive Bid Borrowing, which shall be a Business Day;
- (iii) the currency or currencies in which such Competitive Bid Borrowing is to be made;
- (iv) the aggregate amount of such Competitive Bid Borrowing which shall be a Dollar Equivalent Amount of at least \$5,000,000 (or a higher integral multiple of \$1,000,000) (but only to the extent practical in the case of Competitive Bid Loans denominated in a currency other than Dollars), but shall not cause the limits specified in Section 3.01 hereof to be violated;
- (v) the duration of the initial Interest Period or Periods applicable thereto, subject to the provisions of the definition of “Interest Period” (including without limitation that no such Interest Period shall end after the Competitive Bid Expiration Date); and
- (vi) whether the Competitive Bid Loan Quotes requested are to set forth a LIBOR-based Margin or an Absolute Rate.

No Competitive Bid Loan Request shall be given if such request could result in more than six Competitive Bid Loans being outstanding at any one time unless otherwise permitted by the Administrative Agent.

(b) Invitation for Competitive Bid Loan Quotes. Promptly after receipt of a Competitive Bid Loan Quote Request, the Administrative Agent shall transmit to the Lenders by facsimile transmission notice of such Competitive Bid Loan Request, which notice shall constitute an invitation by the Parent to each Lender to submit Competitive Bid Loan Quotes offering to make Competitive Bid Loans in accordance with such Competitive Bid Loan Quote Request.

(c) Submission and Contents of Competitive Bid Loan Quotes.

(i) Each Lender may submit one or more Competitive Bid Loan Quotes, each containing an offer to make a Competitive Bid Loan in response to any Competitive Bid Loan Quote Request; provided, if the Parent’s request under Section 3.02(a) hereof specifies more than one Interest Period, such Lender may make a single submission containing one or more Competitive Bid Loan Quotes for each such Interest Period. Each Competitive Bid Loan Quote must comply with the requirements of this Section 3.02(c) and must be submitted to the Administrative Agent by facsimile transmission at its Office not later than (x) 10:00 a.m. New York time on the third Business Day prior to the proposed date of borrowing, in the case of a LIBOR Auction or

(y) 10:00 a.m. New York time on the proposed date of borrowing, in the case of an Absolute Rate Auction (or, in either case upon reasonable notice to the Lenders, such other time and date as the Parent and the Administrative Agent may agree in writing); provided that any Competitive Bid Loan Quote submitted by the Administrative Agent (or an Affiliate of the Administrative Agent) in the capacity of a Lender may be submitted, and may only be submitted, if the Administrative Agent (or such Affiliate) notifies the Parent of the terms of the offer or offers contained therein not later than (x) 9:30 a.m. New York time on the third Business Day prior to the proposed date of borrowing, in the case of a LIBOR Auction or (y) 9:30 a.m. New York time on the proposed date of borrowing, in the case of an Absolute Rate Auction. Subject to Sections 4.07 and 6.01 hereof, any Competitive Bid Loan Quote so made shall be irrevocable except with the written consent of the Administrative Agent given on the written instructions of the Parent.

(ii) Each Competitive Bid Loan Quote shall be substantially in the form of Exhibit D hereto and shall in any case specify:

- (A) the proposed date of borrowing, the proposed currency and the Interest Period therefor;
- (B) the principal amount of the Competitive Bid Loan for which each such offer is being made, which principal amount shall be a Dollar Equivalent Amount of at least \$5,000,000 or a higher integral multiple of \$1,000,000 (but only to the extent practical in the case of Competitive Bid Loans denominated in a currency other than Dollars); provided, the aggregate principal amount of all Competitive Bid Loans for which a Lender submits Competitive Bid Loan Quotes (x) may be greater than, less than or equal to the Revolving Credit Committed Amount of such Lender but (y) may not exceed the principal amount of the Competitive Bid Borrowing for which offers were requested in the related Competitive Bid Loan Quote Request;
- (C) in the case of a LIBOR Auction, the margin above (or, if a negative margin is offered, below) the applicable LIBO-Rate (the "LIBOR-based Margin") offered for each such Competitive Bid Loan, expressed as a percentage (rounded upwards, if necessary, to the nearest 1/10,000th of 1%) to be added to the applicable LIBO-Rate;
- (D) in the case of an Absolute Rate Auction, the rate of interest per annum, calculated on the basis of a 360-day year (rounded upwards, if necessary, to the nearest 1/10,000th of 1%) (the "Absolute Rate") offered for each such Competitive Bid Loan; and
- (E) the identity of the quoting Lender.

(iii) No Competitive Bid Loan Quote shall contain qualifying, conditional or similar language or propose terms other than or in addition to those set forth in the applicable Competitive Bid Loan Quote Request and, in particular, no Competitive Bid Loan Quote may be conditioned upon acceptance by the Parent of all (or some specified minimum) of the principal amount of the Competitive Bid Loan for which such Competitive Bid Loan Quote is being made, and the Administrative Agent shall disregard any Competitive Bid Loan Quote that contains such language or terms or conditions or that arrives at the Administrative Agent's Office after the time set forth for submission of Competitive Bid Loan Quotes in Section 3.02(c)(i) hereof.

(d) Notice to the Parent. The Administrative Agent shall promptly after 10:00 a.m., New York time, on the last day on which Competitive Bid Loan Quote may be submitted pursuant to Section 3.02(c), notify the Parent by facsimile transmission of the terms (i) of any Competitive Bid Loan Quote submitted by a Lender that is in accordance with Section 3.02(c) hereof and (ii) of any Competitive Bid Loan Quote that amends, modifies or is otherwise inconsistent with a previous Competitive Bid Loan Quote submitted by such Lender with respect to the same Competitive Bid Loan Quote Request. Any such subsequent Competitive Bid Loan Quote shall be disregarded by the Administrative Agent unless such subsequent Competitive Bid Loan Quote is submitted solely to correct a manifest error in such former Competitive Bid Loan Quote. The Administrative Agent's notice to the Parent shall specify (A) the aggregate principal amount of each Competitive Bid Loan for which Competitive Bid Loan Quotes have been received for each Interest Period specified in the related Competitive Bid Loan Quote Request, and (B) the respective principal amounts and LIBOR-based Margins or Absolute Rates, as the case may be, so offered by each Lender, identifying the Lender that made each Competitive Bid Loan Quote.

(e) Acceptance and Notice by the Parent. Not later than one hour after receipt of notice from the Administrative Agent of Competitive Bid Loan Quotes pursuant to Section 3.02(d) (or, in either case upon reasonable prior notice to the Lenders, such other time and date as the Parent and the Administrative Agent may agree), the Parent shall notify the Administrative Agent by facsimile transmission at its Office of its acceptance or nonacceptance of the Competitive Bid Loan Quotes so notified to it pursuant to Section 3.02(d) hereof (and the failure of the Parent to give such notice by such time shall constitute nonacceptance) and the Administrative Agent shall promptly notify each affected Lender in accordance with Section 3.02(g) hereof. In the case of acceptance, such notice shall specify the aggregate principal amount of Competitive Bid Loan Quotes for each Interest Period that are accepted. The Parent may accept one or more Competitive Bid Loan Quotes in whole or in part (provided that any Competitive Bid Loan Quote accepted in part shall be a Dollar Equivalent Amount of at least \$5,000,000 or a higher integral multiple of \$1,000,000 (but only to the extent practical in the case of Competitive Bid Loans denominated in a currency other than Dollars)); provided that:

(i) the aggregate principal amount of each Competitive Bid Borrowing may not exceed the applicable amount set forth in the related Competitive Bid Loan Quote Request;

(ii) the aggregate principal amount of each Competitive Bid Borrowing shall be a Dollar Equivalent Amount of at least \$5,000,000 (or a higher integral multiple of \$1,000,000) (but only to the extent practical in the case of Competitive Bid Loans denominated in a currency other than Dollars);

(iii) acceptance of offers may be made only in ascending yield order of LIBOR-based Margins or Absolute Rates, as the case may be; and

(iv) the Parent shall not accept any offer where the Administrative Agent has advised the Parent that such offer fails to comply with Section 3.02(c)(ii) hereof or otherwise fails to comply with the requirements of this Agreement.

(f) Allocation by the Administrative Agent. If Competitive Bid Loan Quotes are made by two or more Lenders with the same LIBOR-based Margins or Absolute Rates, as the case may be, for a greater aggregate principal amount than the amount in respect of which Competitive Bid Loan Quotes are accepted for the related Interest Period, the principal amount of Competitive Bid Loans in respect of which such Competitive Bid Loan Quotes are accepted shall be allocated by the Administrative Agent among such Lenders as nearly as possible (in such multiples, not less than \$500,000, as the Administrative Agent may deem appropriate) in proportion to the aggregate principal amount of such offers. If two or more such Competitive Bid Loan Quotes cannot be allocated evenly within the limits set forth in the immediately preceding sentence, the Administrative Agent shall have discretion to allocate a larger share of such Competitive Bid Loans to one or more of the successful Lenders and in making such allocation shall use reasonable efforts to take into account previous allocations of unequal shares to one or more of such Lenders in connection with other Competitive Bid Loans. Determinations by the Administrative Agent of the amounts of Competitive Bid Loans to be allocated to each such Lender shall be conclusive absent manifest error.

(g) Notice to Lenders. On the date the Parent notifies the Administrative Agent of its acceptance of one or more of the offers made by any Lender or Lenders pursuant to Section 3.02(e) hereof, the Administrative Agent shall (x) not later than 3:00 p.m. New York time on such date, in the case of a LIBOR Auction or (y) as promptly as practicable on such date (but in no event later than 3:00 p.m. New York time), in the case of an Absolute Rate Auction notify each Lender which has made an offer (i) of the aggregate amount of each Competitive Bid Borrowing with respect to which the Parent accepted one or more Competitive Bid Loan Quotes and such Lender's share of such Competitive Bid Borrowing or (ii) that the Parent accepted no offers, such notice to be by facsimile transmission.

(h) Funding of Competitive Bid Loans. Any Lender whose offer to make any Competitive Bid Loan has been accepted shall on the date specified in the related Competitive Bid Loan Quote Request make the proceeds of such Loan available to the Administrative Agent at the Administrative Agent's Office, no later than 12:00 o'clock Noon, New York time, in the case of a LIBOR Auction, and 3:00 p.m. New York City time, in the case of an Absolute Rate Auction, in funds immediately available at such Office. The Administrative Agent will make the funds so received available to the Relevant Borrower in funds immediately available.

SECTION 3.03 Competitive Bid Loan Maturity Dates. The principal amount of each Competitive Bid Loan shall be due and payable on the last day of the applicable Interest Period specified in the related Competitive Bid Loan Quote Request (the "Competitive Bid Loan Maturity Date") and no prepayments of Competitive Bid Loans shall be permitted.

SECTION 3.04 Interest Rates for Competitive Bid Loans. The outstanding principal amount of each Competitive Bid Loan shall bear interest for each day until due at the following rate or rates per annum:

(i) for each LIBOR-based Loan, a rate per annum (computed on the basis of a year of 360 days and actual days elapsed or, in the case of Loans denominated in U.K. pounds sterling computed on the basis of a year of 365 or 366 days, as the case may be) equal to the LIBOR Rate applicable to the Interest Period therefor plus the LIBOR-based Margin quoted by the Lender making such Loan in the related Competitive Bid Loan Quote submitted in accordance with Section 3.02(c) hereof; and

(ii) for each Absolute Rate Loan, a rate per annum (computed on the basis of a year of 360 days and actual days elapsed) equal to the Absolute Rate quoted by the Lender making such Loan in the related Competitive Bid Loan Quote submitted in accordance with Section 3.02(c) hereof.

SECTION 3.05 Competitive Bid Loan Interest Payment Dates. Interest on each Competitive Bid Loan shall be due and payable on the Competitive Bid Loan Maturity Date thereof, and if any Interest Period is longer than three months, also on each third month of such Interest Period. After maturity of any Competitive Bid Loan (by acceleration or otherwise), interest on such Competitive Bid Loan shall be due and payable on demand.

SECTION 3.06 Competitive Bid Register. The Administrative Agent shall maintain a register for the recordation of the names and addresses of Lenders that have made Competitive Bid Loans and the principal amount of the Competitive Bid Loans owing to each Lender from time to time together with the Competitive Bid Loan Maturity Dates and interest rates applicable to each such Competitive Bid Loan, and other terms applicable thereto (the "Competitive Bid Register"). The Competitive Bid Register shall be available for inspection by the Parent or any Lender, as to its bid only, at any reasonable time and from time to time upon reasonable prior notice.

SECTION 3.07 Certain Provisions Relating to LIBOR-Based Loans. Each Competitive Bid Loan that is a LIBOR-based Loan shall be subject to the provisions of Section 2.05(d) applicable to Euro-Rate Portions.

ARTICLE IV Provisions Applicable to Loans

SECTION 4.01 Extension of Revolving Credit Maturity Date and Competitive Bid Expiration Date. The Revolving Credit Maturity Date and the Competitive Bid Expiration Date may be extended at any time for any period at the request of the Parent with the express consent of the Lenders as provided below.

(a) Request for Extension. The Parent may, in a written notice to the Administrative Agent, request (an "Extension Request") that the Revolving Credit Maturity Date be extended for a period of 364 days. The Parent may only submit a total of two Extension

Requests to the Administrative Agent, one of which may be made only during the period prior to the first anniversary of the Closing Date and the other may be made only during the period after the first anniversary and prior to the second anniversary of the Closing Date. The Administrative Agent shall promptly inform the Lenders of such Extension Request. Each Lender that agrees with such Extension Request shall deliver to the Administrative Agent its express written consent thereto no later than 30 days after the date of such Extension Request. Each Lender shall have the right to withhold such consent in its sole discretion.

(b) Replacement Lenders. If the Requisite Extending Lenders have expressly consented in writing to any such Extension Request as provided in Section 4.01(a), then the Administrative Agent shall so notify the Parent and the Parent, at its option, may replace any Lender which has not agreed to such Extension Request (a "Nonextending Lender") with another commercial lending institution (which may be a Lender) which agrees to such extension and is reasonably satisfactory to the Administrative Agent and the Issuers (a "Replacement Lender") by giving (not later than 90 days after the date of the Extension Request) notice of the name of such Replacement Lender to the Administrative Agent and the Issuers. Unless the Administrative Agent or an Issuer shall object to the identity of such proposed Replacement Lender prior to the date 100 days after the date of the Extension Request, upon notice from the Administrative Agent, such Nonextending Lender shall, upon indefeasible payment in full to it of all amounts owed to it hereunder and under the other Loan Documents, including all amounts owed under Section 4.08(c) hereof, assign all of its interests hereunder and under the other Loan Documents to such Replacement Lender and such Replacement Lender shall assume all of such Nonextending Lender's obligations hereunder and under the other Loan Documents in accordance with the provisions of Section 12.14(c) hereof.

(c) Extension. If the Requisite Extending Lenders shall have consented to any such Extension Request, then as of 5:00 p.m. New York time on the date which is 30 days after the date of such Extension Request the Revolving Credit Maturity Date shall be deemed to have been extended until, and shall be, the date specified in the Extension Request, and if the Revolving Credit Maturity Date is so extended, the Competitive Bid Expiration Date and the Letter of Credit Maturity Date (as such dates may have been previously extended pursuant to this Section) shall be deemed to have been extended for the same period. Under all other circumstances neither the Revolving Credit Maturity Date, the Competitive Bid Expiration Date nor the Letter of Credit Maturity Date shall be extended. Notwithstanding anything herein to the contrary, in no event shall any such extension of the Revolving Credit Maturity Date be effective as to any Nonextending Lender. To the extent that any Nonextending Lender has not theretofore been replaced as described above, then on the Revolving Credit Maturity Date which is applicable to such Nonextending Lender (i.e., the Revolving Credit Maturity Date determined without giving effect to any extension thereof to which such Nonextending Lender has not consented), (i) the Parent (or, as applicable, Other Borrowers) shall make indefeasible payment in full to such Nonextending Lender of all amounts owed to it hereunder and under the other Loan Documents, including all amounts owed under Section 4.08(c) hereof, (ii) if the conditions set forth in Section 6.02 are then satisfied, the participation of such Nonextending Lender in all Letters of Credit shall terminate and each extending Lender shall be deemed to have acquired its pro rata (relative to Commitment Percentage) share of such participation and shall thereafter be liable to the Issuer in respect thereof and (iii) if the conditions set forth in Section 6.02 are not then satisfied, the Parent shall deposit with the Administrative Agent for the account of the

Nonextending Lender cash in the amount of such Nonextending Lender's LC Exposure, which shall be held on the terms of Section 2.10(i); provided that (A) amounts so deposited and interest thereon shall be applied exclusively to amounts for which such Nonextending Lender is or becomes liable to an Issuer pursuant to Section 2.10(d) and (B) at such time as the LC Exposure of the Nonextending Lender is zero, all such amounts shall be refunded to the Parent.

SECTION 4.02 Calculation of Dollar Equivalent Amounts.

(a) Calculation Upon Making and Repayment of Loans. Upon each issuance of a Letter of Credit, Modification of a Letter of Credit which changes the undrawn face amount thereof and each making and repayment of a Revolving Credit Loan or a Competitive Bid Loan, in each case denominated in a currency other than Dollars, the Administrative Agent shall calculate the Dollar Equivalent Amount of the applicable LC Exposure or Loan.

(b) Recalculation of Dollar Equivalent Amounts. In determining the aggregate Dollar Equivalent Amount of all LC Exposure and Loans outstanding and proposed to be outstanding, the Administrative Agent may use the respective Dollar Equivalent Amounts for LC Exposure and Loans calculated by it pursuant to paragraph (a) of this Section, unless such aggregate Dollar Equivalent Amount so calculated exceeds 90% of the Total Revolving Credit Commitment, in which case the Administrative Agent shall recalculate the Dollar Equivalent Amount of the LC Exposure and each Loan outstanding no less frequently than once each week. The Administrative Agent may recalculate the Dollar Equivalent Amounts of the LC Exposure and each outstanding Loan as frequently as it determines to do so in its discretion, provided, that such recalculation shall be made for the LC Exposure and all Loans no less frequently than once each week during any period when the aggregate Dollar Equivalent Amount of the LC Exposure and Loans outstanding exceeds 90% of the Total Revolving Credit Commitment. The Administrative Agent shall recalculate the Dollar Equivalent Amount of the LC Exposure and each outstanding Revolving Credit Loan and Competitive Bid Loan at the Parent's request made not earlier than one month after the Parent's most recent such request.

SECTION 4.03 Mandatory Prepayments. In the event that for any reason other than fluctuations in currency exchange rates the aggregate Dollar Equivalent Amount of the outstanding Loans and LC Exposure exceeds at any time 100% of the Total Revolving Credit Commitment as then in effect, the Borrowers shall prepay outstanding Loans (subject to Section 4.08(c) hereof) and/or cash collateralize Letters of Credit (in the manner set forth in Section 2.10(i)) as selected by the Parent in an amount necessary to reduce the aggregate Dollar Equivalent Amount of the outstanding Loans and Letters of Credit which are not cash-collateralized to an amount which does not exceed the Total Revolving Credit Commitment. If the Parent elects to prepay, or cause the prepayment of, Revolving Credit Loans in order to comply with the requirements of this Section 4.03, such prepayment shall be made to the Lenders Pro Rata.

In the event that for any reason (including fluctuations in currency exchange rates) the aggregate Dollar Equivalent Amount of the outstanding Loans and LC Exposure at any time exceeds 105% of the Total Revolving Credit Commitment as then in effect, the Borrowers shall prepay outstanding Loans (subject to Section 4.08(c) hereof) and/or cash collateralize Letters of Credit (in the manner set forth in Section 2.10(i)) as selected by the Parent in an amount necessary to reduce the aggregate Dollar Equivalent Amount of the outstanding Loans

and Letters of Credit which are not cash-collateralized to an amount which does not exceed the Total Revolving Credit Commitment. If the Parent elects to prepay, or cause the prepayment of, Revolving Credit Loans in order to comply with the requirements of this Section 4.03, such prepayment shall be made to the Lenders Pro Rata.

SECTION 4.04 Prepayment Procedures. Whenever any Borrower desires or is required to prepay any part of its Loans, the Parent shall provide not less than one Business Day's prior written notice to the Administrative Agent at its Office setting forth the following information:

- (a) the identity of the Relevant Borrower;
- (b) the type of Loans to be prepaid and the identity of the portions of such Loans to be prepaid; and
- (c) the date, which shall be a Business Day, on which the proposed prepayment is to be made.

SECTION 4.05 Payments Generally; Interest on Overdue Amounts.

(a) Payments Generally. All payments and prepayments to be made by the Parent or any Other Borrower in respect of principal, interest, fees, reimbursement of LC Disbursements, indemnity, expenses or other amounts due from the Parent or any Other Borrower hereunder or under any Loan Document in Dollars shall be payable by 12:00 o'clock Noon, New York time, on the day when due without presentment, demand, protest or notice of any kind (other than notice of acceleration as required by Section 9.02 hereof), all of which are hereby expressly waived, without set-off, counterclaim, withholding or other deduction of any kind or nature, except for payments to a Lender subject to a withholding deduction under Section 4.09 hereof. Except for payments to be made directly to an Issuer as expressly provided herein and payments under Sections 4.08, 4.09 and 12.06 hereof, such payments shall be made to the Administrative Agent at its Office in Dollars in funds immediately available at such Office, and payments under Sections 4.08, 4.09 and 12.06 hereof shall be made to the applicable Lender at such domestic account as it shall specify to the Parent from time to time in funds immediately available at such account.

All payments and prepayments to be made by the Parent or any Other Borrower in respect of principal, interest, reimbursement of LC Disbursements or other amounts due from any Borrower hereunder or under any Loan Document in a currency other than Dollars shall be made by payment in that currency in freely transferable funds by 12:00 Noon, New York time, for value on the applicable payment date and such payment shall be due without presentment, demand, protest or notice of any kind (other than notice of acceleration as required by Section 9.02 hereof), all of which are hereby expressly waived, without set-off, counterclaim, withholding or other deduction of any kind or nature, except for payments to a Lender subject to a withholding deduction under Section 4.09 hereof. Except for payments to be made directly to an Issuer as expressly provided herein and payments under Sections 4.08, 4.09 and 12.06 hereof, such payments shall be made to the Administrative Agent at the Administrative Agent's Office. Any payment or prepayment received by the Administrative Agent after 12:00 o'clock Noon, New York time on any day shall be deemed to have been received on the next succeeding Business Day.

All payments to be made by a Lender under Section 4.05(c)(i) shall be made to the Administrative Agent at its Office without set-off, withholding, counterclaim or other deduction of any nature.

All payments hereunder of (i) principal or interest in respect of any Loan shall be made in the currency in which such Loan is denominated, (ii) reimbursement obligations (and interest in respect of reimbursement obligations) shall be made in the currency in which the Letter of Credit in respect of which such reimbursement obligation exists was denominated or (iii) any other amount due hereunder or under another Loan Document shall be made in Dollars. The Administrative Agent shall distribute to the Lenders all payments received by it for the account of the Lenders from any Borrower as promptly as practicable after receipt by the Administrative Agent. Except as expressly contemplated by Section 4.01(c), all payments on account of Revolving Credit Loans shall be distributed to the Lenders Pro Rata. If and to the extent that the Administrative Agent has not forwarded to any Lender such Lender's share of any such payment on the same Business Day as such payment is received (or deemed received) from such Borrower, the Administrative Agent shall pay to such Lender interest on such amount at the Federal Funds Effective Rate for each day until such payment is made.

Upon termination of this Agreement and the expiration or cancellation of all Letters of Credit and payment in full of all principal, interest, reimbursement amounts, fees, expenses and other amounts due from the Borrowers hereunder or under any other Loan Document, each Lender will promptly mark any Notes "cancelled" and forward them to the Administrative Agent for delivery to the Parent.

(b) Interest on Overdue Amounts. To the extent permitted by Law, after there shall have become due (by acceleration or otherwise) principal, interest, fees, obligations with respect to LC Disbursements, indemnity, expenses or any other amounts due from any Borrower hereunder or under any other Loan Document, such amounts shall bear interest for each day until paid (before and after judgment), payable on demand, at a rate per annum based on a year of 360 days and actual days elapsed which for each day shall be equal to the following:

(i) in the case of any part of the Euro-Rate Portion or CDOR Portion of any Revolving Credit Loans or of Competitive Bid Loans, (A) until the end of the applicable then-current Funding Period or until regularly scheduled maturity, as the case may be, at a rate per annum 2% above the rate otherwise applicable to such part, and (B) thereafter in accordance with the following clause (ii); and

(ii) in the case of any other amount due from any Borrower hereunder or under any Loan Document, (A) 2% above the then current Base Rate, in the case of Loans or other amounts denominated in Dollars or (B) 2% above the rate then borne by overnight deposit in the applicable currency in the eurocurrency market as determined by the Administrative Agent, in the case of Revolving Credit Loans, Competitive Bid Loans or other amounts denominated in a currency other than Dollars.

(c) Administrative Agent's Clawback.

(i) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender (x) in the case of Base Rate Loans, one hour prior to the proposed time of the Borrowing and (y) otherwise, prior to the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with this Agreement and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount, with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of a payment to be made by such Lender, the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, and (ii) in the case of a payment to be made by the Borrower, the rate determined by reference to the applicable interest rate Option for such Borrowing. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(ii) Payments by Borrower; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the Issuing Banks hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the Issuing Banks, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders or the Issuing Banks, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or Issuing Bank, with interest thereon, for each day from and including the date such amount was distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

SECTION 4.06 Availability of Currencies.

(a) Unavailability. If, in the reasonable judgment of the Administrative Agent, a Designated Currency ceases to be available and freely tradable in the eurocurrency market then such currency shall cease to be a Designated Currency hereunder. The Administrative Agent shall give prompt notice to the Parent and the Lenders of any such determination.

(b) Repayment in Dollars. In the event that (i) pursuant to Section 4.06(a), the Administrative Agent has determined that a Designated Currency has ceased to be available and freely tradable in the eurocurrency market and (ii) the Administrative Agent has determined in good faith that such Designated Currency is not otherwise available to the Parent or any Other Borrower, then, on the date any Loans or amounts in respect of a Letter of Credit denominated in such Designated Currency would become due under the terms of this Agreement (other than as a result of an optional prepayment or of the acceleration of the Loans under Section 9.02), the Relevant Borrower may repay such Loans (or other amounts) by paying to each Lender an amount in Dollars equal to the amount determined in good faith by such Lender (which determination shall be conclusive absent manifest error) to be the amount in Dollars necessary to compensate such Lender for the principal of and accrued interest on such Loans (or other amounts) and any additional cost, expense or loss incurred by such Lender as a result of such Loans or other amounts being repaid in Dollars (rather than in their denominated currency).

SECTION 4.07 Changes in Law Rendering Certain Loans Unlawful. In the event that any Law or guideline or interpretation or application thereof shall at any time make it unlawful for any Lender to make, maintain or fund its Loans or its Letter of Credit participations, such Lender shall promptly notify the Parent and the Administrative Agent thereof. Thereupon, the Relevant Borrower shall, subject to Section 4.08(c), if such Lender so requests, on such date as may be required by the relevant Law, guideline, interpretation or application, prepay such Loans. Each Lender shall take actions of the type referred to in Section 4.10, if such actions would avoid such circumstances and would not in the good faith judgment of such Lender be disadvantageous in any way to such Lender or its Affiliates at such time or in the future. No Lender shall be obligated to make any extension of credit hereunder in violation of any applicable law.

SECTION 4.08 Additional Compensation in Certain Circumstances.

(a) Increased Costs or Reduced Return Resulting From Taxes, Reserves, Capital Adequacy Requirements, Expenses, Etc. If any Law or change therein or interpretation or application thereof by any Governmental Authority charged with the interpretation or administration thereof or compliance with any request or directive of any Governmental Authority (whether or not having the force of Law), in each case adopted or made after the date hereof (or, with respect to any Other Borrower, adopted or made at any time); provided however, that for purposes of this Section 4.08, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act or any change therein or interpretation or application thereof by any Governmental Authority charged with the interpretation or administration thereof or compliance with any request or directive of any Governmental Authority (whether or not having the force of Law) and (y) any requests or directives promulgated by, or the interpretations or applications thereof by the Bank for International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall be deemed to have been adopted or made after the date hereof:

(i) subjects any Lender or Issuer or any Notional Funding Office to any tax or changes the basis of taxation with respect to this Agreement, the Notes, the Loans, the Letters of Credit or payments by any Borrower of principal, interest, Commitment Fees or other amounts due from any Borrower hereunder or under the Notes (except for taxes on the overall net income or overall gross receipts of such Lender, such Issuer or such Notional Funding Office imposed by the jurisdictions (federal, state and local) in which the Lender's or Issuer's principal office or Notional Funding Office is located),

(ii) imposes, modifies or deems applicable any reserve, special deposit or similar requirement or imposes any other condition adversely affecting the cost to a Lender or Issuer or Notional Funding Office of making, maintaining or funding any Loan or issuing any Letter of Credit or acquiring or maintaining a participation in any Letter of Credit hereunder (other than requirements expressly included herein in the determination of interest under the Euro-Rate Option), or

(iii) imposes, modifies or deems applicable any capital adequacy or liquidity or similar requirement (A) against assets (funded or contingent) of, or credits or commitments to extend credit extended by, any Lender, any Issuer or any Notional Funding Office hereunder, or any Person controlling a Lender or an Issuer, or (B) otherwise applicable to the obligations of any Lender, any Issuer or any Notional Funding Office under this Agreement, or any Person controlling a Lender or an Issuer.

and the result of any of the foregoing is reasonably determined by any Lender or Issuer to increase the cost to, reduce the income receivable by, or impose any expense (including loss of margin) upon such Lender or Issuer, any Notional Funding Office or, in the case of clause (iii) hereof, any Person controlling a Lender or Issuer, with respect to this Agreement, the Notes or the making, maintenance or funding of any Loan or the issuing of any Letter of Credit or the acquiring or maintaining of a participation in any Letter of Credit (or, in the case of any capital adequacy or similar requirement, to have the effect of reducing the rate of return on such Lender's, Issuer's or controlling Person's capital, taking into consideration such Lender's, Issuer's or controlling Person's policies with respect to capital adequacy) by an amount which such Lender or Issuer reasonably deems to be material, such Lender or Issuer may from time to time promptly notify the Parent of the amount determined in good faith (using any reasonable averaging and attribution methods) by such Lender or Issuer (which determination shall be conclusive absent manifest error) to be necessary to compensate such Lender or Issuer or such Notional Funding Office or controlling Person for such increase, reduction or imposition. Each Lender and Issuer will furnish the Parent and the Administrative Agent with a statement setting forth in reasonable detail the basis, the manner of calculation and the amount of each request by such Lender or Issuer for compensation from the Parent under this Section 4.08. Such amount shall be due and payable by the Parent to such Lender or Issuer five Business Days after such notice is given. Notwithstanding the foregoing, the Parent will not be required to reimburse any Lender or Issuer for any such increase, reduction or imposition under this Section 4.08(a) that (i) arises prior to 120 days preceding the date of such Lender's or Issuer's request for compensation under this Section 4.08(a), unless the applicable Law, guideline, change, interpretation or application is imposed retroactively or (ii) if the applicable Law, guideline, change, interpretation or application is imposed retroactively, arises prior to 120 days preceding the later of the date the Lender or Issuer reasonably should have learned of such Law, guideline, change, interpretation or application and the date of such Lender's or Issuer's request.

Each Lender will take actions of the type referred to in Section 4.10, if such actions would avoid the conditions referred to in subsections (i), (ii) and (iii) of this Section 4.08(a) and would not in the good faith judgment of such Lender be disadvantageous in any way to such Lender or its Affiliates at such time or in the future.

If a Lender requests reimbursement under this Section 4.08(a), so long as the circumstances giving rise to such request continue to exist, the Parent at its option, may replace such Lender with another commercial lending institution (which may be a Lender) reasonably satisfactory to the Administrative Agent by giving notice of such replacement Lender to such Lender and the Administrative Agent. Unless the Administrative Agent or any Issuer shall object to the identity of such proposed replacement Lender within 10 days after receipt of such notice, the Lender being so replaced shall, upon indefeasible payment in full to it of all amounts owed to it hereunder and under the other Loan Documents, including all amounts owed under Section 4.08(c) hereof, assign all of its interests hereunder and under the other Loan Documents to such replacement Lender and such replacement Lender shall assume all of such other Lender's obligations hereunder and under the other Loan Documents in accordance with the provisions of Section 12.14(c) hereof.

(b) Additional Reserve Costs. For so long as any Lender is required to make special deposits with the European Central Bank, the Bank of England and/or The Financial Services Authority (or, in either case, any other authority which replaces all or any of its functions) or comply with reserve assets, liquidity, cash margin or other requirements of the European Central Bank, the Bank of England and/or The Financial Services Authority (or, in any case, any other authority which replaces all or any of its functions), to maintain reserve asset ratios or to pay fees, in each case in respect of the Euro-Rate Portion of such Lender's Revolving Loans, such Lender shall be entitled to require the Relevant Borrower to pay, contemporaneously with each payment of interest on each of such Revolving Loans, additional interest on such Revolving Loan at a rate per annum equal to the Mandatory Costs Rate calculated in accordance with the formula and in the manner set forth in Schedule V hereto. Any additional interest owed pursuant to this subsection 4.08(b) shall be determined in reasonable detail by the applicable Lender, which determination shall be conclusive and binding absent manifest error, and notified to the Relevant Borrower (with a copy to the Administrative Agent) at least five Business Days before each date on which interest is payable for the applicable Loan, and such additional interest so notified to the Relevant Borrower by such Lender shall be payable to the Administrative Agent for the account of such Lender on each date on which interest is payable for such Loan.

(c) Funding Breakage. If any repayment of principal with respect to any part of any Funding Segment of any Euro-Rate Portion or CDOR Portion of the Loans is made on a day other than on the last day of the corresponding Funding Period, or any prepayment of principal with respect to any Competitive Bid Loan is made, as a result of an acceleration of the maturity thereof pursuant to Section 9.02 or for any other reason, or if any Borrower fails to borrow after giving notice of borrowing, the Parent shall reimburse each Lender on demand for any loss incurred by such Lender as a result of the timing of such payment, prepayment or failure, including (without limitation) any loss incurred in liquidating or employing deposits from third parties but excluding loss of margin for the period after such payment, prepayment or

failure, provided that such Lender shall have delivered to the Parent a certificate setting forth the basis for determining such loss, which certificate shall be conclusive in the absence of manifest error.

SECTION 4.09 Taxes.

(a) Payments Net of Taxes. All payments made by the Borrowers under this Agreement or any other Loan Document shall be made free and clear of and without deduction for any and all taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding (x) in the case of each Lender, each Issuer and the Administrative Agent, net income taxes imposed on such Lender, such Issuer or the Administrative Agent, as the case may be, by the United States or a political subdivision thereof, and net income taxes and franchise taxes imposed on such Lender, such Issuer or the Administrative Agent, as the case may be, by the jurisdiction under the laws of which such Lender or the Administrative Agent, as the case may be, is organized or by any political subdivision thereof, and (y) in the case of each Lender, net income taxes and franchise taxes imposed on such Lender by the jurisdiction in which is located the Lender's lending office which makes or books a particular extension of credit hereunder or any political subdivision thereof (all such non-excluded taxes, levies, imposts, deduction, charges, withholdings and liabilities being referred to as "Taxes"). If any Borrower shall be required by Law to deduct any Taxes from or in respect of any sum payable under this Agreement or any other Loan Document to any Lender, any Issuer or the Administrative Agent, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 4.09) such Lender, such Issuer or the Administrative Agent, as the case may be, receives an amount equal to the sum it would have received had no such deductions been made, (ii) such Borrower shall make such deductions, and (iii) such Borrower shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable Law.

(b) Other Taxes. In addition, each Borrower agrees to pay any present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies which arise from any payment made under this Agreement or any other Loan Document or from the execution, delivery or registration of, or otherwise with respect to, this Agreement or any other Loan Document (hereinafter referred to as "Other Taxes").

(c) Indemnity by the Parent. The Parent will indemnify each Lender and Issuer and the Administrative Agent for the full amount of Taxes and Other Taxes (including, without limitation, any Taxes and Other Taxes imposed by any jurisdiction on amounts payable under this Section 4.09) paid by such Lender or Issuer or Administrative Agent, as the case may be, and any liability (including, without limitation, penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted. The Administrative Agent and each Issuer and Lender agree to give notice to the Parent of the assertion of any claim against the Administrative Agent or such Issuer or Lender relating to such Taxes or Other Taxes as promptly as is practicable after being notified of such assertion; provided, that the Administrative Agent's or such Issuer's or Lender's failure to notify the Parent promptly of such assertion shall not relieve the Parent of its obligations under this Section 4.09 except to the extent that the Parent is actually prejudiced thereby. Payments by the Parent pursuant to this indemnification shall be made within 30 days from the date the

Administrative Agent or such Issuer or Lender makes written demand therefor (submitted through the Administrative Agent), which demand shall be accompanied by a certificate describing in reasonable detail the basis therefor.

(d) Lender Indemnity. Each Lender shall severally indemnify the Administrative Agent for any Taxes (but only to the extent that the Parent has not already indemnified the Administrative Agent for such Taxes and without limiting the obligation of the Parent to do so) attributable to such Lender that are paid or payable by the Administrative Agent to such Lender in connection with any Loan Document and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. The indemnity under this Section 4.09(d) shall be paid within 10 days after the Administrative Agent delivers to the applicable Lender a certificate stating the amount of Taxes so paid or payable by the Administrative Agent. Such certificate shall be conclusive of the amount so paid or payable absent manifest error.

(e) Receipts, etc. Within 30 days after the date of any payment of Taxes or Other Taxes, the Parent will furnish to the Administrative Agent the original or a certified copy of a receipt evidencing payment thereof.

(f) Other. Nothing in this Section 4.09 or otherwise in this Agreement shall require any Lender to disclose to any other party to this Agreement any of its tax returns (or any other information that it deems to be confidential or proprietary).

(g) Withholding Tax Exemption. (i) Each Lender organized under the Laws of a jurisdiction outside the United States shall, on the date such Lender becomes party to this Agreement, and from time to time thereafter if requested in writing by the Parent or the Administrative Agent, provide the Administrative Agent and the Parent with the forms prescribed by the United States Internal Revenue Service certifying as to such Lender's status for purposes of determining exemption from, or reduced rate applicable to, United States withholding taxes with respect to payments to be made to such Lender under this Agreement and the other Loan Documents and (ii) if a payment made to a Lender under this Agreement would be subject to United States Federal withholding tax imposed by FATCA if such Lender fails to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Administrative Agent and the Parent, at the time or times prescribed by law and at such time or times reasonably requested by the Administrative Agent or the Parent, such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Administrative Agent or the Parent as may be necessary for such party to comply with its obligations under FATCA, to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment.; provided, that a Lender shall not be obligated to provide any such form specified in clause (i) or (ii) after the date such Lender becomes party to this Agreement if such Lender is not legally able to do so.

(h) Relief from Indemnity Obligations. The Borrowers shall not be required to indemnify any Lender, or to pay any additional amounts to any Lender, in respect of United States Taxes (or any Taxes imposed by a state of the United States that applies only when such United States Taxes are imposed), pursuant to Sections 4.09(a) or 4.09(c), to the extent that:

(i) the obligation to pay amounts with respect to United States Taxes existed on the date such Lender became a party to this Agreement (including FATCA); provided, that this clause (i) shall not apply (A) to a Lender that became a Lender as a result of an assignment made or other action taken at the request of the Parent, or (B) to United States Taxes that arise solely as a result of the jurisdiction of incorporation or place of business of any Other Borrower, or

(ii) the obligation to make such indemnification or to pay such additional amounts would not have arisen but for gross negligence, willful misconduct or bad faith of such Lender or the failure of such Lender to comply with the provisions of Section 4.09(g).

(i) Refunds. If a Lender receives a refund in respect of any Taxes or Other Taxes as to which it has been indemnified by a Borrower, or with respect to which a Borrower has paid additional amounts, pursuant to this Section 4.09, such Lender shall promptly after the date of such receipt pay over the amount of such refund to the Parent (but only to the extent of indemnity payments made, or additional amounts paid, by a Borrower under this Section 4.09 with respect to the Taxes or Other Taxes giving rise to such refund and only to the extent that such Lender has determined that the amount of any such refund is directly attributable to payments made under this Agreement), net of all reasonable expenses of such Lender (including additional Taxes and Other Taxes attributable to such refund, as determined by such Lender) and without interest (other than interest, if any, paid by the relevant Governmental Authority with respect to such refund). The Parent shall, upon demand, pay to such Lender any amount paid over to the Parent by such Lender (plus penalties, interest or other charges) in the event such Lender is required to repay any portion of such refund to such Governmental Authority.

(j) Cure Action. Each Lender agrees to take actions of the type referred to in Section 4.10, if such actions would avoid or reduce payments under this Section 4.09 and would not, in the good faith judgment of such Lender, be disadvantageous in any way to such Lender or its Affiliates at such time or in the future.

SECTION 4.10 Funding by Branch, Subsidiary or Affiliate.

(a) Notional Funding. Each Lender shall have the right from time to time, prospectively or retrospectively, without notice to any Borrower, to deem any branch, subsidiary or Affiliate of such Lender to have made, maintained or funded any part of the Loans at any time; provided, that if a Lender exercises such right as a matter of administrative convenience and not as required by Law or by this Agreement, then the Parent shall not be required to reimburse the Lender for any increased amounts payable under Section 4.08(a) or 4.09 hereof that result from the exercise of such right. Any branch, subsidiary or Affiliate so deemed shall be known as a "Notional Funding Office." Such Lender shall deem any part of its Loans or the funding therefor to have been transferred to a different Notional Funding Office if such transfer would avoid or cure an event or condition described in Section 2.05(d)(i)(B) hereof or would lessen compensation payable by any Borrower under Sections 4.08(a) or 4.09 hereof, and would not, in the good faith judgment of such Lender, be disadvantageous in any way to such Lender or its Affiliates at such time or in the future (it being assumed for purposes of such determination that the Loans are actually made or maintained by or funded through the corresponding Notional Funding Office). Notional Funding Offices may be selected by such Lender without regard to such Lender's actual methods of making, maintaining or funding Loans or any sources of funding actually used by or available to such Lender.

(b) Actual Funding. Each Lender shall have the right from time to time to make or maintain any part of the Loans by arranging for a branch, subsidiary or Affiliate of such Lender to make or maintain such part of the Loans; provided, that if a Lender exercises such right as a matter of administrative convenience and not as required by Law or by this Agreement, then the Parent shall not be required to reimburse the Lender for any increased amounts payable under Section 4.08(a) or 4.09 hereof that result from the exercise of such right. Such Lender shall have the right to (i) hold any applicable Note payable to its order for the benefit and account of such branch, subsidiary or Affiliate or (ii) request any Borrower to issue one or more promissory notes in the principal amount of such part, in substantially the form attached hereto as Exhibit A or B, as the case may be, with the blanks appropriately filled, payable to such branch, subsidiary or Affiliate and with appropriate changes reflecting that the holder thereof is not obligated to make any additional Loans to any Borrower. Each Borrower agrees to comply promptly with any request under subsection (ii) of this Section 4.10(b). If any Lender causes a branch, subsidiary or Affiliate to make or maintain any part of Loans hereunder, all terms and conditions of this Agreement shall, except where the context clearly requires otherwise, be applicable to such part of the Loans and to any note payable to the order of such branch, subsidiary or Affiliate to the same extent as if such part of the Loans were made or maintained and such note were a Note payable to such Lender's order.

SECTION 4.11 Several Obligations. The failure of any Lender to make a Revolving Credit Loan shall not relieve any other Lender of its obligation to lend hereunder, but neither the Administrative Agent nor any Lender shall be responsible for the failure of any other Lender to make a Revolving Credit Loan.

SECTION 4.12 Defaulting Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) Commitment Fees shall cease to accrue on the Commitment of such Defaulting Lender pursuant to Section 2.04(a).

(b) The Revolving Credit Committed Amount, Loans and LC Exposure of such Defaulting Lender shall not be included in determining whether the Lenders or the Required Lenders have taken or may take any action hereunder (including any consent to any amendment, waiver or other modification pursuant to Section 12.03); provided, this clause (b) shall not apply for purposes of any amendment, modification or waiver that (i) increases such Defaulting Lender's Revolving Credit Committed Amount or extends the maturity of such Defaulting Lender's Commitment or (ii) requires the consent of all Lenders or each Lender affected thereby and treats such Defaulting Lender differently than the other respective Lenders.

(c) If any LC Exposure exists at the time such Lender becomes a Defaulting Lender then:

(i) all or any part of the LC Exposure of such Defaulting Lender shall be reallocated among the non-Defaulting Lenders in accordance with their respective

Commitment Percentages but only to the extent (A) no Event of Default has occurred and is continuing at such time and (B) the sum of all non-Defaulting Lenders' Revolving Credit Exposures plus such Defaulting Lender's LC Exposure does not exceed the total of all non-Defaulting Lenders' Commitments;

(ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the Parent shall within one Business Day following notice by the Administrative Agent cash collateralize for the benefit of the Issuers only the Relevant Borrower's obligations corresponding to such Defaulting Lender's LC Exposure (after giving effect to any partial reallocation pursuant to clause (i) above) in accordance with the procedures set forth in Section 2.10(i) for so long as such LC Exposure is outstanding;

(iii) if the Parent cash collateralizes any portion of such Defaulting Lender's LC Exposure pursuant to clause (ii) above, the Parent shall not be required to pay any participation fees to such Defaulting Lender pursuant to Section 2.04(b), and such fees shall not accrue, with respect to such Defaulting Lender's LC Exposure during the period such Defaulting Lender's LC Exposure is cash collateralized;

(iv) if any LC Exposure of such non-Defaulting Lender is reallocated pursuant to clause (i) above, then the participation fees payable to the Lenders pursuant to Section 2.04(b) shall be adjusted in accordance with such non-Defaulting Lenders' Commitment Percentages; and

(v) if all or any portion of such Defaulting Lender's LC Exposure is neither reallocated nor cash collateralized pursuant to clause (i) or (ii) above, then, without prejudice to any rights or remedies of the Issuers or any other Lender hereunder, all participation fees payable under Section 2.04(b) with respect to such Defaulting Lender's LC Exposure (to the extent neither so reallocated nor cash collateralized) shall be payable to the applicable Issuer or Issuers in respect of the Letters of Credit included in such LC Exposure, pro rata until and to the extent that such LC Exposure is so reallocated and/or cash collateralized.

(d) So long as such Lender is a Defaulting Lender, no Issuers shall be required to issue, amend or increase any Letter of Credit, unless it is satisfied that the related exposure and the Defaulting Lender's then outstanding LC Exposure will be 100% covered by the Commitments and the obligations to participate in Letters of Credit of the non-Defaulting Lenders and/or cash collateral will be provided by the Parent in accordance with clauses (c)(i) and (ii) above.

(e) If (i) a Bankruptcy Event with respect to a parent entity of which any Lender is a subsidiary shall occur following the date hereof and for so long as such event shall continue or (ii) an Issuer has a good faith belief that any Lender has defaulted in fulfilling its obligations under one or more other agreements in which such Lender commits to extend credit, such Issuer shall not be required to issue, amend or increase any Letter of Credit, unless such Issuer shall have entered into arrangements with the Parent or such Lender, satisfactory to such Issuer to defease any risk to it in respect of such Lender hereunder.

(f) Any principal, interest, fees or any other amounts payable to or for the account of any Defaulting Lender in its capacity as a Lender hereunder shall, in lieu of being distributed to such Defaulting Lender, be retained by the Administrative Agent in a segregated account and, subject to any applicable requirements of law, (A) be applied, at such time or times as may be determined by the Administrative Agent, (1) first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder, (2) second, pro rata, to the payment of any amounts owing by such Defaulting Lender to the Issuers in respect of such Defaulting Lender's participations in Letters of Credit, (3) third, to the funding of such Defaulting Lender's Commitment Percentage of any borrowing in respect of which such Defaulting Lender shall have failed to fund such share as required hereunder, (4) fourth, to cash collateralize participation obligations of such Defaulting Lender in respect of outstanding Letters of Credit and (B) to the extent not applied as aforesaid, be held, if so determined by the Administrative Agent, as cash collateral for funding obligations of such Defaulting Lender in respect of future Revolving Loans hereunder, (C) to the extent not applied or held as aforesaid, be applied, pro rata, to the payment of any amounts owing to the Parent or the non-Defaulting Lenders as a result of any judgment of a court of competent jurisdiction obtained by the Parent or any non-Defaulting Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations hereunder and (D) to the extent not applied or held as aforesaid, be distributed to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction.

(g) In the event that the Administrative Agent, the Parent and the Issuers each agrees that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the LC Exposure of the Lenders shall be readjusted to reflect the inclusion of such Lender's Commitment and on such date such Lender shall purchase at par such of the Revolving Credit Loans of the other Lenders as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Loans in accordance with its Commitment Percentage.

(h) So long as such Lender is a Defaulting Lender, the Parent may, at its option, replace such Defaulting Lender with another commercial lending institution (which may be a Lender) reasonably satisfactory to the Administrative Agent by giving notice of such replacement Lender to such Defaulting Lender and the Administrative Agent. Unless the Administrative Agent or any Issuer shall object to the identity of such proposed replacement Lender within 10 days after receipt of such notice, the Defaulting Lender being so replaced shall, upon indefeasible payment in full to it of all amounts owed to it hereunder (which shall include amounts referenced in Section 4.08(c)) and under the other Loan Documents assign all of its interests hereunder and under the Loan Documents to such replacement Lender and such replacement Lender shall assume all of such Defaulting Lender's obligations hereunder and under the other Loan Documents in accordance with the provisions of 12.14(c).

(i) So long as such Lender is a Defaulting Lender and no Event of Default or Potential Event of Default has occurred or exists, the Parent may, at its option, reduce the unused portion of such Defaulting Lender's Commitment without being required to reduce any other Lender's Commitment. Any such reduction shall be effective upon written notice by the Parent to the Administrative Agent.

ARTICLE V
Representations and Warranties

As of the date hereof, the Parent hereby represents and warrants to the Administrative Agent and each Lender as follows:

SECTION 5.01 Financial Statements; No Material Adverse Change. The Parent's audited consolidated balance sheet as of September 30, 2012, and the related statement of consolidated income for the year then ended (copies of which have been furnished to each Lender) are complete and correct in all material respects and present fairly the financial condition of the Parent and its Subsidiaries as of such date and the results of its operations for such year and since such date to the date hereof there has been no material adverse change in such financial condition or operations on a consolidated basis. The Parent's unaudited consolidated balance sheet as of March 31, 2013, and the related statement of consolidated income for the six-month period ended on such date (copies of which have been furnished to each Lender) are complete and correct in all material respects and present fairly the financial condition of the Parent and its Subsidiaries as of such date and the results of its operations for such period (subject to normal year-end audit adjustments and the absence of certain footnotes).

SECTION 5.02 Litigation. There is no action, suit or administrative proceeding, to the knowledge of the Parent after due inquiry, pending or threatened against the Parent or any of its Subsidiaries as of the date hereof which, in the opinion of the Parent, involves any substantial risk of any material adverse effect on the financial condition or business of the Parent and its Subsidiaries on a consolidated basis.

SECTION 5.03 Due Organization. The Parent is a corporation and each Initial Other Borrower is (and as of the date it becomes an Other Borrower hereunder, each additional Other Borrower will be) a legal entity, in each case duly organized, validly existing and in good standing under the laws of its jurisdiction of organization.

SECTION 5.04 Consents and Approvals. The Parent and each Initial Other Borrower has (and as of the date it becomes an Other Borrower hereunder, each additional Other Borrower will have) obtained the necessary material consents and approvals, governmental or otherwise, for its execution and performance under this Agreement.

SECTION 5.05 Corporate Power, Authorization and Enforceability. The Parent and each Initial Other Borrower has (and as of the date it becomes an Other Borrower hereunder, each additional Other Borrower will have) taken all necessary corporate or other organizational action to authorize its execution and performance under this Agreement such that this Agreement, the Notes and, as applicable, the other Loan Documents constitute valid and legally binding obligations of the Parent and each Other Borrower, subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law).

SECTION 5.06 ERISA. Parent and each Other Borrower is in compliance in all material respects with all applicable provisions and requirements of ERISA with respect to any Employee Benefit Plan for which Parent or such Other Borrower is the plan sponsor or a

contributing employer, and Parent is not subject to any material liability, penalty, excise tax or lien arising under ERISA or under the Internal Revenue Code with respect to any Pension Plan which is sponsored by the Parent or any Subsidiary (or to which the Parent or any Subsidiary is obligated to contribute), except to the extent such noncompliance, liability, penalty, excise tax or lien would not have a material adverse effect on the financial condition or business of the Parent and its Subsidiaries on a consolidated basis.

SECTION 5.07 No Conflict. Neither the execution and delivery by the Parent or, as applicable, the Other Borrowers of the Loan Documents, nor the consummation of the transactions therein contemplated, nor compliance by the Parent or, as applicable, the Other Borrowers with the provisions thereof will violate (a) to the best of the Parent's knowledge after due inquiry, any material law, rule, regulation, order, writ, judgment, injunction, decree or award binding on the Parent or any of its Subsidiaries or (b) the Parent's or any Subsidiary's articles or certificate of incorporation, partnership agreement, certificate of partnership, articles or certificate of organization, by-laws, or operating or other management agreement, as the case may be, or (c) to the best of the Parent's knowledge after due inquiry, the provisions of any material indenture, instrument or agreement to which the Parent or any of its Subsidiaries is a party or is subject, or by which it, or its property, is bound, or conflict with or constitute a default thereunder, or result in, or require, the creation or imposition of any lien in, of or on the property of the Parent or a Subsidiary pursuant to the terms of any such indenture, instrument or agreement, except to the extent such violation would not have a material adverse effect on the financial condition or business of the Parent and its Subsidiaries on a consolidated basis.

SECTION 5.08 No Default. Each of the Parent and its Subsidiaries is in compliance with all laws, regulations and orders of any Governmental Authority applicable to it or its property and all indentures, agreements and other instruments binding upon it or its property, except where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect. No Event of Default or Potential Event of Default has occurred and is continuing.

ARTICLE VI Conditions of Credit

SECTION 6.01 Conditions to Initial Credit Events. The obligation of each Lender to make its initial Loan and of each Issuer to issue its initial Letter of Credit is subject to the execution and delivery of this Agreement by all parties hereto and the following conditions precedent:

(a) Officer's Certificate. The Administrative Agent shall have received a certificate dated the Closing Date and signed by the Treasurer or a Vice President of the Parent to the effect that each of the representations and warranties made by the Parent in Article V hereof is true and correct on and as of the Closing Date as if made on and as of such date, both before and after giving effect to the Credit Events requested to be made on the Closing Date.

(b) Legal Opinion. The Parent shall provide to the Administrative Agent a legal opinion dated the Closing Date in form and substance reasonably satisfactory to the Administrative Agent as to the matters set forth in Sections 5.03, 5.04, 5.05 and 5.07 of this Agreement.

(c) Corporate Action. The Administrative Agent shall have received on or before the Closing Date certified copies of all corporate action taken by the Parent and each Initial Other Borrower to authorize the execution and delivery of this Agreement and, if required, the Notes and such other papers as the Administrative Agent or any Lender shall reasonably require, including specimen signatures of the officers executing this Agreement, the Notes and such documents, including any notices of borrowing.

(d) Patriot Act Information. The Administrative Agent shall have received copies of the articles or certificate of incorporation of the Parent and each Initial Other Borrower, together with all amendments, and a certificate of good standing, each certified as of a recent date by the appropriate governmental officer in its jurisdiction of incorporation, as well as any other information required by Section 326 of the USA PATRIOT ACT or necessary for the Administrative Agent or any Lender to verify the identity of the Parent and each Initial Other Borrower as required by Section 326 of the USA PATRIOT Act.

(e) Indenture. The Administrative Agent shall have received a copy of the Indenture and any amendments or supplements thereto certified as of the Closing Date as true, complete and correct by an officer of the Parent.

(f) Fees and Expenses. The Parent shall have paid all fees and expenses required to be paid by it on or before the Closing Date in connection with this Agreement.

(g) Termination of Existing Agreement. The Existing Agreement, and all commitments thereunder, shall have been terminated and the Borrowers shall have paid all "Obligations" owing thereunder, including but not limited to all accrued and unpaid fees, costs and expenses.

SECTION 6.02 Conditions to All Credit Events. The obligation of each Lender to make each Loan to be made by it hereunder and of each Issuer to issue or Modify Letters of Credit is subject to the following conditions precedent:

(a) No Default. No Event of Default and (except in the case of a rollover or an extension of a Loan, but not an increase in the principal amount of a Loan) no Potential Event of Default, has occurred and is continuing on and as of the date of such Credit Event, both immediately before and immediately after giving effect to such Credit Event.

(b) Representations and Warranties. Each of the representations and warranties made by the Parent in Sections 5.03, 5.04, 5.05 and 5.07 hereof shall be true and correct in all material respects on and as of the date of such Credit Event as if made on and as of such date unless such representation is already qualified by materiality and then, in such case, the representation shall be true in all respects, both immediately before and immediately after giving effect to such Credit Event. It is further understood and agreed that notice by the Parent requesting any Credit Event pursuant to Section 2.03, 2.10(b) or 3.02 hereof shall constitute a certification by the Parent that (a) the conditions precedent required by this Section 6.02 are satisfied at the date of such Credit Event, and (b) that the proceeds of such Loans will be used by the Borrowers for, and such Letters of Credit will be issued to support, general corporate purposes and no part of such proceeds will be used either directly or indirectly to purchase or carry margin stock in violation of Regulation U of the Board of Governors of the Federal Reserve System.

SECTION 6.03 Additional Conditions to Initial Credit Events of Other Borrowers. The obligations of each Lender to make each Loan to be made by it hereunder to an Other Borrower and of each Issuer to issue Letters of Credit for the account of an Other Borrower shall be subject to the following conditions precedent, in addition to those conditions stated in Section 6.02:

(a) Either (i) such Other Borrower is an Initial Other Borrower with respect to which the documents referred to in Sections 6.01(a), 6.01(b), 6.01(c) and 6.01(d) were delivered to the Administrative Agent on the Closing Date or (ii) such Other Borrower and the Parent have executed and delivered to the Administrative Agent a Borrower Accession Instrument, together with the documents listed therein, and such documents are in form and substance reasonably satisfactory to the Administrative Agent, as evidenced by its signature on such Borrower Accession Instrument, and at least five Business Days have elapsed since the delivery of such Borrower Accession Agreement to the Administrative Agent (of which delivery the Administrative Agent shall give prompt notice to the Lenders).

(b) No event or circumstance of the type described in Section 9.01(c), (d), (e), (g), (i), or (j) with respect to such Other Borrower has occurred and is continuing on and as of the date of such Loans or Letter of Credit issuance.

ARTICLE VII
Affirmative Covenants

SECTION 7.01 Affirmative Covenants. Until payment in full of all of the Obligations and so long as any Commitment shall be in effect or any Loan or Letter of Credit or unreimbursed LC Disbursement shall be outstanding hereunder, the Parent agrees that it will, unless the Required Lenders shall otherwise consent in writing:

(a) Maintain, and cause each Subsidiary to maintain, insurance against risks of fire and other casualties with good and responsible insurance companies upon its properties of an insurable nature which are owned and acquired by it from time to time, in accordance with its normal insurance policies and practices.

(b) Duly pay and discharge, and cause each Subsidiary to pay and discharge, all taxes, assessments and governmental charges upon it or against its properties prior to the date on which penalties attach thereto, unless and to the extent only that the same shall be contested in good faith and by proper proceedings.

(c) Furnish to the Administrative Agent, with a copy for each Lender (i) within 60 days after the close of each quarter, except the last quarter, of each fiscal year, an unaudited consolidated balance sheet of the Parent and its Subsidiaries as of the end of such quarter, an unaudited consolidated income statement of the Parent and its Subsidiaries for the period commencing at the end of the Parent's previous fiscal year and ending with the end of such quarter and an unaudited consolidated cash flow statement of the Parent and its Subsidiaries for the period commencing at the end of the Parent's previous fiscal year and ending with the end of such quarter, as such are filed with the Securities and Exchange Commission, (ii) within 120

days after the close of each fiscal year financial statements filed with the Securities and Exchange Commission consisting of a consolidated balance sheet of the Parent and its Subsidiaries as of the end of such fiscal year and a consolidated income statement of the Parent and its Subsidiaries for such fiscal year and a consolidated cash flow statement of the Parent and its Subsidiaries for such fiscal year which will be certified by independent certified public accountants of recognized standing, (iii) as soon as possible and in any event within five days after having knowledge of the occurrence of any Event of Default or Potential Event of Default which in either case is continuing on the date of such statement, a statement of the Chief Financial Officer of the Parent setting forth details of such Event of Default or Potential Event of Default and the action which the Parent has taken and proposes to take with respect thereto and (iv) such other information in confidence respecting the financial condition and affairs of the Parent and its Subsidiaries as the Administrative Agent or any Lender may from time to time reasonably request. Any financial statement or other material required to be delivered pursuant to this clause (c) shall be deemed to have been furnished to each of the Administrative Agent and the Lenders on the date that such financial statement or other material is publicly accessible on the Securities and Exchange Commission's website at www.sec.gov; provided that the Parent will furnish paper copies of such financial statements and other materials to any Lender that requests, by notice to the Parent, that the Parent do so, until the Parent receives notice from such Lender to cease delivering such paper copies.

(d) Furnish to the Administrative Agent, with a copy for each Lender, a certificate duly completed and signed by the Treasurer, the Chief Financial Officer, the Assistant Treasurer or the Controller of the Parent concurrently with the delivery of the financial statements referred to in Section 7.01(c)(i) and (ii) (i) stating that, to the knowledge of such officer (after due inquiry), as of the date thereof no Event of Default or Potential Event of Default has occurred and is continuing or exists (or if an Event of Default or Potential Event of Default has occurred and is continuing or exists, specifying in detail the nature and period of the existence thereof and any action with respect thereto taken or contemplated to be taken by the Parent) and (ii) stating in reasonable detail the information and calculations necessary to establish compliance with Section 8.01 hereof.

(e) Comply, and cause each of its Subsidiaries to comply, with all laws (including ERISA, Environmental Laws and Anti-Terrorism Laws), rules, regulations and orders of any Governmental Authority applicable to it or its property, except where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(f) Not use, or permit any Other Borrower to use, (i) proceeds of any Loans or (ii) Letters of Credit in violation of any Anti-Terrorism Laws.

ARTICLE VIII Negative Covenants

Until payment in full of all of the Obligations, and so long as any Commitment shall be in effect or any Loan or Letter of Credit or unreimbursed LC Disbursement be outstanding hereunder, the Parent agrees that it will not, unless the Required Lenders shall otherwise consent in writing:

SECTION 8.01 Maximum Leverage Ratio. Permit the Leverage Ratio to, at any time, exceed 0.70 to 1.00.

SECTION 8.02 Disposal of Assets. Sell, lease, assign, transfer or otherwise dispose of all or substantially all of its consolidated assets or permit its percentage ownership interest in any Other Borrower to be less than 75% (so long as such Other Borrower remains an Other Borrower hereunder).

SECTION 8.03 Liens. Create, assume or suffer to exist, nor cause or permit any Subsidiary to create, assume or suffer to exist, any mortgage, lien, pledge or security interest on any Principal Property (as defined in the Indenture) or shares of capital stock or indebtedness of any Restricted Subsidiary (as defined in the Indenture), whether now owned or hereafter acquired, except in the manner and to the extent permitted by the Indenture; provided, that if the Parent creates, assumes or suffers to exist or causes or permits any Subsidiary to create, assume or suffer to exist any mortgage, lien, pledge or security interest on any Principal Property or any such shares or indebtedness and if the Indenture requires the Parent to make or cause to be made effective provision whereby the securities outstanding under the Indenture are secured by any such mortgage, lien, pledge or security interest equally and ratably with any and all other indebtedness and obligations secured thereby, then the Parent shall also make or cause to be made effective provision whereby the Obligations shall be secured by such mortgage, lien, pledge or security interest equally and ratably with any and all other indebtedness or obligations secured thereby (including the outstanding securities under the Indenture, if any).

ARTICLE IX
Events of Default

SECTION 9.01 Events of Default. An “Event of Default” shall mean the occurrence or existence of one or more of the following events or conditions:

(a) Default in payment of principal on any Loan or Note or reimbursement obligation with respect to any Letter of Credit when due; or

(b) Default in payment of interest, any Commitment Fee, Letter of Credit Fee or any other amount provided for herein, and such default shall continue unremedied for five Business Days after written notice thereof shall have been received by the Parent from the Administrative Agent or any Lender; or

(c) Any representation made by the Parent or any Other Borrower herein or in any certificate, statement or report, or any financial statement, furnished by the Parent or any Other Borrower hereunder shall prove at any time to be erroneous in any material respect, provided, however, the Parent or such Other Borrower shall have twenty days after the Parent or such Other Borrower has knowledge of such fact to remedy the underlying facts resulting in such certificate, statement or report being erroneous as above described; or

(d) Default in any material respect by the Parent or any Other Borrower in the performance of any term, covenant or agreement contained in this Agreement, other than those set forth in clauses (a) through (c) above and (i) such default (other than a default in the performance of Section 7.01(c)(iii) hereof) shall continue unremedied for twenty days after written notice thereof shall have been received by the Parent from the Administrative Agent or (ii) in the case of a default in the performance of Section 7.01(c)(iii) hereof, such default shall have continued unremedied for five days; or

(e) Failure by the Parent or any Subsidiary to pay when due (whether at maturity, upon acceleration or otherwise, giving effect to any applicable grace period) obligations for borrowed money (other than Limited Recourse Debt) in excess of \$125,000,000 in the aggregate at any time; or

(f) If the Parent dissolves or merges or is merged with another entity (unless the Parent is the surviving entity and no Event of Default and no Potential Event of Default has occurred and is continuing); or

(g) A judgment or order for the payment of money in excess of \$50,000,000 shall be rendered against the Parent or any Other Borrower and such judgment shall continue unsatisfied and unstayed for a period of 45 days after the time period for appeal has expired; or

(h) The Parent shall purport to terminate, revoke, declare voidable or void all or any part of its obligations under Article X hereof and such termination, revocation or declaration shall not have been rescinded in writing within three Business Days after written notice thereof by the Administrative Agent to the Parent; or

(i) The Parent or any Other Borrower makes, or takes corporate or other organizational action for a general assignment for the benefit of creditors, or files a voluntary petition in bankruptcy or a petition or answer seeking its reorganization or the readjustment of its indebtedness or consents to or petitions for the appointment of a receiver, trustee or liquidator of all or substantially all of its property; or

(j) The commencement of a case or other proceeding, without the application or consent of the Parent or any Other Borrower, in any court of competent jurisdiction, seeking the liquidation, reorganization, dissolution, winding up, or composition or readjustment of debts, of the Parent or such Other Borrower, the appointment of a trustee, receiver, custodian, liquidator or the like for the Parent or any Other Borrower, or any similar action with respect to the Parent or any Other Borrower, under any laws relating to bankruptcy, insolvency, reorganization, winding up or composition or adjustment of debts, and such case or proceeding shall continue undismissed, or unstayed and in effect for a period of 90 consecutive days or an order for relief in respect of the Parent or any Other Borrower, shall be entered in an involuntary case under the Federal bankruptcy laws (as now or hereafter in effect) and such order shall not be dismissed, discharged, stayed or restrained prior to the end of such 90 day period or within 30 days of its entry, whichever is later; or

(k) A Change of Control shall have occurred; or

(l) (i) An ERISA Event shall have occurred, (ii) a trustee shall be appointed by a United States district court to administer any Plan, (iii) the PBGC shall institute proceedings to terminate any Plan, (iv) the Parent or any of its ERISA Affiliates shall have been notified by the sponsor of a Multiemployer Plan that it has incurred or will be assessed Withdrawal Liability to such Multiemployer Plan and such entity does not have reasonable grounds for contesting such Withdrawal Liability or is not contesting such Withdrawal Liability in a timely and appropriate manner; or (v) any other event or condition shall occur or exist with respect to a

Plan; and in each case in clauses (i) through (v) above, such event or condition, together with all other such events or conditions, if any, would reasonably be expected to result in a Material Adverse Effect;

provided, that notwithstanding the foregoing, no Event of Default or Potential Event of Default shall be deemed to have occurred or to exist as a result of an event or circumstance of the type described in subsection (c), (d), (g), (i) or (j) with respect to an Other Borrower for a period of five Business Days after notice of such event or circumstance is given by the Administrative Agent to the Parent, if, within such five Business Day period (i) the principal of, and interest on, all outstanding Loans made to such Other Borrower are repaid in full and (ii) such Other Borrower and the Parent execute and deliver to the Administrative Agent and Other Borrower Removal Notice.

SECTION 9.02 Consequences of an Event of Default.

(a) If an Event of Default specified in subsections (a) through (h), (k) and (l) of Section 9.01 hereof shall occur or exist, then, in addition to all other rights and remedies which the Administrative Agent or any Lender may have hereunder or under any other Loan Document, at law or in equity, the Lenders shall be under no further obligation to make Loans, the Issuers shall be under no further obligation to issue or Modify Letters of Credit, and the Administrative Agent may, and upon the written request of the Required Lenders shall, by notice to the Parent, from time to time do any or all of the following:

(i) declare the Commitments terminated, whereupon the Commitments will terminate;

(ii) declare the unpaid principal amount of the Loans, interest accrued thereon and all other Obligations to be immediately due and payable without presentment, demand, protest or further notice of any kind, all of which are hereby waived and require any outstanding Letters of Credit to be cash collateralized in accordance with Section 2.10(i).

(b) If an Event of Default specified in subsection (i) or (j) of Section 9.01 hereof shall occur or exist, then, in addition to all other rights and remedies which the Administrative Agent or any Lender may have hereunder or under any other Loan Document, at law or in equity, the Commitments shall automatically terminate, the Lenders shall be under no further obligation to make Loans, the Issuers shall be under no further obligation to issue or Modify Letters of Credit, the unpaid principal amount of the Loans, interest accrued thereon and all other Obligations shall become immediately due and payable without presentment, demand, protest or notice of any kind, all of which are hereby waived, and any outstanding Letters of Credit shall be cash collateralized in accordance with Section 2.10(i).

ARTICLE X Parent Guaranty.

SECTION 10.01 Guaranty and Suretyship. The Parent hereby absolutely, unconditionally and irrevocably guarantees and becomes surety for the full and punctual payment of the Guaranteed Obligations as and when such payment shall become due (at scheduled maturity, by acceleration or otherwise) in accordance with the terms of the Loan

Documents. The provisions of this Article X are an agreement of suretyship as well as of guaranty, are a guarantee of payment and not merely of collectibility, and are in no way conditioned upon any attempt to collect from or proceed against any Other Borrower or any other Person or any other event or circumstance. The obligations of the Parent under this Article X are direct and primary obligations of the Parent and are independent of the Guaranteed Obligations, and a separate action or actions may be brought against the Parent regardless of whether action is brought against any Other Borrower or any other Person or whether any Other Borrower or any other Person is joined in any such action or actions. The provisions of this Article X shall not apply unless and until an Other Borrower is party to this Agreement or a Borrower Accession Instrument and shall apply for so long as any Loan to an Other Borrower or the related Guaranteed Obligations are outstanding or any Commitment remains in effect.

SECTION 10.02 Obligations Absolute. To the fullest extent permitted by Law, the Parent agrees that the Guaranteed Obligations will be paid strictly in accordance with the terms of the Loan Documents, regardless of any Law now or hereafter in effect in any jurisdiction affecting the Guaranteed Obligations, any of the terms of the Loan Documents or the rights of the Administrative Agent, any Lender or any other Person with respect thereto. To the fullest extent permitted by Law, the obligations of the Parent under this Article X shall be absolute, unconditional and irrevocable, irrespective of any of the following:

(a) any lack of legality, validity, enforceability or allowability (in a bankruptcy, insolvency, reorganization, dissolution or similar proceeding, or otherwise), or any avoidance or subordination, in whole or in part, of any Loan Document or any of the Guaranteed Obligations;

(b) any increase, decrease or change in the amount, nature, type or purpose of any of the Guaranteed Obligations (whether or not contemplated by the Loan Documents as presently constituted); any change in the time, manner, method or place of payment of, or in any other term of, any of the Guaranteed Obligations; any execution or delivery of any additional Loan Documents; or any amendment to, or refinancing or refunding of, any Loan Document or any of the Guaranteed Obligations;

(c) any impairment by the Administrative Agent, any Lender or any other Person of any recourse of the Parent against any Other Borrower or any other Person; any failure to assert any breach of or default under any Loan Document or any of the Guaranteed Obligations; any extensions of credit in excess of the amount committed under or contemplated by the Loan Documents, or in circumstances in which any condition to such extensions of credit has not been satisfied; any other exercise or non-exercise, or any other failure, omission, breach, default, delay or wrongful action in connection with any exercise or non-exercise, of any right or remedy against any Other Borrower or any other Person under or in connection with any Loan Document or any of the Guaranteed Obligations; any refusal of payment of any of the Guaranteed Obligations, whether or not with any reservation of rights against the Parent; or any application of collections (including collections resulting from realization upon any direct or indirect security for the Guaranteed Obligations) to other obligations, if any, not entitled to the benefits of this Agreement, in preference to Guaranteed Obligations entitled to the benefits of this Agreement, or if any collections are applied to Guaranteed Obligations, any application to particular Guaranteed Obligations;

(d) any taking, amendment, subordination, release, loss or impairment of, or any failure to protect, perfect, or preserve the value of, or any other action or inaction by the Administrative Agent, any Lender or any other Person in respect of, any direct or indirect security for any of the Guaranteed Obligations;

(e) any merger, consolidation, liquidation, dissolution, winding-up, charter revocation or forfeiture, or other change in, restructuring or termination of the corporate structure or existence of, any Other Borrower or any other Person; any bankruptcy, insolvency, reorganization, dissolution or similar proceeding with respect to any Other Borrower or any other Person; or any action taken or election made by the Administrative Agent, any Lender (including any election under Section 1111(b)(2) of the United States Bankruptcy Code), any Other Borrower or any other Person in connection with any such proceeding;

(f) the failure of any Other Borrower to be properly organized under the Laws of its jurisdiction of organization, to take proper actions to authorize the incurrence of its Guaranteed Obligations or to comply in any respect with Laws applicable to it relating to its Guaranteed Obligations;

(g) any defense, set-off or counterclaim (including any defense of failure of consideration, breach of warranty, statute of frauds, bankruptcy, lack of legal capacity, statute of limitations, lender liability, accord and satisfaction or usury, and excluding only the defense of full, strict and indefeasible payment or performance), which may at any time be available to any Other Borrower or any other Person with respect to any Loan Document or any of the Guaranteed Obligations; or any discharge by operation of law or release of any Other Borrower or any other Person from the performance or observance of any Loan Document or any of the Guaranteed Obligations; or

(h) any other event or circumstance, whether similar or dissimilar to the foregoing, and whether known or unknown, which might otherwise constitute a legal or equitable defense available to, or limit the liability of, any Other Borrower, the Parent, a guarantor or a surety, excepting only full, strict and indefeasible payment and performance of the Guaranteed Obligations.

SECTION 10.03 Waivers, etc. To the fullest extent permitted by Law, the Parent hereby waives any defense to or limitation on its obligations under this Article X arising out of or based on any event or circumstance referred to in Section 10.02. Without limitation, to the fullest extent permitted by Law, the Parent waives each of the following for purposes of this Article X:

(a) all notices, disclosures and demands of any nature which otherwise might be required from time to time to preserve intact any rights against the Parent, including (i) any notice of any event or circumstance described in Section 10.02, (ii) any notice required by any Law now or hereafter in effect in any jurisdiction, (iii) any notice of nonpayment, nonperformance, dishonor, or protest under any Loan Document or any of the Guaranteed Obligations, (iv) any notice of the incurrence of any Guaranteed Obligation, (v) any notice of any default (other than notices expressly required under Article IX hereof) or any failure on the part of any Other Borrower or any other Person to comply with any Loan Document or any of the Guaranteed Obligations or any direct or indirect security for any of the Guaranteed Obligations, and (vi) any notice of any information pertaining to the business, operations, condition (financial or otherwise) or prospects of any Other Borrower or any other Person;

(b) any right to any marshalling of assets, to the filing of any claim against any Other Borrower or any other Person in the event of any bankruptcy, insolvency, reorganization, dissolution or similar proceeding, or to the exercise against any Other Borrower or any other Person of any other right or remedy under or in connection with any Loan Document or any of the Guaranteed Obligations or any direct or indirect security for any of the Guaranteed Obligations; any requirement of promptness or diligence on the part of the Administrative Agent, any Lender or any other Person; any requirement to exhaust any remedies under or in connection with, or to mitigate the damages resulting from default under, any Loan Document or any of the Guaranteed Obligations or any direct or indirect security for any of the Guaranteed Obligations; and any requirement of acceptance of this Agreement, and any requirement that the Parent receive notice of such acceptance; and

(c) any defense or other right arising by reason of any Law now or hereafter in effect in any jurisdiction pertaining to election of remedies (including anti-deficiency laws, "one action" laws or similar laws), or by reason of any election of remedies or other action or inaction by the Administrative Agent or any Lender (including commencement or completion of any judicial proceeding or nonjudicial sale or other action in respect of collateral security for any of the Guaranteed Obligations), which results in denial or impairment of the right of the Administrative Agent or Lenders to seek a deficiency against any Other Borrower or any other Person, or which otherwise discharges or impairs any of the Guaranteed Obligations or any recourse of the Parent against any Other Borrower or any other Person.

SECTION 10.04 Reinstatement. The obligations of the Parent under this Article X shall continue to be effective, or be automatically reinstated, as the case may be, if at any time payment of any of the Guaranteed Obligations is avoided, rescinded or must otherwise be returned by the Administrative Agent or any Lender for any reason, all as though such payment had not been made.

SECTION 10.05 No Stay. Without limitation of any other provision of this Agreement, if any acceleration of the time for payment of any Guaranteed Obligation, or any condition to any such acceleration, shall at any time be stayed, enjoined or prevented for any reason (including stay or injunction resulting from the pendency against any Other Borrower or any other Person of a bankruptcy, insolvency, reorganization, dissolution or similar proceeding), the Parent agrees that, for purposes of this Article X and its obligations hereunder, such Guaranteed Obligation shall be deemed to have been accelerated, and such condition to acceleration shall be deemed to have been met.

SECTION 10.06 Payments. All payments to be made by the Parent pursuant to this Article X shall be made at the times, in the manner and in the currency prescribed for payments in Section 4.05 of this Agreement, without set-off, counterclaim, withholding or other deduction of any nature, except for payments and deductions permitted by Section 4.05.

SECTION 10.07 Subrogation, etc. Any rights which the Parent may have or acquire by way of subrogation, reimbursement, exoneration, contribution or indemnity, and any similar rights (whether arising by operation of law, by agreement or otherwise), against each

Other Borrower, arising from the existence, payment, performance or enforcement of any of the obligations of the Parent under or in connection with this Agreement, shall be subordinate in right of payment to the Guaranteed Obligations, and the Parent shall not exercise any such rights until the earlier of the time when all Guaranteed Obligations and all other obligations under this Agreement have been paid in full and all Commitments shall have terminated or the time when such Other Borrower ceases to be an Other Borrower hereunder. If, notwithstanding the foregoing, any amount shall be received by the Parent on account of any such rights at any time prior to the earlier of the time when all Guaranteed Obligations under this Agreement shall have been paid in full and all Commitments shall have terminated or the time when such Other Borrower shall have ceased to be an Other Borrower hereunder, such amount shall be held by the Parent in trust for the benefit of the Lenders, segregated from other funds held by the Parent, and shall be forthwith delivered to the Administrative Agent on behalf of the Lenders in the exact form received by the Parent (with any necessary endorsement), to be applied to the Guaranteed Obligations, whether matured or unmatured, in accordance with this Agreement, or to be held by the Administrative Agent on behalf of the Lenders as security for the Guaranteed Obligations and disposed of by the Administrative Agent in any lawful manner, all as the Administrative Agent may elect in accordance with this Agreement.

SECTION 10.08 Continuing Agreement. The provisions of this Article X are a continuing guaranty and shall continue in full force and effect until all Guaranteed Obligations have been paid in full, and all Commitments have terminated, subject in any event to reinstatement in accordance with Section 10.04.

ARTICLE XI
The Administrative Agent

SECTION 11.01 Appointment. Each Lender and Issuer hereby appoints RBS to act as Administrative Agent for such Lender or Issuer under this Agreement and the other Loan Documents. Each Lender and Issuer hereby irrevocably authorizes RBS as Administrative Agent to take such action on behalf of such Lender or Issuer under the provisions of this Agreement and the other Loan Documents, and to exercise such powers and to perform such duties, as are expressly delegated to or required of the Administrative Agent by the terms hereof or thereof, together with such powers as are reasonably incidental thereto. RBS hereby agrees to act as Administrative Agent on behalf of the Lenders and Issuers on the terms and conditions set forth in this Agreement and the other Loan Documents, subject to its right to resign as provided in Section 11.10 hereof. Each Lender and Issuer hereby irrevocably authorizes the Administrative Agent to execute and deliver each of the Loan Documents and to accept delivery of such of the other Loan Documents as may not require execution by the Administrative Agent. Each Lender and Issuer agrees that the rights and remedies granted to the Administrative Agent under the Loan Documents shall be exercised exclusively by the Administrative Agent, and that no Lender or Issuer shall have any right individually to exercise any such right or remedy, except to the extent expressly provided herein or therein.

SECTION 11.02 General Nature of the Administrative Agent's Duties. Notwithstanding anything to the contrary elsewhere in this Agreement or in any other Loan Document:

(a) The Administrative Agent shall not have any duties or responsibilities except those expressly set forth in this Agreement and the other Loan Documents, and no implied duties or responsibilities on the part of the Administrative Agent shall be read into this Agreement or any Loan Document or shall otherwise exist.

(b) The duties and responsibilities of the Administrative Agent under this Agreement and the other Loan Documents shall be mechanical and administrative in nature, and the Administrative Agent shall not have a fiduciary relationship in respect of any Lender or Issuer.

(c) The Administrative Agent is and shall be solely the agent of the Lenders and Issuers. The Administrative Agent does not assume, and shall not at any time be deemed to have, any relationship of agency or trust with or for, or any other duty or responsibility to, any Borrower or any other Person (except only for its relationship as agent for, and its express duties and responsibilities to, the Lenders and Issuers as provided in this Agreement and the other Loan Documents).

(d) The Administrative Agent shall not be under any obligation to take any action hereunder or under any other Loan Document if the Administrative Agent believes in good faith that taking such action may conflict with any Law or any provision of this Agreement or any other Loan Document, or may require the Administrative Agent to qualify to do business in any jurisdiction where it is not then so qualified.

SECTION 11.03 Exercise of Powers. The Administrative Agent shall take any action of the type specified in this Agreement or any other Loan Document as being within the Administrative Agent's rights, powers or discretion in accordance with directions from the Required Lenders (or, to the extent this Agreement or such Loan Document expressly requires the direction or consent of some other Person or set of Persons, then instead in accordance with the directions of such other Person or set of Persons). In the absence of such directions, the Administrative Agent shall have the authority (but under no circumstances shall be obligated), in its sole discretion, to take any such action, except to the extent this Agreement or such Loan Document expressly requires the direction or consent of the Required Lenders or all Lenders (or some other Person or set of Persons), in which case the Administrative Agent shall not take such action absent such direction or consent. Any action or inaction pursuant to such direction, discretion or consent shall be binding on all the Lenders. The Administrative Agent shall not have any liability to any Person as a result of (x) the Administrative Agent acting or refraining from acting in accordance with the directions of the Required Lenders (except where such direction directly contravenes an express provision hereof under which the Administrative Agent is required to give notice or apply funds), (y) the Administrative Agent refraining from acting in the absence of instructions to act from the Required Lenders (or other applicable Person or set of Persons), whether or not the Administrative Agent has discretionary power to take such action (except where such instruction directly contravenes an express provision hereof under which the Administrative Agent is required to give notice or apply funds), or (z) the Administrative Agent taking discretionary action it is authorized to take under this Section (subject, in the case of this clause (z), to the provisions of Section 12.04(a) hereof).

SECTION 11.04 General Exculpatory Provisions. Notwithstanding anything to the contrary elsewhere in this Agreement or any other Loan Document:

(a) The Administrative Agent shall not be liable for any action taken or omitted to be taken by it under or in connection with this Agreement or any other Loan Document, unless caused by its own gross negligence or willful misconduct.

(b) The Administrative Agent shall not be responsible to any Lender or Issuer for (i) the execution, delivery, effectiveness, enforceability, genuineness, validity or adequacy of this Agreement or any other Loan Document, (ii) any recital, representation, warranty, document, certificate, report or statement in, provided for in, or received under or in connection with, this Agreement or any other Loan Document, (iii) any failure of any Borrower or Lender to perform any of their respective obligations under this Agreement or any other Loan Document, (iv) the existence, validity, enforceability, perfection, recordation, priority, adequacy or value, now or hereafter, of any lien or other direct or indirect security afforded or purported to be afforded by any of the Loan Documents or otherwise from time to time, or (v) caring for, protecting, insuring, or paying any taxes, charges or assessments with respect to any collateral.

(c) The Administrative Agent shall not be under any obligation to ascertain, inquire or give any notice to any Lender or Issuer relating to (i) the performance or observance of any of the terms or conditions of this Agreement or any other Loan Document on the part of any Borrower, (ii) the business, operations, condition (financial or otherwise) or prospects of any Borrower or any other Person, or (iii) except to the extent set forth in Section 11.05(f) hereof, the existence of any Event of Default or Potential Event of Default.

(d) The Administrative Agent shall not be under any obligation, either initially or on a continuing basis, to provide any Lender or Issuer with any notices, reports or information of any nature, whether in its possession presently or hereafter, except for such notices, reports and other information expressly required by this Agreement or any other Loan Document to be furnished by the Administrative Agent to such Lender or Issuer.

SECTION 11.05 Administration by the Administrative Agent.

(a) The Administrative Agent may rely upon any notice or other communication of any nature (written or oral, including but not limited to telephone conversations, whether or not such notice or other communication is made in a manner permitted or required by this Agreement or any Loan Document) purportedly made by or on behalf of the proper party or parties, and the Administrative Agent shall not have any duty to verify the identity or authority of any Person giving such notice or other communication.

(b) The Administrative Agent may consult with legal counsel (including, without limitation, in-house counsel for the Administrative Agent or in-house or other counsel for any Borrower), independent public accountants and any other experts selected by it from time to time, and the Administrative Agent shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts.

(c) The Administrative Agent may conclusively rely upon the truth of the statements and the correctness of the opinions expressed in any certificates or opinions furnished to the Administrative Agent in accordance with the requirements of this Agreement or any other Loan Document. Whenever the Administrative Agent shall deem it necessary or desirable that a matter be proved or established with respect to any Borrower or Lender, such matter may be

established by a certificate of such Borrower or Lender, as the case may be, and the Administrative Agent may conclusively rely upon such certificate (unless other evidence with respect to such matter is specifically prescribed in this Agreement or another Loan Document).

(d) The Administrative Agent may fail or refuse to take any action unless it shall be indemnified to its satisfaction from time to time against any and all amounts, liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature which may be imposed on, incurred by or asserted against the Administrative Agent by reason of taking or continuing to take any such action.

(e) The Administrative Agent may perform any of its duties under this Agreement or any other Loan Document by or through agents or attorneys-in-fact. 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.

(f) The Administrative Agent shall not be deemed to have any knowledge or notice of the occurrence of any Event of Default or Potential Event of Default unless the Administrative Agent has received notice from a Lender or any Borrower referring to this Agreement, describing such Event of Default or Potential Event of Default, and stating that such notice is a "notice of default". If the Administrative Agent receives such a notice, it shall give prompt notice thereof to each Lender and Issuer.

SECTION 11.06 Lender Not Relying on the Administrative Agent or Other Lenders. Each Lender acknowledges as follows:

(a) Neither the Administrative Agent nor any other Lender has made any representations or warranties to it, and no act taken hereafter by the Administrative Agent or any other Lender shall be deemed to constitute any representation or warranty by the Administrative Agent or such other Lender to it.

(b) It has, independently and without reliance upon the Administrative Agent or any other Lender, and based upon such documents and information as it has deemed appropriate, made its own credit and legal analysis and decision to enter into this Agreement and the other Loan Documents.

(c) It will, independently and without reliance upon the Administrative Agent or any other Lender, and based upon such documents and information as it shall deem appropriate at the time, make its own decisions to take or not take action under or in connection with this Agreement and the other Loan Documents.

SECTION 11.07 Indemnification. Each Lender agrees to reimburse and indemnify the Administrative Agent, each Issuer and their respective directors, officers, employees and agents (to the extent not reimbursed by a Borrower as set forth herein and without limitation of the obligations of the Borrowers to do so as set forth herein), Pro Rata, from and against any and all amounts, losses, liabilities, claims, damages, expenses, obligations, penalties, actions, judgments, suits, costs or disbursements of any kind or nature (including, without limitation, the reasonable fees and disbursements of counsel for the Administrative Agent or such other Person in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not the Administrative Agent or such other Person shall be

designated a party thereto) that may at any time be imposed on, incurred by or asserted against the Administrative Agent or such other Person as a result of, or arising out of, or in any way related to or by reason of, this Agreement, any other Loan Document, any transaction from time to time contemplated hereby or thereby, or any transaction financed in whole or in part or directly or indirectly with the proceeds of any Loan, provided that no Lender or Issuer shall be liable for any portion of such amounts, losses, liabilities, claims, damages, expenses, obligations, penalties, actions, judgments, suits, costs or disbursements resulting from the gross negligence or willful misconduct of the Administrative Agent or such other Person, as finally determined in a non appealable judgment by a court of competent jurisdiction.

SECTION 11.08 The Administrative Agent in its Individual Capacity. With respect to its Commitments and the Obligations owing to it, the Administrative Agent shall have the same rights and powers under this Agreement and each other Loan Document as any other Lender and may exercise the same as though it were not the Administrative Agent, and the terms “Lenders,” “holders of Notes” and like terms shall include the Administrative Agent in its individual capacity as such. The Administrative Agent and its Affiliates may, without liability to account, make loans to, accept deposits from, acquire debt or equity interests in, act as trustee under indentures of, and engage in any other business with, any Borrower and any stockholder, subsidiary or Affiliate of any Borrower, as though the Administrative Agent were not an Administrative Agent hereunder.

SECTION 11.09 Lenders. The Administrative Agent may deem and treat each Lender signatory hereto as a Lender hereunder for all purposes hereof unless and until such Person assigns all of its interests hereunder pursuant to Section 12.14(c) hereof. Any authority, direction or consent of any Person who at the time of giving such authority, direction or consent is shown in the Register as being a Lender shall be conclusive and binding on each present and subsequent transferee or assignee.

SECTION 11.10 Successor Administrative Agent. The Administrative Agent may resign at any time by giving 10 days’ prior written notice thereof to the Lenders, the Issuers and the Parent. The Administrative Agent may be removed by the Required Lenders at any time by giving 10 days’ prior written notice thereof to the Administrative Agent, the Issuers, the other Lenders and the Parent. Upon any such resignation or removal, the Required Lenders shall have the right to appoint a successor Administrative Agent, subject to the consent of the Parent (which consent shall not be unreasonably withheld and shall not be required if an Event of Default has occurred and is continuing). If no successor Administrative Agent shall have been so appointed and consented to, and shall have accepted such appointment, within 30 days after such notice of resignation or removal, then the retiring Administrative Agent may, on behalf of the Lenders and Issuers, appoint a successor Administrative Agent; provided, that if the Administrative Agent is resigning, the retiring Administrative Agent’s resignation shall nevertheless become effective on the date that is 40 days after its initial notice of resignation and the Lenders shall assume and perform all of the duties of the Administrative Agent hereunder until such time, if any, as the Required Lenders appoint a successor agent as provided for above. Each successor Administrative Agent shall be a commercial bank or trust company organized under the laws of the United States of America or any State thereof and having a combined capital and surplus of at least \$1,000,000,000. Upon the acceptance by a successor Administrative Agent of its appointment as Administrative Agent hereunder, such successor Administrative Agent shall

thereupon succeed to and become vested with all the properties, rights, powers, privileges and duties of the former Administrative Agent, without further act, deed or conveyance. Upon the effective date of resignation or removal of a retiring Administrative Agent, such Administrative Agent shall be discharged from its duties under this Agreement and the other Loan Documents, but the provisions of this Agreement shall inure to its benefit as to any actions taken or omitted by it while it was the Administrative Agent under this Agreement.

SECTION 11.11 Calculations. The Administrative Agent shall not be liable for any calculation, apportionment or distribution of payments made by it in good faith. If such calculation, apportionment or distribution is subsequently determined to have been made in error, the sole recourse of any Lender to whom payment was due but not made shall be to recover from the other Lenders any payment in excess of the amount to which they are determined to be entitled or, if the amount due was not paid by the appropriate Borrower, to recover such amount from the appropriate Borrower.

SECTION 11.12 The Administrative Agent's Fees. The Parent agrees to pay to the Administrative Agent, for its individual account, a nonrefundable Administrative Agent's fee in an amount and at such time or times as specified in the Fee Letter.

SECTION 11.13 Co-Syndication Agents; Co-Documentation Agents. None of the Lenders identified in this Agreement as a "Co-Syndication Agent" or "Co-Documentation Agent" shall have any right, power, obligation, liability, responsibility or duty under this Agreement in such identified capacity other than those applicable to all Lenders as such. Without limiting the foregoing, none of such Lenders shall have or be deemed to have a fiduciary relationship with any Lender. Each Lender hereby makes the same acknowledgements with respect to such Lenders as it makes with respect to the Administrative Agent in Section 11.06.

ARTICLE XII Miscellaneous

SECTION 12.01 Holidays. Whenever any payment or action to be made or taken hereunder or under any other Loan Document shall be stated to be due on a day which is not a Business Day, such payment or action shall be made or taken on the next following Business Day and such extension of time shall be included in computing interest or fees, if any, in connection with such payment or action.

SECTION 12.02 Records. The unpaid principal amount of the Loans owing to each Lender, the unpaid interest accrued thereon, the interest rate or rates applicable to such unpaid principal amount, the duration of such applicability, each Lender's Revolving Credit Committed Amount shall at all times be ascertained from the records of the Administrative Agent, which shall be conclusive absent manifest error.

SECTION 12.03 Amendments and Waivers. Neither this Agreement nor any Loan Document may be amended, modified or supplemented except in accordance with the provisions of this Section. The Administrative Agent, the Required Lenders and the Borrowers may from time to time amend, modify or supplement the provisions of this Agreement or any other Loan Document for the purpose of amending, adding to, or waiving any provisions, or changing in any manner the rights and duties of any Borrower, the Administrative Agent or any

Lender; provided, however, that, notwithstanding the foregoing, any amendment, modification or supplement of the provisions of this Agreement or any other Loan Document of the kind described in clauses (a) and (b) of this Section 12.03 may be entered into from time to time by the Administrative Agent, each Lender affected thereby and the Parent. Any such amendment, modification or supplement made by the Borrowers (or the Parent, as the case may be), the Required Lenders and the Administrative Agent in accordance with the provisions of this Section shall be binding upon the Borrowers, each Lender and the Administrative Agent; provided, that no amendment, modification or supplement shall be effective which will:

(a) Increase the Revolving Credit Committed Amount of any Lender over the amount thereof then in effect, or extend the Revolving Credit Maturity Date or the Competitive Bid Expiration Date (except in each case in accordance with Section 4.01) or extend the expiration date of any Letter of Credit beyond the Revolving Credit Maturity Date, unless executed by each Lender affected thereby (and, with respect to Letters of Credit, the applicable Issuer);

(b) Reduce the principal amount of or extend (except in accordance with Section 4.01) the scheduled final maturity of any Loan, or reduce the amount of any LC Disbursement, or extend any scheduled payment date or prepayment date of any Loan or LC Disbursement, or reduce the rate of interest or extend the time for payment of interest borne by any Loan, or extend the time for payment of or reduce the amount of any Commitment Fee or reduce or postpone the date for payment of any other fees, expenses, indemnities or amounts payable under any Loan Document, unless executed by each Lender affected thereby (and, with respect to LC Disbursements, the applicable Issuer);

(c) Change the definition of "Required Lenders", the definition of "Defaulting Lender" or the definition of "Designated Currency" or any provision of this Agreement that states a requirement for the consent of all the Lenders or amend Section 4.12(b) or this Section 12.03, unless executed by all the Lenders;

(d) Amend the third sentence of the third paragraph of Section 4.05(a) or Section 12.13, unless executed by all the Lenders; or

(e) Amend or waive any of the provisions of Article XI hereof, or impose additional duties upon the Administrative Agent or any Issuer or otherwise adversely affect the rights, interests or obligations of the Administrative Agent or any Issuer, unless executed by the Administrative Agent or such Issuer, as the case may be; or

(f) Release the Parent from any of its obligations under Article X hereof, unless executed by all Lenders;

and provided further, that (i) Assignment Agreements may be entered into in the manner provided in Section 12.14 hereof and (ii) any fees payable to the Administrative Agent for its own account may be waived by the Administrative Agent in its sole discretion. Any such amendment, modification or supplement must be in writing and shall be effective only to the extent set forth in such writing. Any Event of Default or Potential Event of Default waived or consented to in any such amendment, modification or supplement shall be deemed to be cured and not continuing to the extent and for the period set forth in such waiver or consent, but no

such waiver or consent shall extend to any other or subsequent Event of Default or Potential Event of Default or impair any right consequent thereto. Notwithstanding the foregoing, upon the execution and delivery of all documentation and receipt of all consents required by Section 2.09 to be delivered in connection with an increase in the Total Revolving Credit Commitment, this Agreement shall be deemed amended without further action by any party to reflect, as applicable, the new Lenders and their new Revolving Credit Committed Amounts and any increase in the Revolving Credit Committed Amounts of any existing Lender.

SECTION 12.04 No Implied Waiver; Cumulative Remedies. No course of dealing and no delay or failure of the Administrative Agent or any Issuer or Lender in exercising any right, power or privilege under this Agreement or any other Loan Document shall affect any other or future exercise thereof or exercise of any other right, power or privilege; nor shall any single or partial exercise of any such right, power or privilege or any abandonment or discontinuance of steps to enforce such a right, power or privilege preclude any further exercise thereof or of any other right, power or privilege. The rights and remedies under this Agreement and any other Loan Document are cumulative and not exclusive of any rights or remedies which would otherwise be available at law or in equity.

SECTION 12.05 Notices.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile as follows:

- (i) if to the Parent or any Other Borrower, at its address or facsimile number set forth on the signature page hereof;
- (ii) if to the Administrative Agent, at its address or facsimile number set forth on the signature page hereof;
- (iii) if to a Lender, to it at its address or facsimile number set forth in its Administrative Questionnaire; and
- (iv) if to an Issuer, at its address set forth in its Administrative Questionnaire or its signature page hereof, as applicable.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices delivered through electronic communications to the extent provided in paragraph (b) below, shall be effective as provided in said paragraph (b).

(b) Notices and other communications to the Lenders may be delivered or furnished by electronic communication (including e-mail and internet or intranet websites) pursuant to procedures approved by the Administrative Agent or as otherwise determined by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender

pursuant to Article II if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Parent may, in its respective discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it or as it otherwise determines, provided that such determination or approval may be limited to particular notices or communications. Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not given during the normal business hours of the recipient, such notice or communication shall be deemed to have been given at the opening of business on the next Business Day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) Any party hereto may change its address or facsimile number for notices and other communications hereunder by written notice to (i) the Administrative Agent and the Parent in the case of a change by a Lender or an Issuer, (ii) the Administrative Agent and each Lender in the case of a change by any of the Borrowers or (iii) all other parties hereto in the case of a change by the Administrative Agent.

(d) Any Lender giving any notice to the Borrowers or any other party to a Loan Document shall simultaneously send a copy thereof to the Administrative Agent, and the Administrative Agent shall promptly notify the other Lenders of the receipt by it of any such notice.

(e) The Administrative Agent and each Lender may rely on any notice (whether or not such notice is made in a manner permitted or required by this Agreement or any Loan Document) purportedly made by or on behalf of the Borrowers, and neither the Administrative Agent nor Lender shall have any duty to verify the identity or authority of any Person giving such notice.

SECTION 12.06 Expenses; Indemnity; No Consequential Damages.

(a) The Parent agrees to pay or cause to be paid and to save the Agents harmless against liability for the payment of all reasonable out-of-pocket costs and expenses (including but not limited to reasonable fees and expenses of one outside counsel) incurred by the Agents from time to time arising from or relating to (i) the negotiation, preparation, execution and delivery of this Agreement and the other Loan Documents and (ii) the negotiation, preparation, execution and delivery of any requested amendments, modifications, supplements, waivers or consents (whether or not ultimately entered into or granted) to this Agreement or any Loan Document. The Parent agrees to pay or cause to be paid and to save each Issuer harmless against liability for the payment of all reasonable out-of-pocket expenses incurred by such Issuer in connection with its issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder. The Parent agrees to pay or cause to be paid and to save the Agents, each Issuer and each Lender harmless against liability for the payment of all reasonable out-of-pocket expenses (including but not limited to reasonable fees and expenses of one outside

counsel for the Administrative Agent, each Issuer and each Lender, and of in-house counsel and local counsel, and auditors, and all other professional, accounting, evaluation and consulting costs) reasonably incurred after the occurrence of an Event of Default by the Administrative Agent, any Issuer or any Lender from time to time arising from or relating to the enforcement or preservation of rights under this Agreement or any Loan Document.

(b) The Parent hereby agrees to reimburse and indemnify each of the Indemnified Parties from and against any and all losses, liabilities, claims, damages, expenses, obligations, penalties, actions, judgments, suits, costs or disbursements of any kind or nature whatsoever (including, without limitation, the fees and disbursements of one counsel and of in-house and local counsel for such Indemnified Party in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnified Party shall be designated a party thereto) that may at any time be imposed on, asserted against or incurred by such Indemnified Party as a result of, or arising out of, or in any way related to or by reason of, this Agreement or any other Loan Document, any transaction from time to time contemplated hereby or thereby, any transaction supported by any Letter of Credit or financed in whole or in part or directly or indirectly with the proceeds of any Loan or Letter of Credit or any refusal by an Issuer to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit, but excluding any such losses, liabilities, claims, damages, expenses, obligations, penalties, actions, judgments, suits, costs or disbursements to the extent they result from the gross negligence or willful misconduct of such Indemnified Party. If and to the extent that the foregoing obligations of the Parent under this subsection (b), or any other indemnification obligation of the Parent hereunder or under any other Loan Document, are unenforceable for any reason, the Parent hereby agrees to make the maximum contribution to the payment and satisfaction of such obligations which is permissible under applicable Law.

(c) Without limiting the provisions of Section 12.06(b), in no event will any party hereto be liable to any other party hereto for any punitive, special, indirect or consequential damages for any matters arising out of the transactions contemplated hereby; provided, however, that the foregoing limitation shall not be deemed to impair or affect the obligations of the Parent under Section 12.06(b).

SECTION 12.07 Severability. The provisions of this Agreement are intended to be severable. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part in any jurisdiction such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability thereof in any other jurisdiction or the remaining provisions hereof in any jurisdiction.

SECTION 12.08 Prior Understandings. This Agreement and the other Loan Documents supersede all prior and contemporaneous understandings and agreements, whether written or oral, among the parties hereto relating to the transactions provided for herein and therein except for the Fee Letter.

SECTION 12.09 Duration; Survival. All representations and warranties of each Borrower contained herein or in any other Loan Document or made in connection herewith or therewith shall survive the making of, and shall not be waived by the execution and delivery of

this Agreement or any other Loan Document, any investigation by or knowledge of the Administrative Agent or any Issuer or Lender, the making of any Loan or issuance or Modification of any Letter of Credit, or any other event or condition whatever. All covenants and agreements of each Borrower contained herein or in any other Loan Document shall continue in full force and effect from and after the date hereof so long as any Borrower may borrow hereunder and until payment in full of all Obligations. Without limitation, all obligations of the Borrowers hereunder or under any other Loan Document to make payments to or indemnify the Administrative Agent or any Lender shall survive the payment in full of all other Obligations, termination of the Borrowers' right to borrow hereunder, and all other events and conditions whatever, including without limitation the assignment of a Lender's Commitments and Loans and LC Exposure hereunder. In addition, all obligations of each Lender to make payments to or indemnify the Administrative Agent shall survive the payment in full by the Borrowers of all Obligations, termination of the Borrowers' right to borrow hereunder, and all other events or conditions whatever.

SECTION 12.10 Counterparts. This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute but one and the same instrument.

SECTION 12.11 Limitation on Payments. The parties hereto intend to conform to all applicable Laws in effect from time to time limiting the maximum rate of interest that may be charged or collected. Accordingly, notwithstanding any other provision hereof or of any other Loan Document, the Borrowers shall not be required to make any payment to or for the account of any Lender, and each Lender shall refund any payment made by the Borrowers, to the extent that such requirement or such failure to refund would violate or conflict with nonwaivable provisions of applicable Laws limiting the maximum amount of interest which may be charged or collected by such Lender.

SECTION 12.12 Set-Off. Each Borrower hereby agrees that if an Event of Default has occurred and is continuing, each Lender and Issuer shall have the right, without notice to such Borrower, to set off against and to appropriate and apply to such Obligation any matured indebtedness or other fixed liability or matured obligation of any nature owing to such Borrower by such Lender or Issuer, including but not limited to all deposits (whether time or demand, general or special, provisionally credited or finally credited, whether or not evidenced by a certificate of deposit) now or hereafter maintained by such Borrower with such Lender or Issuer. Such right shall be absolute and unconditional in all circumstances and, without limitation, shall exist whether or not such Lender, such Issuer or any other Person shall have given notice or made any demand to such Borrower or any other Person, and regardless of the existence or adequacy of any collateral, guaranty or any other security, right or remedy available to any Lender, Issuer or any other Person. Each Borrower hereby agrees that any Participant and any branch, subsidiary or Affiliate of any Lender or Issuer or any Participant shall have the same rights of set-off as a Lender or Issuer as provided in this Section (regardless of whether such Participant, branch, subsidiary or Affiliate would otherwise be deemed in privity with or a direct creditor of such Borrower). The rights provided by this Section are in addition to all other rights of set-off and banker's lien and all other rights and remedies which any Lender or Issuer (or any such Participant, branch, subsidiary or Affiliate) may otherwise have under this Agreement, any

other Loan Document, at law or in equity, or otherwise, and nothing in this Agreement or any Loan Document shall be deemed a waiver or prohibition of or restriction on the rights of set-off or bankers' lien of any such Person.

SECTION 12.13 Sharing of Collections. The Lenders hereby agree among themselves that if any Lender shall receive (by voluntary payment, realization upon security, set-off or from any other source) any amount on account of the Revolving Credit Loans and interest thereon or participations in unreimbursed LC Disbursements in greater proportion (determined by reference to the aggregate Revolving Credit Exposures at such time) than any such amount received by any other Lender, then the Lender receiving such proportionately greater payment shall notify each other Lender and the Administrative Agent of such receipt, and equitable adjustment will be made in the manner stated in this Section so that, in effect, all such excess amounts will be shared ratably among all of the Lenders. The Lender receiving such excess amount shall purchase (which it shall be deemed to have done simultaneously upon the receipt of such excess amount) for cash from the other Lenders a participation in the applicable Revolving Credit Loans and interest thereon and participations in unreimbursed LC Disbursements owed to such other Lenders in such amount as shall result in a ratable sharing by all Lenders of such excess amount (and to such extent the receiving Lender shall be a Participant). If all or any portion of such excess amount is thereafter recovered from the Lender making such purchase, such purchase shall be rescinded and the purchase price restored to the extent of such recovery, together with interest or other amounts, if any, required by Law to be paid by the Lender making such purchase. Each Borrower hereby consents to and confirms the foregoing arrangements. Each Participant shall be bound by this Section as fully as if it were a Lender hereunder.

SECTION 12.14 Successors and Assigns; Participations; Assignments.

(a) Successors and Assigns. The terms and provisions of the Loan Documents shall be binding upon and inure to the benefit of the Borrowers, the Administrative Agent, the Issuers and the Lenders and their respective successors and assigns permitted hereby, except that (i) the Borrowers shall not have the right to assign their respective rights or obligations under the Loan Documents without the prior written consent of each Lender, (ii) any assignment by any Lender must be made in compliance with Section 12.14(c), and (iii) any transfer by participation must be made in compliance with Section 12.14(b). Any attempted assignment or transfer by any party not made in compliance with this Section 12.14 shall, subject to Section 12.14(c)(iii), be null and void. The parties to this Agreement acknowledge that clause (ii) of this Section 12.14 relates only to absolute assignments and this Section 12.14 does not prohibit assignments creating security interests, including, without limitation, (x) any pledge or assignment by any Lender of all or any portion of its rights under this Agreement and any Note to a Federal Reserve Bank or any central bank or (y) in the case of a Lender which is a Fund, any pledge or assignment of all or any portion of its rights under this Agreement and any Note to its trustee in support of its obligations to its trustee; provided, however, that no such pledge or assignment creating a security interest shall release the Assignor Lender from its obligations hereunder unless and until the parties thereto have complied with the provisions of Section 12.14(c). The Administrative Agent may treat the Person which made any Loan or which holds any Note as the owner thereof for all purposes hereof unless and until such Person complies with Section 12.14(c); provided, however, that the Administrative Agent may in its discretion (but

shall not be required to) follow instructions from the Person which made any Loan or which holds any Note to direct payments relating to such Loan or Note to another Person. Any assignee of the rights to any Loan or any Note agrees by acceptance of such assignment to be bound by all the terms and provisions of the Loan Documents. Any request, authority or consent of any Person, who at the time of making such request or giving such authority or consent is the owner of the rights to any Loan (whether or not a Note has been issued in evidence thereof), shall be conclusive and binding on any subsequent holder or assignee of the rights to such Loan.

(b) Participations.

(i) Permitted Participants; Effect. Any Lender may at any time sell to one or more banks or other entities (“Participants”) participating interests in any Loan owing to such Lender, any Note held by such Lender, any Commitment of such Lender or any other interest of such Lender under the Loan Documents. In the event of any such sale by a Lender of participating interests to a Participant, such Lender’s obligations under the Loan Documents shall remain unchanged, such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, such Lender shall remain the owner of its Loans and the holder of any Note issued to it in evidence thereof for all purposes under the Loan Documents, all amounts payable by the Borrowers under this Agreement shall be determined as if such Lender had not sold such participating interests, and the Borrowers, the Issuers and the Administrative Agent shall continue to deal solely and directly with such Lender in connection with such Lender’s rights and obligations under the Loan Documents.

(ii) Voting Rights. Each Lender shall retain the sole right to approve, without the consent of any Participant, any amendment, modification or waiver of any provision of the Loan Documents other than any amendment, modification or waiver with respect to any Loan or Commitment in which such Participant has an interest which would require consent of all of the Lenders pursuant to the terms of Section 12.03(a), (b), (c), (d) or (f).

(iii) Benefit of Certain Provisions. The Parent agrees that each Participant shall be entitled to the benefits of Sections 4.07, 4.08 and 4.09 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 12.14(c), provided that (i) a Participant shall not be entitled to receive any greater payment under Section 4.07, 4.08 or 4.09 than the Lender who sold the participating interest to such Participant would have received had it retained such interest for its own account, unless the sale of such interest to such Participant is made with the prior written consent of the Parent, and (ii) any Participant not incorporated under the laws of the United States of America or any State thereof agrees to comply with the provisions of Section 4.09 to the same extent as if it were a Lender.

(iv) Participant Register. Each Lender that sells a participation shall, acting solely for this purpose a non-fiduciary agent of the Parent, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant’s interest in the Loans or other obligations under this Agreement (the “Participant Register”). The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each person whose name is

recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary; provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to the Parent or any other Person (including the identity of any Participant or any information relating to a Participant's interest under the Loan Documents) except to the extent that such disclosure is necessary to establish that the Loans or other obligations under the Loan Documents are in registered form under Section 5f-103-1(c) of the United States Treasury Regulations.

(c) Assignments.

(i) Permitted Assignments. Any Lender (each an "Assignor Lender") may at any time assign to one or more banks or other entities (each an "Assignee Lender") all or any part of its rights and obligations under the Loan Documents. Such assignment shall be substantially in the form of Exhibit E or in such other form as may be agreed to by the parties thereto (an "Assignment Agreement"). Each such assignment with respect to an Assignee Lender which is not a Lender, an Affiliate of a Lender or an Approved Fund shall either be in an amount equal to the entire applicable Commitment and Loans of the Assignor Lender or (unless each of the Parent and the Administrative Agent otherwise consents) be in an aggregate amount not less than \$5,000,000. The amount of the assignment shall be based on the Commitment or outstanding Loans (if the Commitment has been terminated) subject to the assignment, determined as of the date of such assignment or as of the "Trade Date," if the "Trade Date" is specified in the assignment. After giving effect to any assignment, the remaining Commitment of the assigning Lender (or, if the Commitments have been terminated, then the aggregate principal amount of Loans held by the assigning Lender) shall either be zero or be at least \$10,000,000. Unless such assignment is consented to by the Parent or is required by applicable law, no assignment may be made to an Affiliate of the assigning Lender if such assignment would increase the amounts payable by any Borrower hereunder. No assignment may be made hereunder if such assignment violates applicable law.

(ii) Consents. The consent of the Parent shall be required prior to an assignment becoming effective unless the Assignee Lender is a Lender, an Affiliate of a Lender or an Approved Fund, provided the consent of the Parent shall be deemed to have been given if the Parent has not responded within fifteen (15) Business Days of a request for such consent and, provided, further, that the consent of the Parent shall not be required if an Event of Default has occurred and is continuing. The consent of the Administrative Agent and each Issuer shall be required prior to an assignment becoming effective. Any consent required under this Section 12.14(c) shall not be unreasonably withheld or delayed.

(iii) Effect; Effective Date. Upon (i) delivery to the Administrative Agent of an assignment, together with any consents required by Section 12.14(c)(ii), and (ii) payment of a \$3,500 fee to the Administrative Agent for processing such assignment (unless such fee is waived by the Administrative Agent), such assignment shall become effective on the effective date specified in such assignment. The assignment shall contain a representation by the Assignee Lender to the effect that none of the consideration used to make the purchase of the Commitment and Loans under the applicable assignment

agreement constitutes “plan assets” as defined under ERISA and that the rights and interests of the Assignee Lender in and under the Loan Documents will not be “plan assets” under ERISA. On and after the effective date of such assignment, such Assignee Lender shall for all purposes be a Lender party to this Agreement and any other Loan Document executed by or on behalf of the Lenders and shall have all the rights and obligations of a Lender under the Loan Documents, to the same extent as if it were an original party thereto, and the Assignor Lender shall be released with respect to the Commitment and Loans and LC Exposure assigned to such Assignee Lender without any further consent or action by the Borrowers, the Lenders or the Administrative Agent. In the case of an assignment covering all of the Assignor Lender’s rights and obligations under this Agreement, such Lender shall cease to be a Lender hereunder but shall continue to be entitled to the benefits of, and subject to, those provisions of this Agreement and the other Loan Documents which survive payment of the Obligations and termination of the applicable agreement. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 12.14(c) shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 12.14(b). Upon the consummation of any assignment to an Assignee Lender pursuant to this Section 12.14(c), the Assignor Lender, the Administrative Agent and the Borrowers shall, if the Assignor Lender or the Assignee Lender desires that its Loans be evidenced by Notes, make appropriate arrangements so that new Notes or, as appropriate, replacement Notes are issued to such Assignor Lender and new Notes or, as appropriate, replacement Notes, are issued to such Assignee Lender, in each case in principal amounts reflecting their respective Commitments, as adjusted pursuant to such assignment.

(d) Register. The Administrative Agent shall maintain at its office a copy of each assignment hereunder 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 amount of the Loans and LC Disbursements owing to, each Lender from time to time. The entries in the Register shall be conclusive absent manifest error and the Borrowers, the Administrative Agent, the Issuers and the Lenders may treat each person whose name is recorded in the Register as a Lender hereunder for all purposes of the Agreement. The Register shall be available for inspection by the Borrowers or any Issuer or Lender, as to its commitment only, at any reasonable time and from time to time upon reasonable prior notice.

(e) Financial and Other Information. Each Borrower authorizes the Administrative Agent and each Issuer and Lender to disclose to any Participant, Assignee Lender or any Affiliate of such Lender (each, a “transferee”) and any prospective transferee any and all financial and other information in such Person’s possession concerning any Borrower and their respective Subsidiaries and Affiliates which has been or may be delivered to such Person by or on behalf of any Borrower in connection with this Agreement or any other Loan Document or such Person’s credit evaluation of any Borrower and their respective Subsidiaries and Affiliates; provided, that such transferee or prospective transferee agrees in writing to maintain the confidentiality of any such information provided by the Parent pursuant to Section 7.01(c)(iv) hereof. At the request of any Lender, the Parent, at the Parent’s expense, shall provide to each prospective transferee the conformed copies of documents referred to in Section 7 of the form of Assignment Agreement.

SECTION 12.15 Judgment Currency.

(a) Judgment Currency. The specification in this Agreement and in the Notes of payment in a particular currency at the Administrative Agent's Office is of the essence hereof and thereof. If any court or tribunal shall render a judgment or order for the payment of any amounts owing by any Borrower to any Issuer or Lender or the Administrative Agent under this Agreement or any Note or for the payment by any Borrower of damages in respect of any breach of this Agreement or any Note or under or in respect of a judgment or order of another court or tribunal for payment of such amounts or damages, and if such judgment or order is expressed in a currency (the "Judgment Currency") other than the currency payable hereunder (the "Contractual Currency"), the Relevant Borrower shall indemnify and hold harmless such Issuer or Lender or the Administrative Agent against any deficiency in terms of the Contractual Currency in the amounts received by such Issuer or Lender or the Administrative Agent arising or resulting from any variation as between (i) the rate of exchange at which the Contractual Currency is converted into the Judgment Currency for the purposes of such judgment or order and (ii) the rate of exchange at which such Issuer or Lender or the Administrative Agent would, in accordance with normal banking procedures, purchase the Contractual Currency with the amount of the Judgment Currency actually received by such Issuer or Lender or the Administrative Agent on the Business Day following such receipt by such Issuer or Lender or the Administrative Agent.

(b) Liquidation Currency. If any Borrower shall wind up, liquidate, dissolve or become bankrupt while there remains outstanding any amounts owing by such Borrower to any Issuer or Lender or the Administrative Agent under this Agreement or any Note or any damages owing by such Borrower to any Issuer or Lender or the Administrative Agent in respect of a breach of this Agreement or any Note or any judgment or order rendered against such Borrower in respect of such amounts or damages, such Borrower shall indemnify and hold such Issuer or Lender or the Administrative Agent harmless against any deficiency in terms of the Contractual Currency in the amounts received by such Issuer or Lender or the Administrative Agent arising or resulting from any variation as between (i) the rate of exchange at which the Contractual Currency is converted into another currency (the "Liquidation Currency") for purposes of such winding-up, liquidation, dissolution or bankruptcy with regard to the amount in the Contractual Currency due under this Agreement or any Note (other than this Section 12.15(b)) or under any judgment or order into which the relevant obligations under this Agreement or any Note shall have been merged and (ii) the rate of exchange at which such Issuer or Lender or the Administrative Agent would, in accordance with normal banking procedures, be able to purchase the Contractual Currency with the Liquidation Currency at the earlier of (A) the date of payment of such amounts or damages and (B) the final date or dates for the filing of proofs of a claim in such winding-up, liquidation, dissolution or bankruptcy. As used in the preceding sentence, the "final date or dates for the filing of proofs of a claim in a winding-up, liquidation, dissolution or bankruptcy" shall be the date fixed by the liquidator or other appropriate person or otherwise applicable under applicable Law as being the last practicable date as of which the liabilities of the Borrower may be ascertained for such winding-up, liquidation, dissolution or bankruptcy before payment by the liquidator or other appropriate person in respect thereof.

(c) Independent Obligations. The indemnities provided by 12.15(a) and (b) hereof shall constitute obligations of each Borrower separate and independent from its other obligations under this Agreement and the Notes, shall give rise to separate and independent causes of action against each Borrower, shall apply irrespective of any indulgence granted by any Issuer or Lender or the Administrative Agent from time to time and shall continue in full force and effect notwithstanding any judgment or order or the filing of any proof or proofs in the winding-up, liquidation, dissolution or bankruptcy of any Borrower for a liquidated sum or sums in respect of other amounts due under this Agreement or any Note or any damages owing to any Issuer or Lender or the Administrative Agent in respect of a breach of this Agreement or any Note or any judgment rendered in respect of such amounts or damages.

SECTION 12.16 Governing Law; Submission to Jurisdiction; Waiver of Jury Trial.

(a) Governing Law. THIS AGREEMENT AND ALL OTHER LOAN DOCUMENTS (EXCEPT TO THE EXTENT, IF ANY, OTHERWISE EXPRESSLY STATED IN SUCH OTHER LOAN DOCUMENTS) SHALL BE GOVERNED BY, CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CHOICE OF LAW PRINCIPLES.

(b) Certain Waivers. EACH BORROWER, LENDER, ISSUER AND THE ADMINISTRATIVE AGENT WAIVES THE RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT OR PROCEEDING BY ANY PERSON ARISING FROM OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENTS OR ANY STATEMENT, COURSE OF CONDUCT, ACT, OMISSION OR EVENT OCCURRING IN CONNECTION HERewith OR THEREWITH (COLLECTIVELY, "RELATED LITIGATION"). IN ADDITION, EACH BORROWER HEREBY IRREVOCABLY AND UNCONDITIONALLY:

(i) AGREES THAT ANY RELATED LITIGATION BY ANY ISSUER OR LENDER OR THE ADMINISTRATIVE AGENT MAY BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION SITTING IN NEW YORK COUNTY, NEW YORK, AND SUBMITS TO THE JURISDICTION OF SUCH COURTS (BUT NOTHING HEREIN SHALL AFFECT THE RIGHT OF THE ADMINISTRATIVE AGENT OR ANY ISSUER, LENDER OR BORROWER TO BRING ANY ACTION, SUIT OR PROCEEDING IN ANY OTHER FORUM);

(ii) WAIVES ANY OBJECTION WHICH IT MAY HAVE AT ANY TIME TO THE LAYING OF VENUE OF ANY RELATED LITIGATION BROUGHT IN ANY SUCH COURT, WAIVES ANY CLAIM THAT ANY SUCH RELATED LITIGATION HAS BEEN BROUGHT IN AN INCONVENIENT FORUM, AND WAIVES ANY RIGHT TO OBJECT, WITH RESPECT TO ANY RELATED LITIGATION BROUGHT IN ANY SUCH COURT, THAT SUCH COURT DOES NOT HAVE JURISDICTION OVER SUCH BORROWER; AND

(iii) CONSENTS AND AGREES TO SERVICE OF ANY SUMMONS, COMPLAINT OR OTHER LEGAL PROCESS IN ANY RELATED LITIGATION BY REGISTERED OR CERTIFIED U.S. MAIL, POSTAGE PREPAID, TO SUCH BORROWER AT THE ADDRESS FOR NOTICES DESCRIBED IN SECTION 12.05 HEREOF, AND CONSENTS AND AGREES THAT SUCH SERVICE SHALL CONSTITUTE IN EVERY RESPECT VALID AND EFFECTIVE SERVICE (BUT NOTHING HEREIN SHALL AFFECT THE VALIDITY OR EFFECTIVENESS OF PROCESS SERVED IN ANY OTHER MANNER PERMITTED BY LAW).

SECTION 12.17 USA PATRIOT Act Notification. The following notification is provided to the Borrowers pursuant to Section 326 of the USA PATRIOT Act of 2001, 31 U.S.C. Section 5318:

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an account, including any deposit account, treasury management account, loan, other extension of credit, or other financial services product. What this means for the Borrowers: When the Borrower opens an account, if the Borrower is an individual, the Administrative Agent and the Lenders will ask for the Borrower's name, residential address, tax identification number, date of birth, and other information that will allow the Administrative Agent and the Lenders to identify the Borrower, and, if the Borrower is not an individual, the Administrative Agent and the Lenders will ask for the Borrower's name, tax identification number, business address, and other information that will allow the Administrative Agent and the Lenders to identify the Borrower. The Administrative Agent and the Lenders may also ask, if the Borrower is an individual, to see the Borrower's driver's license or other identifying documents, and, if the Borrower is not an individual, to see the Borrower's legal organizational documents or other identifying documents.

SECTION 12.18 Confidentiality. The Administrative Agent and each Issuer and Lender agrees to hold any confidential information which it may receive from the Borrowers in connection with this Agreement in confidence, except for disclosure (i) to its Affiliates and any agents engaged in connection with this Agreement and to the Administrative Agent and any Issuer or other Lender and their respective Affiliates and any agents engaged in connection with this Agreement, (ii) to legal counsel, accountants, and other professional advisors and agents to such Person, (iii) to regulatory officials and agencies or self-regulatory body, (iv) to any Person as required by law, regulation, or legal process, (v) to any Person in connection with any legal proceeding to which it is a party to the extent such disclosure is required by law, (vi) to its direct or indirect contractual counterparties in swap agreements involving this Agreement or to legal counsel, accountants and other professional advisors to such counterparties, (vii) subject to an agreement containing provisions substantially the same as those of this Section, to any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement and (viii) in connection with the exercise of any remedies

hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder. The Borrowers agree that the terms of this Section 12.18 shall set forth the entire agreement between the Borrowers and each Issuer and Lender (including the Administrative Agent) with respect to any confidential information previously or hereafter received by such Issuer or Lender in connection with this Agreement, and this Section 12.18 shall supersede any and all prior confidentiality agreements entered into by such Issuer or Lender with respect to such confidential information. In connection with any disclosure of confidential information pursuant to item (i), (ii) or (vi) above, the disclosing party shall inform the Persons to whom such disclosure is made of the confidential nature of such information and instruct them to keep such information confidential.

SECTION 12.19 Platform.

(a) The Borrowers agree that the Administrative Agent may, but shall not be obligated to, make the Communications (as defined below) available to the Issuing Banks and the other Lenders by posting the Communications on Debt Domain, Intralinks, Syndtrak or a substantially similar electronic transmission system (the "Platform").

(b) The Platform is provided "as is" and "as available." The Agents Parties (as defined below) do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications or the Platform. In no event shall the Administrative Agent or any of its Affiliates, officers, directors, employees, agents or advisors (collectively, the "Agent Parties") have any liability to the Borrowers, any Lender or any other Person or entity for damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of the Borrowers' or the Administrative Agent's transmission of communications through the Platform. "Communications" means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of the Borrowers pursuant to any Loan Document or the transactions contemplated therein which is distributed to the Administrative Agent, any Lender or any Issuing Bank by means of electronic communications pursuant to this Section, including through the Platform.

SECTION 12.20 Termination of Existing Credit Agreement. Each Lender that is a party to the Existing Agreement hereby waives the requirement set forth in Section 2.04(c) of the Existing Agreement that the Parent give at least five Business Days' notice of termination of the "Total Revolving Credit Commitment" as defined in the Existing Agreement.

[signature pages follow]

IN WITNESS WHEREOF, the parties hereto, by their officers thereunto duly authorized, have executed and delivered this Agreement as of the date first above written.

PARENT

AIR PRODUCTS AND CHEMICALS, INC.

by

/s/ George G. Bitto

Name: George G. Bitto

Title: Vice President, Treasurer and Chief Risk
Officer

Address for Notices:

Air Products and Chemicals, Inc.

7201 Hamilton Boulevard

Allentown, PA 18195-1501

Attn: Assistant Treasurer, Corporate Finance

Telephone: 610-481-4015

Facsimile: 610-481-4165

ADMINISTRATIVE AGENT

THE ROYAL BANK OF SCOTLAND PLC,
individually and as Administrative Agent

by

/s/ Brett E. Thompson

Name: Brett E. Thompson

Title: Director

Address for Notices:

The Royal Bank of Scotland plc

Market & International Banking

RBS Americas HQ,

600 Washington Boulevard

Stamford, CT, 06901, USA

Attention: John Ferrante,

VP, Head of Stamford Middle Office

Email: John.Ferrante@rbs.com

Telephone: (203) 897-7623

Facsimile: (203) 873-5300

CO-SYNDICATION AGENTS

BNP PARIBAS,
individually and as Co-Syndication Agent

by

/s/ Simone G. Vinocour McKeever

Name: Simone G. Vinocour McKeever

Title: Managing Director

by

/s/ Renaud-Franck Falce

Name: Renaud-Franck Falce

Title: Managing Director

HSBC BANK USA, N.A.,
individually and as Co-Syndication Agent

by

/s/ David A. Mandell

Name: David A. Mandell

Title: Managing Director

SIGNATURE PAGE TO THE
AIR PRODUCTS AND CHEMICALS, INC.
CREDIT AGREEMENT DATED
AS OF THE DATE FIRST WRITTEN ABOVE

Name of Lender:

BANK OF AMERICA, N.A.

by

/s/ George Hlentas

Name: George Hlentas

Title: Director

SIGNATURE PAGE TO THE
AIR PRODUCTS AND CHEMICALS, INC.
CREDIT AGREEMENT DATED
AS OF THE DATE FIRST WRITTEN ABOVE

Name of Lender:

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD, New York
Branch

by

/s/ George Stoecklein

Name: George Stoecklein

Title: Director

SIGNATURE PAGE TO THE
AIR PRODUCTS AND CHEMICALS, INC.
CREDIT AGREEMENT DATED
AS OF THE DATE FIRST WRITTEN ABOVE

Name of Lender:

BARCLAYS BANK PLC

by

/s/ Ronnie Glenn

Name: Ronnie Glenn

Title: Vice President

SIGNATURE PAGE TO THE
AIR PRODUCTS AND CHEMICALS, INC.
CREDIT AGREEMENT DATED
AS OF THE DATE FIRST WRITTEN ABOVE

Name of Lender:

DEUTSCHE BANK AG NEW YORK BRANCH

by

/s/ Virginia Cosenza

Name: Virginia Cosenza

Title: Vice President

*by

/s/ Ming K. Chu

Name: Ming K. Chu

Title: Vice President

SIGNATURE PAGE TO THE
AIR PRODUCTS AND CHEMICALS, INC.
CREDIT AGREEMENT DATED
AS OF THE DATE FIRST WRITTEN ABOVE

Name of Lender:

INTESA SANPAOLO S.P.A.,
New York Branch

by

/s/ John J. Michalisin

Name: John J. Michalisin
Title: First Vice President

*by

/s/ William S. Denton

Name: William S. Denton
Title: Global Relationship Manager

SIGNATURE PAGE TO THE
AIR PRODUCTS AND CHEMICALS, INC.
CREDIT AGREEMENT DATED
AS OF THE DATE FIRST WRITTEN ABOVE

Name of Lender:

JPMORGAN CHASE BANK N.A.

by

/s/ Gitanjali Pundir

Name: Gitanjali Pundir

Title: Vice President

SIGNATURE PAGE TO THE
AIR PRODUCTS AND CHEMICALS, INC.
CREDIT AGREEMENT DATED
AS OF THE DATE FIRST WRITTEN ABOVE

Name of Lender:

MIZUHO CORPORATE BANK, LTD.

by

/s/ Leon Mo

Name: Leon Mo

Title: Authorized Signatory

SIGNATURE PAGE TO THE
AIR PRODUCTS AND CHEMICALS, INC.
CREDIT AGREEMENT DATED
AS OF THE DATE FIRST WRITTEN ABOVE

Name of Lender:

WELLS FARGO BANK, N.A.

by

/s/ Michael J. Gigler

Name: Michael J. Gigler

Title: Senior Vice President

SIGNATURE PAGE TO THE
AIR PRODUCTS AND CHEMICALS, INC.
CREDIT AGREEMENT DATED
AS OF THE DATE FIRST WRITTEN ABOVE

Name of Lender:

THE BANK OF NOVA SCOTIA

by

/s/ Laura Gimena

Name: Laura Gimena

Title: Director

SIGNATURE PAGE TO THE
AIR PRODUCTS AND CHEMICALS, INC.
CREDIT AGREEMENT DATED
AS OF THE DATE FIRST WRITTEN ABOVE

Name of Lender:

MORGAN STANLEY BANK, N.A.

by

/s/ Michael King

Name: Michael King

Title: Authorized Signatory

SIGNATURE PAGE TO THE
AIR PRODUCTS AND CHEMICALS, INC.
CREDIT AGREEMENT DATED
AS OF THE DATE FIRST WRITTEN ABOVE

Name of Lender:

SOVEREIGN BANK, N.A.

by

/s/ William Maag

Name: William Maag

Title: Senior Vice President

SIGNATURE PAGE TO THE
AIR PRODUCTS AND CHEMICALS, INC.
CREDIT AGREEMENT DATED
AS OF THE DATE FIRST WRITTEN ABOVE

Name of Lender:

SUMITOMO MITSUI BANKING CORPORATION

by

/s/ Shuji Yabe

Name: Shuji Yabe

Title: Managing Director

SCHEDULE I

PRICING SCHEDULE

“Applicable Pricing Grid”: with respect to Base Rate Loans, Euro Rate Loans CDOR Loans and the Commitment Fee Rate, on any date, shall be as set forth in the table below based on the Public Debt Ratings in effect on such date:

<u>Public Debt Ratings</u>	<u>Applicable Margin for Euro Rate Loans and CDOR Loans</u>	<u>Applicable Margin for Base Rate Loans</u>	<u>Commitment Fee Rate</u>
³ A+ or A1	0.750%	0.00%	0.060%
A or A2	0.875%	0.00%	0.080%
A- or A3	1.000%	0.00%	0.100%
BBB+ or Baa1	1.125%	0.125%	0.125%
< BBB+ or Baa1	1.250%	0.250%	0.175%

For purposes of the foregoing, (a) if the Public Debt Ratings established or deemed to have been established by Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc. (“S&P”), and Moody’s Investors Service, Inc. (“Moody’s”) shall be changed (other than as a result of a change in the rating system of S&P or Moody’s), such change shall be effective as of the date on which it is first announced by the applicable rating agency; (b) if the Public Debt Ratings established or deemed to have been established by S&P and Moody’s shall fall within different levels, the Applicable Margin and Commitment Fee Rate shall be based on the higher of the two ratings unless one of the two ratings is two or more levels lower than the other, in which case the Applicable Margin and Commitment Fee Rate shall be determined by reference to the level next below that of the higher of the two ratings; and (c) if either S&P or Moody’s shall not have in effect a Public Debt Rating (other than by reason of the circumstances referred to in the last sentence of this paragraph), then such rating agency shall be deemed to have established a rating below BBB+/Baa1. Each change in the Applicable Margin and Commitment Fee Rate shall apply during the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change. If the rating system of S&P or Moody’s shall change, the Parent and the Lenders shall negotiate in good faith to amend this paragraph to reflect such changed rating system and, pending the effectiveness of any such amendment, the Applicable Margin and Commitment Fee Rate shall be determined by reference to the rating most recently in effect prior to such change.

“Public Debt Rating” means, as of any date, the rating that has been most recently announced by either S&P or Moody’s, as the case may be, for any class of non-credit enhanced long-term senior unsecured debt issued by the Parent.

SCHEDULE II

INITIAL OTHER BORROWERS

None.

SCHEDULE III

CONNECTICUT OFFICE

The Royal Bank of Scotland plc
Market & International Banking
RBS Americas HQ,
600 Washington Boulevard
Stamford, CT, 06901, USA
Attention: John Ferrante, VP, Head of Stamford Middle Office

Email: John.Ferrante@rbs.com
Telephone: (203) 897-7623
Facsimile: (203) 873-5300*

* or such other address and/or contact information as may be designated by the Administrative Agent with respect to any Designated Currency. In case of any such designation, the times specified in this Agreement shall, where relevant, be adjusted to the appropriate local times.

SCHEDULE IV

REVOLVING CREDIT COMMITTED AMOUNTS

The Royal Bank of Scotland plc	\$ 200,000,000
BNP Paribas	\$ 200,000,000
HSBC Bank USA, N.A.	\$ 200,000,000
Bank of America, N.A.	\$ 190,000,000
The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch	\$ 190,000,000
Barclays Bank PLC	\$ 190,000,000
Deutsche Bank AG, New York Branch	\$ 190,000,000
Intesa SanPaolo S.p.A. New York Branch	\$ 190,000,000
JPMorgan Chase Bank N.A.	\$ 190,000,000
Mizuho Corporate Bank, Ltd.	\$ 190,000,000
Wells Fargo Bank, N.A.	\$ 190,000,000
The Bank of Nova Scotia	\$ 95,000,000
Morgan Stanley Bank, N.A.	\$ 95,000,000
Sovereign Bank, N.A.	\$ 95,000,000
Sumitomo Mitsui Banking Corporation	\$ 95,000,000
TOTAL	<u>\$2,500,000,000</u>

SCHEDULE V

MANDATORY COSTS RATE FORMULA

1. Amounts payable by reference to the Mandatory Costs Rate are additions to the interest rate to compensate Lenders for the cost of compliance with (a) the requirements of the Bank of England and/or the Financial Services Authority (or, in either case, any other authority which replaces all or any of its functions) or (b) the requirements of the European Central Bank.
2. The Mandatory Costs Rate for any Lender lending from a lending office in a participating member state of the European Community relating to Economic and Monetary Union (other than the United Kingdom) that has adopted the Euro as its lawful currency will be the percentage reasonably determined by such Lender to be the cost (expressed as a percentage of that Lender's participation in all Revolving Credit Loans made from such office) of complying with the minimum reserve requirements of the European Central Bank in respect of loans made from such office.
3. The Mandatory Costs Rate for any Lender lending from a lending office in the United Kingdom will be calculated by such Lender as follows:

(a) in relation to a sterling Loan:

$$\frac{AB + C(B - D) + E \times 0.01}{100 - (A + C)} \text{ percent per annum}$$

(b) in relation to a Loan in any currency other than sterling:

$$\frac{E \times 0.01}{300} \text{ percent per annum.}$$

Where:

A is the percentage of Eligible Liabilities (assuming these to be in excess of any stated minimum) which such Lender is from time to time required to maintain as an interest free cash ratio deposit with the Bank of England to comply with cash ratio requirements.

B is the percentage rate of interest (excluding the Applicable Margin and the Mandatory Costs Rate and, if applicable, the additional rate of interest specified in Section 4.05(b) (*Default interest*)) payable for the relevant Funding Segment on the applicable Loan.

C is the percentage (if any) of Eligible Liabilities which such Lender is required from time to time to maintain as interest bearing Special Deposits with the Bank of England.

D is the percentage rate per annum payable by the Bank of England to such Lender on interest bearing Special Deposits.

E is designed to compensate Lenders for amounts payable under the Fees Rules and is calculated by the applicable Lender as being the rate of charge payable by such Lender to the Financial Services Authority pursuant to the Fees Rules in respect of the relevant financial year of the Financial Services Authority (calculated for this purpose by such Lender as being the average of the Fee Tariffs applicable to such Lender for that financial year) and expressed in pounds per £1,000,000 of the Tariff Base of such Lender.

4. For the purposes of this Schedule:

(a) “**Eligible Liabilities**” and “**Special Deposits**” have the meanings given to them from time to time under or pursuant to the Bank of England Act 1998 or (as may be appropriate) by the Bank of England;

(b) “**Fees Rules**” means the rules on periodic fees contained in the FSA Supervision Manual or such other law or regulation as may be in force from time to time in respect of the payment of fees for the acceptance of deposits;

(c) “**Fee Tariffs**” means the fee tariffs specified in the Fees Rules under the activity group A.1 Deposit acceptors (ignoring any minimum fee or zero rated fee required pursuant to the Fees Rules but taking into account any applicable discount rate); and

(d) “**Tariff Base**” has the meaning given to it in, and will be calculated in accordance with, the Fees Rules.

5. In application of the above formulae, A, B, C and D will be included in the formulae as percentages (i.e. 5 percent will be included in the formula as 5 and not as 0.05). A negative result obtained by subtracting D from B shall be taken as zero. The resulting figures shall be rounded to four decimal places.

6. The Administrative Agent may from time to time, after consultation with the Parent and the Lenders, determine and notify to all parties to the Agreement any amendments which are required to be made to this Schedule in order to comply with any change in law, regulation or any requirements from time to time imposed by the Bank of England, the Financial Services Authority or the European Central Bank (or, in any case, any other authority which replaces all or any of its functions) and any such determination shall, in the absence of manifest error, be conclusive and binding on all parties to the Agreement.

[Form of Revolving Credit Note]

Stamford, Connecticut
, 2013

FOR VALUE RECEIVED, the undersigned, *[NAME OF PARENT or ADDITIONAL OTHER BORROWER]* [a _____ corporation] (the “Borrower”), promises to pay to the order of *[NAME OF LENDER]* (the “Lender”) on or before the Revolving Credit Maturity Date, and at such earlier dates as may be required by the Agreement (as defined below), the aggregate unpaid principal amount of all Revolving Credit Loans made by the Lender to the Borrower from time to time pursuant to the Agreement. The Borrower further promises to pay to the order of the Lender interest on the unpaid principal amount of such Revolving Credit Loans from time to time outstanding at the rate or rates per annum determined pursuant to the Agreement, payable on the dates set forth in the Agreement.

This Note is one of the “Revolving Credit Notes” as referred to in, and is entitled to the benefits of, the Revolving Credit Agreement, dated as of April 30, 2013, by and among Air Products and Chemicals, Inc., the Other Borrowers parties thereto from time to time, the Lenders parties thereto from time to time and The Royal Bank of Scotland plc, as Administrative Agent (as the same may be amended, restated, modified or supplemented from time to time, the “Agreement”), which among other things provides for the acceleration of the maturity hereof upon the occurrence of certain events and for prepayments in certain circumstances and upon certain terms and conditions. Terms defined in the Agreement have the same meanings herein.

The Borrower hereby expressly waives presentment, demand, notice, protest and all other demands and notices in connection with the delivery, acceptance, performance, default or enforcement of this Note and the Agreement (other than notice of acceleration as required by Section 9.02 of the Agreement).

This Note shall be governed by, construed and enforced in accordance with the laws of the State of New York, without regard to principles of choice of law.

[NAME OF BORROWER]

By _____
Title: _____

[Form of Competitive Bid Note]

Stamford, Connecticut
, 2013

FOR VALUE RECEIVED, the undersigned, [NAME OF PARENT or ADDITIONAL OTHER BORROWER], [a corporation] (the "Borrower"), promises to pay to the order of [NAME OF LENDER] (the "Lender") on or before the applicable Competitive Bid Loan Maturity Date, and at such earlier dates as may be required by the Agreement (as defined below), the aggregate unpaid principal amount of each Competitive Bid Loan made by the Lender to the Borrower from time to time pursuant to the Agreement. The Borrower further promises to pay to the order of the Lender interest on the unpaid principal amount of such Competitive Bid Loans from time to time outstanding at the rate or rates per annum determined pursuant to the Agreement, payable on the dates set forth in the Agreement.

This Note is one of the "Competitive Bid Notes" as referred to in, and is entitled to the benefits of, the Revolving Credit Agreement, dated as of April 30, 2013, by and among Air Products and Chemicals, Inc., the Other Borrowers parties thereto from time to time, the Lenders parties thereto from time to time and The Royal Bank of Scotland plc, as Administrative Agent (as the same may be amended, restated, modified or supplemented from time to time, the "Agreement"), which among other things provides for the acceleration of the maturity hereof upon the occurrence of certain events and for prepayments in certain circumstances and upon certain terms and conditions. Terms defined in the Agreement have the same meanings herein.

The Borrower hereby expressly waives presentment, demand, notice, protest and all other demands and notices in connection with the delivery, acceptance, performance, default or enforcement of this Note and the Agreement (other than notice of acceleration as required by Section 9.02 of the Agreement.)

This Note shall be governed by, construed and enforced in accordance with the laws of the State of New York, without regard to principles of choice of law.

[NAME OF BORROWER]

By _____
Title: _____

[Form of Competitive Bid Loan Quote Request]

, 201

To: The Royal Bank of Scotland plc,
as Administrative Agent

From: Air Products and Chemicals, Inc.

Re: Competitive Bid Loan Quote Request

Pursuant to Section 3.02(a) of the Revolving Credit Agreement dated as of April 30, 2013, by and among Air Products and Chemicals, Inc., the Other Borrowers parties thereto from time to time, the Lenders parties thereto from time to time and The Royal Bank of Scotland plc, as Administrative Agent (as the same may from time to time be amended, restated, modified or supplemented, the "Agreement"), we hereby give notice that we request Competitive Bid Loan Quotes for the following proposed Competitive Bid Borrowing(s):

<u>Borrowing Date</u>	<u>Borrower</u>	<u>Principal Amount</u> ¹	<u>Type</u> ²	<u>Interest Period</u> ³	<u>Currency</u>

Terms used herein have the meanings assigned to them in the Agreement.

AIR PRODUCTS AND CHEMICALS, INC.

By: _____
Title: _____

¹ Each amount must be a Dollar Equivalent Amount of \$5,000,000 or a higher integral multiple of \$1,000,000.

² Insert either "LIBOR-based Margin" (in the case of LIBOR-based Loans) or "Absolute Rate" (in the case of Absolute Rate Loans).

³ Each Interest Period must be not less than seven days.

[Form of Competitive Bid Loan Quote]

, 201

The Royal Bank of Scotland plc,
as Administrative Agent
600 Washington Boulevard
Stamford, CT 06901

Attention:

Re: Competitive Bid Loan Quote to Air Products and Chemicals, Inc. (the "Parent").

This Competitive Bid Loan Quote is given in accordance with Section 3.02(c) of the Revolving Credit Agreement dated as of April 30, 2013, by and among the Parent, the Other Borrowers parties thereto from time to time, the Lenders parties thereto from time to time and The Royal Bank of Scotland plc, as Administrative Agent (as the same may from time to time be amended, restated, modified or supplemented, the "Agreement"). Terms defined in the Agreement are used herein as defined therein.

In response to the Parent's Competitive Bid Loan Quote Request dated _____, 201____, we hereby make the following Competitive Bid Loan Quote(s) on the following terms:

1. Quoting Bank:
2. Person to contact at Quoting Bank:

3. We hereby offer to make Competitive Bid Loan(s) in the following principal amounts, for the following Interest Periods and at the following rates:

<u>Borrowing Date</u> ¹	<u>Borrower</u>	<u>Principal Amount</u> ²	<u>Type</u> ³	<u>Interest Period</u> ⁴	<u>Rate</u> ⁵	<u>Currency</u>

We understand and agree that the offer(s) set forth above, subject to the satisfaction of the applicable conditions set forth in the Agreement, irrevocably obligate(s) us to make the Competitive Bid Loan(s) for which any offer(s) [is] [are] accepted, in whole or in part (subject to Section 3.02(f) of the Agreement).

Very truly yours,

[LENDER]

By: _____
Authorized Officer

¹ As specified in the related Competitive Bid Loan Quote Request.

² The principal amount bid for each Interest Period may not exceed the principal amount of Competitive Bid Loans requested. Bids must be made for a Dollar Equivalent Amount of at least \$5,000,000 or a higher integral multiple of \$1,000,000.

³ Indicate "LIBOR-based Margin" (in the case of LIBOR-based Loans) or "Absolute Rate" (in the case of Absolute Rate Loans).

⁴ Must be not less than seven days, as specified in the related Competitive Bid Loan Quote Request.

⁵ For a LIBOR-based Loan, specify margin over or under the LIBO-Rate determined for the applicable Interest Period (as percentage rounded to the nearest 1/10,000 of 1% and specify whether "PLUS" or "MINUS". For an Absolute Rate Loan, specify rate of interest per annum (rounded to the nearest 1/10,000 of 1%).

[Form of Assignment and Assumption Agreement]

This Assignment and Assumption (the "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between [Insert name of Assignor] (the "Assignor") and [Insert name of Assignee] (the "Assignee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by the Assignee. The Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below (including any letters of credit and guarantees included in such facilities) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as the "Assigned Interest"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor: _____

2. Assignee: _____ [and is an Affiliate/Approved Fund of [identify Lender]]¹

¹ Select as applicable.

3. Borrower(s): Air Products and Chemicals, Inc. [add any Other Borrowers]
4. Administrative Agent: The Royal Bank of Scotland plc, as the administrative agent under the Credit Agreement.
5. Credit Agreement: The \$2,500,000,000 Revolving Credit Agreement dated as of April 30, 2013 among Air Products and Chemicals, Inc., the Other Borrowers parties thereto, the Lenders parties thereto and The Royal Bank of Scotland plc, as Administrative Agent.
6. Assigned Interest:

<u>Aggregate Amount of Commitment/ Loans for all Lenders</u>	<u>Amount of Commitment/Loans Assigned</u>	<u>Percentage of Commitment/Loans Assigned²</u>
\$	\$	%
\$	\$	%
\$	\$	%

7. Trade Date: _____

² Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

Effective Date: _____, 201 [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER BY THE ADMINISTRATIVE AGENT.]

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR
[NAME OF ASSIGNOR]

By: _____
Title: _____

ASSIGNEE
[NAME OF ASSIGNEE]

By: _____
Title: _____

Consented to and Accepted:

THE ROYAL BANK OF SCOTLAND PLC, as Administrative Agent

By: _____
Title: _____

Consented to:

THE ROYAL BANK OF SCOTLAND PLC, as Issuer³

By: _____
Title: _____

HSBC BANK USA, N.A., as Issuer³

By: _____
Title: _____

BNP PARIBAS, as Issuer³

By: _____
Title: _____

By: _____
Title: _____

[AIR PRODUCTS AND CHEMICALS, INC.

By: _____
Title:]⁴

³ To be changed to the successor Issuer if such Issuer above is replaced pursuant to Section 2.10(h) of the Credit Agreement

⁴ To be added only if the consent of the Parent is required by the terms of the Credit Agreement.

ANNEX 1
TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Parent, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by the Parent, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2. Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it satisfies the requirements, if any, specified in the Credit Agreement that are required to be satisfied by it in order to acquire the Assigned Interest and become a Lender, (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 7.01(c) thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, (v) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, and (vi) if it is organized under the Laws of a jurisdiction outside the United States, attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor 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 decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of New York without regard to choice of law principles.

[Form of Borrower Accession Instrument]

TO: The Royal Bank of Scotland plc,
as Administrative Agent

FROM: [Name of additional Other Borrower]
Air Products and Chemicals, Inc.

DATE: _____

Reference is made to the Revolving Credit Agreement dated as of April 30, 2013 among Air Products and Chemicals, Inc., the Other Borrowers parties thereto from time to time, the Lenders parties thereto from time to time and The Royal Bank of Scotland plc, as Administrative Agent (as amended, restated, modified or supplemented from time to time, the "Credit Agreement").

[NAME OF ADDITIONAL OTHER BORROWER], a _____ corporation (the "Additional Other Borrower"), agrees to become an Other Borrower and to be bound by the terms of the Credit Agreement as an Other Borrower.

Attached to this Borrower Accession Instrument are the following documents:

(a) A certificate dated the date hereof and signed by a Vice President of the Parent, together with an executed copy for each Lender, to the effect that each of the representations and warranties made by the Parent in Sections 5.03, 5.04, 5.05, 5.07 and 5.08 of the Credit Agreement with respect to the Additional Other Borrower is true and correct on and as of the date hereof as if made on and as of the date hereof;

(b) Certified copies of all corporate action taken by the Additional Other Borrower to authorize the execution and delivery of this Borrower Accession Instrument, the Credit Agreement and the Notes;

(c) Copies of the articles or certificate of incorporation of the Additional Other Borrower, together with all amendments, and a certificate of good standing, each certified by the appropriate governmental officer in its jurisdiction of incorporation, as well as any other information required by Section 326 of the USA PATRIOT ACT or necessary for the Administrative Agent or any Lender to verify the identity of the Additional Other Borrower as required by Section 326 of the USA PATRIOT Act; and

(d) If requested, Notes duly executed by the Additional Other Borrower conforming to the requirements of Section 2.02 of the Credit Agreement.

This Borrower Accession Instrument shall be governed by, construed and enforced in accordance with the laws of the State of New York, without regard to choice of law principles.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto, by their officers thereunto duly authorized, have executed and delivered this Borrower Accession Instrument as of the date first above written.

[NAME OF ADDITIONAL OTHER BORROWER]

By: _____
Title: _____

AIR PRODUCTS AND CHEMICALS, INC.

By: _____
Title: _____

ACCEPTED:

THE ROYAL BANK OF SCOTLAND PLC,
as Administrative Agent

By: _____
Title: _____

[Form of Other Borrower Removal Notice]

TO: The Royal Bank of Scotland plc,
as Administrative Agent

FROM: [Name of Other Borrower]
Air Products and Chemicals, Inc.

Date: _____

Reference is made to the Revolving Credit Agreement dated as of April 30, 2013 among Air Products and Chemicals, Inc., the Other Borrowers parties thereto from time to time, the Lenders parties thereto from time to time and The Royal Bank of Scotland plc, as Administrative Agent (as amended, restated, modified or supplemented from time to time, the "Credit Agreement").

Notice is hereby given that:

(1) [NAME OF OTHER BORROWER], a _____ corporation, shall cease to be an Other Borrower under the Credit Agreement effective on [DATE] and

(2) all Obligations (as defined in the Credit Agreement) of [NAME OF OTHER BORROWER] shall be repaid in full on or before such effective date.

IN WITNESS WHEREOF, the undersigned, by their officers thereunto duly authorized, have executed and delivered this Other Borrower Removal Notice as of the date first above written.

[NAME OF OTHER BORROWER]

By: _____
Title: _____

AIR PRODUCTS AND CHEMICALS, INC.

By: _____
Title: _____

[Form of Amendment for an Increased or New Commitment]

This AMENDMENT is made as of the day of , 201 by and among Air Products and Chemicals, Inc., a Delaware corporation, the other borrowers party to the Credit Agreement (as defined below) (collectively, the “Borrowers”), The Royal Bank of Scotland plc, as administrative agent under the Credit Agreement (the “Administrative Agent”), and (the “Supplemental Lender”).

The Borrowers, the Administrative Agent and certain other Lenders, as described therein, are parties to the Revolving Credit Agreement dated as of April 30, 2013 (as amended, restated, modified or supplemented from time to time, the “Credit Agreement”). All terms used herein and not otherwise defined shall have the same meaning given to them in the Credit Agreement.

Pursuant to Section 2.09 of the Credit Agreement, the Borrowers may, at their option, seek to increase the Total Revolving Credit Commitment by obtaining additional Commitments upon satisfaction of certain conditions.

The Supplemental Lender is either (a) an existing Lender that is increasing its Commitment or (b) a new Lender that is a lending institution whose identity the Administrative Agent will approve by its signature below.

In consideration of the foregoing, such Supplemental Lender from and after the date hereof shall have a Revolving Credit Committed Amount of \$ as of the date hereof, and if it is a new Lender, the Supplemental Lender hereby assumes all of the rights and obligations of a Lender under the Credit Agreement.

The Borrowers have executed and delivered to the Supplemental Lender as of the date hereof, if requested by the Supplemental Lender, new or amended and restated Notes in the form attached to the Credit Agreement as Exhibit A to evidence the new or increased Commitment of the Supplemental Lender.

[signature page follows]

IN WITNESS WHEREOF, the Administrative Agent, the Borrowers and the Supplemental Lender have executed this Amendment as of the date shown above.

AIR PRODUCTS AND CHEMICALS, INC.

By: _____
Its: _____

[OTHER BORROWERS]

By: _____
Its: _____

[SUPPLEMENTAL LENDER]

By: _____
Its: _____

THE ROYAL BANK OF SCOTLAND PLC,
as Administrative Agent

By: _____
Its: _____

Consented to:

THE ROYAL BANK OF SCOTLAND PLC, as Issuer¹

By: _____
Title: _____

HSBC BANK USA, N.A., as Issuer¹

By: _____
Title: _____

BNP PARIBAS, as Issuer¹

By: _____
Title: _____

By: _____
Title: _____

¹ To be changed to the successor Issuer if such Issuer above is replaced pursuant to Section 2.10(h) of the Credit Agreement

[Form of Standard Notice]

[FORM OF NOTICE OF BORROWING]¹

Pursuant to that certain Revolving Credit Agreement dated as of April 30, 2013 (as amended, amended and restated, supplemented or otherwise modified from time to time) (the "**Credit Agreement**"), by and among Air Products and Chemicals, Inc., the Other Borrowers parties thereto from time to time, the Lenders parties thereto from time to time and The Royal Bank of Scotland plc, as administrative agent (in such capacity, the "**Administrative Agent**"), this notice represents the request of [Borrower name] (the "**Borrower**") to borrow as follows. Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement.

1. Identity of Borrower:
2. Designated Currency of borrowing:
3. Date of borrowing: , 201
4. Interest rate Option(s) and principal amount(s) of borrowing:²
 - a. Base Rate Portion \$
 - b. Funding Segment of Euro-Rate Portion \$ with a Funding Period of month(s)
 - c. Funding Segment of CDOR Portion \$ with a Funding Period of month(s)
5. Type of Loans: Revolving Credit Loan

¹ Form of Notice of Borrowing to be used for borrowings made pursuant to Section 2.03 of the Credit Agreement.

² In the case of borrowings denominated in Dollars, the principal amount of borrowing shall be an integral multiple of \$1,000,000 and not less than \$5,000,000. In the case of borrowings denominated in a Designated Currency, the principal amount of borrowing shall have an aggregate Dollar Equivalent Amount not less than \$5,000,000 and shall be an integral multiple of the amount determined by the Administrative Agent from time to time to be the basic unit in which such currency is traded in the eurocurrency market; provided that in the case of borrowings made to refinance the reimbursement of an LC Disbursement as contemplated by Section 2.10(d) of the Credit Agreement, such borrowings may be in the amount of such LC Disbursement.

The undersigned officer (to the best of his or her knowledge and in his or her capacity as an officer, and not individually) and the Borrower certify that as of the date of the borrowing requested hereby:

- (i) No Event of Default and no Potential Event of Default has occurred and is continuing on and as of such date, both immediately before and immediately after giving effect to the borrowing requested hereby; and
- (ii) Each of the representations and warranties contained in Sections 5.03, 5.04, 5.05 and 5.07 of the Credit Agreement are true and correct in all material respects on and as of such date, both immediately before and immediately after giving effect to the borrowing requested hereby.

DATED: , 201

[BORROWER NAME]

By: _____
Title: _____

[FORM OF NOTICE OF CONVERSION/CONTINUATION]¹

Pursuant to that certain Revolving Credit Agreement dated as of April 30, 2013 (as amended, amended and restated, supplemented or otherwise modified from time to time) (the “**Credit Agreement**”), by and among Air Products and Chemicals, Inc., the Other Borrowers parties thereto from time to time, the Lenders parties thereto from time to time and The Royal Bank of Scotland plc, as administrative agent (in such capacity, the “**Administrative Agent**”), this represents the request of [Borrower name] (the “**Borrower**”) to convert or continue Loans as follows. Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement.

1. Date of conversion/continuation: _____, 201__
2. Interest rate Option(s) and principal amount(s) of Loans being converted/continued:²
 - a. Base Rate Portion \$ _____
 - b. Funding Segment of Euro-Rate Portion \$ _____ with a Funding Period of _____ month(s)
 - c. Funding Segment of CDOR Portion \$ _____ with a Funding Period of _____ month(s)
3. Type of Loans being converted/continued: Revolving Credit Loans
4. Nature of conversion/continuation:
 - a. Conversion of Base Rate Portion to Euro-Rate Loans with a new Funding Period of _____ month(s) that commences on the conversion date.
 - b. Conversion of Funding Segment of Euro-Rate Portion to Base Rate Loans³
 - c. Continuation of Funding Segment of Euro-Rate Portion with a new Funding Period of _____ month(s).⁴
 - d. Continuation of Funding Segment of CDOR Portion with a new Funding Period of _____ month(s).⁵

¹ Form of Notice of Conversion/Continuation to be used for conversion or continuation of any interest rate Option made pursuant to Section 2.06 of the Credit Agreement.

² In the case of Loans denominated in Dollars, the amount to be converted or continued shall be an integral multiple of \$1,000,000 and not less than \$5,000,000. In the case of Loans denominated in a Designated Currency, the amount to be converted or continued shall have an aggregate Dollar Equivalent Amount not less than \$5,000,000 and shall be an integral multiple of the amount determined by the Administrative Agent from time to time to be the basic unit in which such currency is traded in the eurocurrency market.

³ Conversions from Euro-Rate Option will take place at the expiration of the respective Funding Period.

⁴ Continuations of Euro-Rate Option will take place at the expiration of the respective Funding Period.

⁵ Continuations of CDOR Option will take place at the expiration of the respective Funding Period.

If this notice (a) converts or continues the Euro-Rate Option with respect to any Revolving Credit Loans denominated in Dollars, (b) converts any Revolving Credit Loans to any Designated Currency other than Dollars or (c) selects a Funding Period longer than one month with respect to Revolving Credit Loans denominated in a currency other than Dollars, then the Borrower represents that no Event of Default has occurred and is continuing.

DATED: _____, 201

[BORROWER NAME]

By: _____
Title: _____

**AMENDMENT NO. 6 TO THE
AIR PRODUCTS AND CHEMICALS, INC.
RETIREMENT SAVINGS PLAN**

WHEREAS, Air Products and Chemicals, Inc. (the "Company") is the Plan Sponsor of the Air Products and Chemicals, Inc. Retirement Savings Plan (the "Plan"); and

WHEREAS, pursuant to Plan Section 7.01 the Plan may be amended at anytime; and

WHEREAS, the Company desires to amend the Plan to update Exhibit I to include three new eligible hourly locations.

NOW, THEREFORE, the Plan is hereby amended as follows:

1. Exhibit I is amended as attached hereto to include three new locations effective as of the following dates:
Memphis, TN – February 1, 2012
Bozrah, CT – February 13, 2012
Butler, PA – July 2, 2012
2. In all other respects the Plan shall remain in full force and effect.

IN WITNESS WHEREOF, the Company has caused its Senior Vice President, General Counsel and Chief Administrative Officer to execute this Sixth Amendment to the Plan on this day of May 2013.

AIR PRODUCTS AND CHEMICALS, INC.

By: _____
Senior Vice President, General Counsel and
Chief Administrative Officer

EXHIBIT I
ELIGIBLE NONUNION HOURLY LOCATIONS DESIGNATED
BY VICE PRESIDENT - HUMAN RESOURCES
EFFECTIVE AS OF July 2, 2012:

	<u>Designated Terminal</u> <u>For 125% of Base Salary</u>
ASHLAND, KY	YES
BETHLEHEM, PA	YES
BOUNTIFUL, UT	YES
BOZRAH, CT	YES
BURNS HARBOR, IN	NO
BUTLER, IN	YES
BUTLER, PA	YES
CAMDEN, SC	YES
CARTERSVILLE, GA	YES
CHANDLER, AZ	YES
CONVENT, LA	NO
CONVENT, LA (Drivers)	YES
CONYERS, GA	YES
CREIGHTON, PA	YES
DECATUR, AL	YES
DEER PARK, TX	NO
EAGAN, MN	YES
GLENMONT, NY	YES
GRAY, TN	YES
LANCASTER, PA	YES
LANCASTER, PA (Express Services)	NO
LAPORTE, TX	YES
LASALLE, IL	YES
LIBERAL, KS	YES
LONG BEACH, CA	YES
MANALAPAN, NJ	NO
MCINTOSH, AL	YES
MEMPHIS, TN	YES
MIDLOTHIAN, TX	YES
MOORELAND, OK	YES
NEW MARTINSVILLE, WV	YES
NIAGARA FALLS, NY	YES
OAK CREEK, WI	YES
ORLANDO, FL	YES
PACE, FL	YES

PARKERSBURG, WV
PRYOR, OK
PUYALLUP, WA
REIDSVILLE, NC
SHAKOPEE, MN
SMITHVILLE, MO
SPARROWS POINT, MD (Drivers)
SUFFIELD, CT

YES
YES
YES
YES
YES
YES
YES
YES

**AMENDMENT NO. 7 TO THE
AIR PRODUCTS AND CHEMICALS, INC.
RETIREMENT SAVINGS PLAN**

WHEREAS, Air Products and Chemicals, Inc. (the "Company") is the Plan Sponsor of the Air Products and Chemicals, Inc. Retirement Savings Plan (the "Plan"); and

WHEREAS, pursuant to Plan Section 7.01 the Plan may be amended at anytime; and

WHEREAS, effective May 31, 2013, the Company will purchase the outstanding stock of EPCO Carbon Dioxide Products, Inc. and in connection with such stock acquisition will hire certain employees of EPCO Carbon Dioxide Products, Inc.; and

WHEREAS, the former employees of EPCO Carbon Dioxide Products, Inc. who are hired by the Company in connection with the stock acquisition will not participate in the Plan until 30 days after the purchase of the outstanding stock of EPCO Carbon Dioxide Products, Inc.; and

WHEREAS, the Company desires to amend the Plan to reflect that employees of EPCO Carbon Dioxide Products, Inc. hired in connection with the purchase of the outstanding stock of EPCO Carbon Dioxide Products, Inc. shall not be eligible to become Core Contribution Participants until July 1, 2013.

NOW, THEREFORE, the Plan is hereby amended as follows:

1. Section 2.15 shall be amended to read as follows:

"2.15 **Core Contribution Participant** shall mean an Electing Employee or a salaried Employee whose Employment Commencement Date or Reemployment Commencement Date occurs after October 21, 2004, or who otherwise becomes a salaried Employee after such date, a non-union hourly Employee whose Employment Commencement Date or Reemployment Commencement date occurs after February 1, 2011, or an employee who otherwise becomes a non-union hourly Employee after February 1, 2011 provided such employee is not accruing benefits in the Hourly Pension Plan. With respect to Employees who were employed by EPCO Carbon Dioxide Products, Inc. on May 31, 2013 and who were hired by the Company on June 1, 2013, such Employees shall become a Core Contribution Participant effective July 1, 2013."

2. In all other respects the Plan shall remain in full force and effect.

IN WITNESS WHEREOF, the Company has caused its Senior Vice President, General Counsel and Chief Administrative Officer to execute this Seventh Amendment to the Plan on this day of May 2013.

AIR PRODUCTS AND CHEMICALS, INC.

By: _____
Senior Vice President, General Counsel and
Chief Administrative Officer

**AMENDMENT NO. 8 TO THE
AIR PRODUCTS AND CHEMICALS, INC.
RETIREMENT SAVINGS PLAN**

WHEREAS, Air Products and Chemicals, Inc. (the "Company") is the Plan Sponsor of the Air Products and Chemicals, Inc. Retirement Savings Plan (the "Plan"); and

WHEREAS, pursuant to Plan Section 7.01 the Plan may be amended at anytime; and

WHEREAS, the Company desires to amend the Plan to update Exhibit I to include twelve new eligible hourly locations.

NOW, THEREFORE, the Plan is hereby amended as follows:

1. Exhibit I is amended as attached hereto to include twelve new locations effective as June 1, 2013:

Adams, NE
Beatrice, NE
Brookhaven, MS
Claremont, MN
Malta Bend, MO
Marion, IN
Medina, NY
Milton (CO2), WI
Monroe, WI
Nevada, IA
Union City, IN
York, NE

2. In all other respects the Plan shall remain in full force and effect.

IN WITNESS WHEREOF, the Company has caused its Senior Vice President, General Counsel and Chief Administrative Officer to execute this Eighth Amendment to the Plan on this day of June 2013.

AIR PRODUCTS AND CHEMICALS, INC.

By: _____
Senior Vice President, General Counsel and
Chief Administrative Officer

EXHIBIT I
ELIGIBLE NONUNION HOURLY LOCATIONS DESIGNATED
BY VICE PRESIDENT - HUMAN RESOURCES
EFFECTIVE AS OF June 1, 2013:

	<u>Designated Terminal</u> <u>For 125% of Base Salary</u>
ADAMS, NE	YES
ASHLAND, KY	YES
BEATRICE, NE	YES
BETHLEHEM, PA	YES
BOUNTIFUL, UT	YES
BOZRAH, CT	YES
BROOKHAVEN, MS	YES
BURNS HARBOR, IN	NO
BUTLER, IN	YES
BUTLER, PA	YES
CAMDEN, SC	YES
CARTERSVILLE, GA	YES
CHANDLER, AZ	YES
CLAREMONT, MN	YES
CONVENT, LA	NO
CONVENT, LA (Drivers)	YES
CONYERS, GA	YES
CREIGHTON, PA	YES
DECATUR, AL	YES
DEER PARK, TX	NO
EAGAN, MN	YES
GLENMONT, NY	YES
GRAY, TN	YES
LANCASTER, PA	YES
LANCASTER, PA (Express Services)	NO
LAPORTE, TX	YES
LASALLE, IL	YES
LIBERAL, KS	YES
LONG BEACH, CA	YES
MALTA BEND, MO	YES
MANALAPAN, NJ	NO
MARION, IN	YES
MCINTOSH, AL	YES
MEDINA, NY	YES
MEMPHIS, TN	YES
MIDLOTHIAN, TX	YES
MILTON (CO2), WI	YES
MONROE, WI	YES

MOORELAND, OK	YES
NEVADA, IA	YES
NEW MARTINSVILLE, WV	YES
NIAGARA FALLS, NY	YES
OAK CREEK, WI	YES
ORLANDO, FL	YES
PACE, FL	YES
PARKERSBURG, WV	YES
PRYOR, OK	YES
PUYALLUP, WA	YES
REIDSVILLE, NC	YES
SHAKOPEE, MN	YES
SMITHVILLE, MO	YES
SPARROWS POINT, MD (Drivers)	YES
SUFFIELD, CT	YES
UNION CITY, IN	YES
YORK, NE	YES

AIR PRODUCTS AND CHEMICALS, INC., AND SUBSIDIARIES
COMPUTATION OF RATIOS OF EARNINGS TO FIXED CHARGES
(Unaudited)

(Millions of dollars)	Nine Months Ended 30 June 2013	Year Ended 30 September				
	2012	2011	2010	2009	2008	
Earnings:						
Income from continuing operations ⁽¹⁾	\$ 882.1	\$1,025.2	\$1,171.6	\$ 967.0	\$565.3	\$1,022.0
Add (deduct):						
Provision for income taxes	294.6	305.1	390.8	321.0	159.9	343.4
Fixed charges, excluding capitalized interest	125.5	146.7	139.4	146.3	147.8	186.7
Capitalized interest amortized during the period	7.2	9.5	9.0	8.7	7.7	6.6
Undistributed earnings of less-than-fifty percent-owned affiliates	<u>(41.5)</u>	<u>(54.5)</u>	<u>(38.9)</u>	<u>(29.2)</u>	<u>(44.2)</u>	<u>(72.7)</u>
Earnings, as adjusted	<u>\$ 1,267.9</u>	<u>\$1,432.0</u>	<u>\$1,671.9</u>	<u>\$1,413.8</u>	<u>\$836.5</u>	<u>\$1,486.0</u>
Fixed Charges:						
Interest on indebtedness, including capital lease obligations	\$ 106.9	\$ 116.0	\$ 113.6	\$ 121.8	\$125.1	\$ 164.4
Capitalized interest	20.0	31.4	23.4	14.5	22.2	27.3
Amortization of debt discount premium and expense	1.8	10.6	5.6	5.6	4.7	4.0
Portion of rents under operating leases representative of the interest factor	<u>16.8</u>	<u>20.1</u>	<u>20.2</u>	<u>18.9</u>	<u>18.0</u>	<u>18.3</u>
Fixed charges	<u>\$ 145.5</u>	<u>\$ 178.1</u>	<u>\$ 162.8</u>	<u>\$ 160.8</u>	<u>\$170.0</u>	<u>\$ 214.0</u>
Ratio of Earnings to Fixed Charges ⁽²⁾:	<u>8.7</u>	<u>8.0</u>	<u>10.3</u>	<u>8.8</u>	<u>4.9</u>	<u>6.9</u>

⁽¹⁾ Income from continuing operations includes charges associated with business restructuring and cost reduction plans of \$327.4 (\$222.4 after-tax) and \$298.2 (\$200.3 after-tax) for fiscal years ending 30 September 2012 and 2009, respectively.

⁽²⁾ The ratio of earnings to fixed charges is determined by dividing earnings, as adjusted, by fixed charges. Fixed charges consist of interest on all indebtedness plus that portion of operating lease rentals representative of the interest factor (deemed to be 21% of operating lease rentals).

PRINCIPAL EXECUTIVE OFFICER'S CERTIFICATION

I, John E. McGlade, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Air Products and Chemicals, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: 24 July 2013

/s/ John E. McGlade

John E. McGlade
President and Chief Executive Officer

PRINCIPAL FINANCIAL OFFICER'S CERTIFICATION

I, M. Scott Crocco, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Air Products and Chemicals, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: 24 July 2013

/s/ M. Scott Crocco

M. Scott Crocco
Senior Vice President and Chief Financial Officer

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Air Products and Chemicals, Inc. (the "Company") on Form 10-Q for the period ending 30 June 2013, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, John E. McGlade, Chief Executive Officer of the Company, and M. Scott Crocco, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: 24 July 2013

/s/ John E. McGlade

John E. McGlade
Chief Executive Officer

/s/ M. Scott Crocco

M. Scott Crocco
Chief Financial Officer